HLS 11RS-148 ENGROSSED

Regular Session, 2011

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HOUSE CONCURRENT RESOLUTION NO. 49

BY REPRESENTATIVE LIGI

CAMPAIGN FINANCE: Expresses the intent of the legislature regarding the definition of "person" for purposes of campaign finance

A CONCURRENT RESOLUTION

2	To express the intent of the legislature regarding the meaning of certain laws within the
3	jurisdiction of the Board of Ethics.
4	WHEREAS, in seeking to uphold the purpose of the Campaign Finance Disclosure
5	Act, the legislature established limits on the amount of campaign contributions which a
6	person or legal entity may make to certain classes of candidates; and
7	WHEREAS, the only way a candidate, a subsidiary committee of a candidate, or a
8	political committee may receive a contribution is if it is proffered by an individual or a duly
9	authorized legal entity; and
10	WHEREAS, the legislature defined "person" in the Campaign Finance Disclosure
11	Act to mean "any individual, partnership, limited liability company or corporation,
12	association, labor union, political committee, corporation, or other legal entity, including
13	their subsidiaries"; and
14	WHEREAS, the provisions of the definition of "person" in the Campaign Finance
15	Disclosure Act are clearly disjunctive and do not equate a legal entity wholly owned by one
16	individual with the individual controlling such entity; and
17	WHEREAS, the cannons of statutory interpretation direct that the plain meaning of
18	a word in a statute prevails over a more tortured meaning; and
19	WHEREAS, it has become apparent that there is confusion about the legislature's
20	intent in defining the term "person" in the Campaign Finance Disclosure Act and how such
21	definition relates to campaign contribution limits for persons and legal entities.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby

- 2 express, pursuant to R.S. 24:177(B)(2), its intent regarding R.S. 18:1505.2(H) that the
- 3 individual, a natural person, and a legal entity wholly owned by the individual, a juridical
- 4 person, are separate "persons" under the provisions of the Campaign Finance Disclosure Act
- 5 and that any wholly owned Subchapter S corporation or wholly owned limited liability
- 6 company may make a campaign contribution in its own right, and such contribution shall not
- 7 be aggregated with the campaign contribution of the owner of such legal entity.
- 8 BE IT FURTHER RESOLVED that copies of this Resolution be sent to each member
- 9 of the Board of Ethics, each member of the Ethics Adjudicatory Board, and the ethics
- 10 administrator.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Ligi HCR No. 49

<u>Present law</u> (R.S. 24:177(B)(2)) authorizes the legislature to express the intended meaning of a law in a duly adopted concurrent resolution, by the same vote and, except for gubernatorial veto and time limitations for introduction, according to the same procedures and formalities required for enactment of that law.

<u>Proposed resolution</u> expresses the intent of the legislature regarding R.S. 18:1505.2(H) that the individual, a natural person, and a legal entity wholly owned by the individual, a juridical person, are separate "persons" under the provisions of the Campaign Finance Disclosure Act and that any wholly owned Subchapter S corporation or wholly owned limited liability company may make a campaign contribution in its own right, and such contribution shall not be aggregated with the campaign contribution of the owner of such legal entity.

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on House and Governmental</u> <u>Affairs</u> to the <u>original</u> resolution.

- 1. Specifies that the wholly owned legal entities at issue in the resolution are those entities wholly owned by an individual who makes a campaign contribution.
- 2. States legislative intent as a requirement that contributions of legal entities wholly owned by one person not be aggregated with the contributions of the individual owning the company rather than as a recommendation.