

Overview of Bill

The object of this Bill is to amend the *Election Funding, Expenditure and Disclosures Act 1981*:

- (a) to provide that electoral communication expenditure incurred by a party for a State election campaign is to be treated as expenditure that exceeds the applicable cap if that expenditure and any other electoral communication expenditure incurred by an affiliated organisation exceed the applicable cap for the party, and
- (b) to prohibit political donations from corporations or other entities.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Schedule 1 Principal amendments to Election Funding, Expenditure and Disclosures Act 1981 No 78

Schedule 1 [1] provides that electoral communication expenditure incurred by a party is to be treated as expenditure that exceeds the applicable cap if that expenditure and any other electoral communication expenditure incurred by an affiliated organisation exceed the applicable cap for the party. The applicable cap for the party is both the overall cap (generally \$100,000 multiplied by the number of Assembly electorates contested) and the separate cap for expenditure in each electorate (\$50,000). An **affiliated organisation** of a party means a body or other organisation, whether incorporated or unincorporated, that is authorised under the rules of that party to appoint delegates to the governing body of that party or to participate in pre-selection of candidates for that party (or both).

Schedule 1 [2] prohibits political donations from corporations or other entities so that political donations may only be made by individuals on the electoral roll. An offence is committed under section 96I of the Act if a donation from a corporation or other entity is accepted, if an individual makes a political donation on behalf of a corporation or an entity or if a corporation or other entity makes a gift to an individual for the purpose of the individual making a political donation. As a result of the amendments, it will be unlawful for a corporation or other entity (including an industrial organisation) to pay annual or other subscriptions to a party for affiliation with the party. The prohibition will not extend to transfers between branches of parties or between associated parties.

Schedule 2 Consequential amendments to Election Funding, Expenditure and Disclosures Act 1981 No 78

Schedule 2 [1]–[9] are minor amendments consequent on the prohibition on political donations from corporations and other entities made by Schedule 1 [2]. **Schedule 2 [10]** makes it clear that a person cannot be punished twice for an offence under the Act that constitutes a breach of the proposed prohibition on political donations by corporations and a breach of the existing prohibition on political donations by property developers and tobacco and liquor or gambling industry business entities, their directors and other associates.

Schedule 2 [11] enables savings and transitional regulations to be made as a consequence of the proposed Act. **Schedule 2 [12]** contains transitional provisions. The prohibition on political donations from corporations will apply to political donations made after the commencement of the proposed Act. The amendment relating to the aggregation of expenditure of parties and affiliated organisations will apply to elections held after the commencement of the proposed Act.