

**CAMPAIGN FINANCE AMENDMENTS**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kenneth W. Sumsion**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends campaign finance reporting requirements.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ modifies definitions;
- ▶ enacts campaign finance reporting requirements for counties and cities; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**20A-11-101**, as last amended by Laws of Utah 2010, Chapters 197, 246, and 389

ENACTS:

**20A-11-1701**, Utah Code Annotated 1953

**20A-11-1702**, Utah Code Annotated 1953

**20A-11-1703**, Utah Code Annotated 1953

**20A-11-1704**, Utah Code Annotated 1953



28 20A-11-1705, Utah Code Annotated 1953

29 20A-11-1706, Utah Code Annotated 1953



31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section 20A-11-101 is amended to read:

33 **20A-11-101. Definitions.**

34 As used in this chapter:

35 (1) "Address" means the number and street where an individual resides or where a  
36 reporting entity has its principal office.

37 (2) "Ballot proposition" includes initiatives, referenda, proposed constitutional  
38 amendments, and any other ballot propositions submitted to the voters that are authorized by  
39 the Utah Code Annotated 1953.

40 (3) "Candidate" means any person who:

41 (a) files a declaration of candidacy for a public office; or

42 (b) receives contributions, makes expenditures, or gives consent for any other person to  
43 receive contributions or make expenditures to bring about the person's nomination or election  
44 to a public office.

45 (4) "Chief election officer" means:

46 (a) the lieutenant governor for state office candidates, legislative office candidates,  
47 officeholders, political parties, political action committees, corporations, political issues  
48 committees, state school board candidates, judges, county candidates, and labor organizations,  
49 as defined in Section 20A-11-1501; and

50 (b) the county clerk for local school board candidates and municipality candidates.

51 (5) (a) "Contribution" means any of the following when done for political purposes:

52 (i) a gift, subscription, donation, loan, advance, or deposit of money or anything of  
53 value given to the filing entity;

54 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,  
55 subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or  
56 anything of value to the filing entity;

57 (iii) any transfer of funds from another reporting entity to the filing entity;

58 (iv) compensation paid by any person or reporting entity other than the filing entity for

59 personal services provided without charge to the filing entity;  
60 (v) remuneration from:  
61 (A) any organization or its directly affiliated organization that has a registered lobbyist;  
62 or  
63 (B) any agency or subdivision of the state, including school districts; and  
64 (vi) goods or services provided to or for the benefit of the filing entity at less than fair  
65 market value.  
66 (b) "Contribution" does not include:  
67 (i) services provided without compensation by individuals volunteering a portion or all  
68 of their time on behalf of the filing entity;  
69 (ii) money lent to the filing entity by a financial institution in the ordinary course of  
70 business; or  
71 (iii) goods or services provided for the benefit of a candidate or political party at less  
72 than fair market value that are not authorized by or coordinated with the candidate or political  
73 party.  
74 (6) "Coordinated with" means that goods or services provided for the benefit of a  
75 candidate or political party are provided:  
76 (a) with the candidate's or political party's prior knowledge, if the candidate or political  
77 party does not object;  
78 (b) by agreement with the candidate or political party;  
79 (c) in coordination with the candidate or political party; or  
80 (d) using official logos, slogans, and similar elements belonging to a candidate or  
81 political party.  
82 (7) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business  
83 organization that is registered as a corporation or is authorized to do business in a state and  
84 makes any expenditure from corporate funds for:  
85 (i) the purpose of expressly advocating for political purposes; or  
86 (ii) the purpose of expressly advocating the approval or the defeat of any ballot  
87 proposition.  
88 (b) "Corporation" does not mean:  
89 (i) a business organization's political action committee or political issues committee; or

90 (ii) a business entity organized as a partnership or a sole proprietorship.

91 (8) (a) "County office" means an elected office of a county.

92 (b) "County office" does not include a school board office.

93 (9) "County office candidate" means a person who:

94 (a) files a declaration of candidacy for a county office; or

95 (b) receives contributions, makes expenditures, or gives consent for any other person to  
96 receive contributions or make expenditures to bring about the person's nomination or election  
97 to a county office.

