

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Ethics and Elections

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BILL: SB 814

INTRODUCER: Senator Perry

SUBJECT: Disposition of Surplus Funds by Candidates

DATE: January 30, 2020

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Fox	Roberts	EE	<b>Pre-meeting</b>
2.			GO	
3.			RC	

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**I. Summary:**

SB 814 amends s. 106.141, F.S., regarding the disposition of surplus funds by candidates following elections. The bill places a limitation on the current charitable option for the disposition of surplus campaign funds. It prohibits a candidate from being employed by the charitable organization to which he or she donates the funds. Current law provides that a candidate failing to dispose of campaign funds to a charity in the manner prescribed by statute commits a first-degree misdemeanor.

The bill takes effect July 1, 2020.

**II. Present Situation:**

A candidate who withdraws his or her candidacy, becomes unopposed, or is eliminated or elected to office must dispose of surplus funds in his or her campaign account within 90 days and file a termination report reflecting the disposition of all remaining funds.<sup>1</sup> Florida law provides former candidates with 7 nonexclusive options for disposing of surplus funds:<sup>2</sup>

- Return funds *pro rata* to contributors;
- Give the funds as a charitable donation;
- Rebate up to \$25,000 to the candidate’s political party;
- Deposit funds to the General Revenue Fund of State (*state candidates*) or to the local political subdivision for the office the candidate is seeking to represent (*local candidates*);
- Purchase “thank you” advertising for up to 75 days;

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<sup>1</sup> Section 106.141, F.S.

<sup>2</sup> Sections 106.11(5) and 106.141(4)(a), F.S. Successful candidates have the additional option to transfer a certain amount of the surplus funds to an “office account,” to be used for “legitimate expenses in connection with the candidate’s public office.” Section 106.141(5), F.S. Candidates receiving public campaign financing must return *all* excess funds to the State General Revenue Fund after paying for any items for which the campaign was liable before withdrawing, becoming unopposed, or being eliminated or elected. Section 106.141(4)(b), F.S.

- Pay for items obligated before the candidate withdrew, became unopposed, or was eliminated or elected; and
- Pay for necessary expenses to close down the campaign office and prepare final reports.

The statutory language for the charitable donation option authorizes candidates to:

Donate the funds that have not been spent or obligated to a charitable organization or organizations that meet the requirements of s. 501(c)(3) of the Internal Revenue Code.<sup>3</sup>

Thus, the only limitation is that funds must be given to a 501(c)(3) organization(s).

Any candidate who fails to dispose of campaign funds to a charity in the manner provided by statute commits a first-degree misdemeanor.<sup>4</sup>

### III. Effect of Proposed Changes:

**Section 1** provides that, for charitable donations involving surplus campaign funds, the candidate may not be employed by the charitable organization to which he or she donates the funds. A candidate who violates this new restriction commits a first-degree misdemeanor.

**Section 2** provides that the bill takes effect July 1, 2020.

### IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

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<sup>3</sup> Section 106.141(4)(a)2., F.S.

<sup>4</sup> Section 106.141(11), F.S.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 106.141 of the Florida Statutes.

**IX. Additional Information:**

## A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

## B. Amendments:

None.