98 [~~8~~] (10) "Detailed listing" means:

99 (a) for each contribution or public service assistance:

100 (i) the name and address of the individual or source making the contribution or public  
101 service assistance;

102 (ii) the amount or value of the contribution or public service assistance; and

103 (iii) the date the contribution or public service assistance was made; and

104 (b) for each expenditure:

105 (i) the amount of the expenditure;

106 (ii) the person or entity to whom it was disbursed;

107 (iii) the specific purpose, item, or service acquired by the expenditure; and

108 (iv) the date the expenditure was made.

109 [~~9~~] (11) "Election" means each:

110 (a) regular general election;

111 (b) regular primary election; and

112 (c) special election at which candidates are eliminated and selected.

113 [~~10~~] (12) "Electioneering communication" means a communication that:

114 (a) has at least a value of \$10,000;

115 (b) clearly identifies a candidate or judge; and

116 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising  
117 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly  
118 identified candidate's or judge's election date.

119 [~~11~~] (13) (a) "Expenditure" means:

120 (i) any disbursement from contributions, receipts, or from the separate bank account

121 required by this chapter;

122 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,  
123 or anything of value made for political purposes;

124 (iii) an express, legally enforceable contract, promise, or agreement to make any  
125 purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of  
126 value for political purposes;

127 (iv) compensation paid by a filing entity for personal services rendered by a person  
128 without charge to a reporting entity;

129 (v) a transfer of funds between the filing entity and a candidate's personal campaign  
130 committee; or

131 (vi) goods or services provided by the filing entity to or for the benefit of another  
132 reporting entity for political purposes at less than fair market value.

133 (b) "Expenditure" does not include:

134 (i) services provided without compensation by individuals volunteering a portion or all  
135 of their time on behalf of a reporting entity;

136 (ii) money lent to a reporting entity by a financial institution in the ordinary course of  
137 business; or

138 (iii) anything listed in Subsection [~~(11)~~] (13)(a) that is given by a reporting entity to  
139 candidates for office or officeholders in states other than Utah.

140 [~~(12)~~] (14) "Filing entity" means the reporting entity that is required to file a financial  
141 statement required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

142 [~~(13)~~] (15) "Financial statement" includes any summary report, interim report, verified  
143 financial statement, or other statement disclosing contributions, expenditures, receipts,  
144 donations, or disbursements that is required by this chapter or Chapter 12, Part 2, Judicial  
145 Retention Elections.

146 [~~(14)~~] (16) "Governing board" means the individual or group of individuals that  
147 determine the candidates and committees that will receive expenditures from a political action  
148 committee, political party, or corporation.

149 [~~(15)~~] (17) "Incorporation" means the process established by Title 10, Chapter 2, Part  
150 1, Incorporation, by which a geographical area becomes legally recognized as a city or town.

151 [~~(16)~~] (18) "Incorporation election" means the election authorized by Section 10-2-111.

152            [~~(17)~~] (19) "Incorporation petition" means a petition authorized by Section 10-2-109.

153            [~~(18)~~] (20) "Individual" means a natural person.

154            [~~(19)~~] (21) "Interim report" means a report identifying the contributions received and  
155 expenditures made since the last report.

156            [~~(20)~~] (22) "Legislative office" means the office of state senator, state representative,  
157 speaker of the House of Representatives, president of the Senate, and the leader, whip, and  
158 assistant whip of any party caucus in either house of the Legislature.

159            [~~(21)~~] (23) "Legislative office candidate" means a person who:

160            (a) files a declaration of candidacy for the office of state senator or state representative;

161            (b) declares oneself to be a candidate for, or actively campaigns for, the position of  
162 speaker of the House of Representatives, president of the Senate, or the leader, whip, and  
163 assistant whip of any party caucus in either house of the Legislature; or

164            (c) receives contributions, makes expenditures, or gives consent for any other person to  
165 receive contributions or make expenditures to bring about the person's nomination or election  
166 to a legislative office.

167            (24) (a) "Municipality office" means an elected office of a municipality.

168            (b) "Municipality office" does not include a school board office.

169            (25) "Municipality office candidate" means a person who:

170            (a) files a declaration of candidacy for a municipality office; or

171            (b) receives contributions, makes expenditures, or gives consent for any other person to  
172 receive contributions or make expenditures to bring about the person's nomination or election  
173 to a municipality office.

174            [~~(22)~~] (26) "Officeholder" means a person who holds a public office.

175            [~~(23)~~] (27) "Party committee" means any committee organized by or authorized by the  
176 governing board of a registered political party.

177            [~~(24)~~] (28) "Person" means both natural and legal persons, including individuals,  
178 business organizations, personal campaign committees, party committees, political action  
179 committees, political issues committees, and labor organizations, as defined in Section  
180 20A-11-1501.

181            [~~(25)~~] (29) "Personal campaign committee" means the committee appointed by a  
182 candidate to act for the candidate as provided in this chapter.

183            [~~26~~] (30) "Personal use expenditure" has the same meaning as provided under Section  
184 20A-11-104.

185            [~~27~~] (31) (a) "Political action committee" means an entity, or any group of  
186 individuals or entities within or outside this state, a major purpose of which is to:

187            (i) solicit or receive contributions from any other person, group, or entity for political  
188 purposes; or

189            (ii) make expenditures to expressly advocate for any person to refrain from voting or to  
190 vote for or against any candidate or person seeking election to a municipal or county office.

191            (b) "Political action committee" includes groups affiliated with a registered political  
192 party but not authorized or organized by the governing board of the registered political party  
193 that receive contributions or makes expenditures for political purposes.

194            (c) "Political action committee" does not mean:

195            (i) a party committee;

196            (ii) any entity that provides goods or services to a candidate or committee in the regular  
197 course of its business at the same price that would be provided to the general public;

198            (iii) an individual;

199            (iv) individuals who are related and who make contributions from a joint checking  
200 account;

201            (v) a corporation, except a corporation a major purpose of which is to act as a political  
202 action committee; or

203            (vi) a personal campaign committee.

204            [~~28~~] (32) "Political convention" means a county or state political convention held by  
205 a registered political party to select candidates.

206            [~~29~~] (33) (a) "Political issues committee" means an entity, or any group of individuals  
207 or entities within or outside this state, a major purpose of which is to:

208            (i) solicit or receive donations from any other person, group, or entity to assist in  
209 placing a ballot proposition on the ballot, assist in keeping a ballot proposition off the ballot, or  
210 to advocate that a voter refrain from voting or vote for or vote against any ballot proposition;

211            (ii) make expenditures to expressly advocate for any person to sign or refuse to sign a  
212 ballot proposition or incorporation petition or refrain from voting, vote for, or vote against any  
213 proposed ballot proposition or an incorporation in an incorporation election; or

214 (iii) make expenditures to assist in qualifying or placing a ballot proposition on the  
215 ballot or to assist in keeping a ballot proposition off the ballot.

216 (b) "Political issues committee" does not mean:

217 (i) a registered political party or a party committee;

218 (ii) any entity that provides goods or services to an individual or committee in the  
219 regular course of its business at the same price that would be provided to the general public;

220 (iii) an individual;

221 (iv) individuals who are related and who make contributions from a joint checking  
222 account; or

223 (v) a corporation, except a corporation a major purpose of which is to act as a political  
224 issues committee.

225 [~~30~~] (34) (a) "Political issues contribution" means any of the following:

226 (i) a gift, subscription, unpaid or partially unpaid loan, advance, or deposit of money or  
227 anything of value given to a political issues committee;

228 (ii) an express, legally enforceable contract, promise, or agreement to make a political  
229 issues donation to influence the approval or defeat of any ballot proposition;

230 (iii) any transfer of funds received by a political issues committee from a reporting  
231 entity;

232 (iv) compensation paid by another reporting entity for personal services rendered  
233 without charge to a political issues committee; and

234 (v) goods or services provided to or for the benefit of a political issues committee at  
235 less than fair market value.

236 (b) "Political issues contribution" does not include:

237 (i) services provided without compensation by individuals volunteering a portion or all  
238 of their time on behalf of a political issues committee; or

239 (ii) money lent to a political issues committee by a financial institution in the ordinary  
240 course of business.

241 [~~31~~] (35) (a) "Political issues expenditure" means any of the following:

242 (i) any payment from political issues contributions made for the purpose of influencing  
243 the approval or the defeat of:

244 (A) a ballot proposition; or

- 245 (B) an incorporation petition or incorporation election;
- 246 (ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for
- 247 the express purpose of influencing the approval or the defeat of:
- 248 (A) a ballot proposition; or
- 249 (B) an incorporation petition or incorporation election;
- 250 (iii) an express, legally enforceable contract, promise, or agreement to make any
- 251 political issues expenditure;
- 252 (iv) compensation paid by a reporting entity for personal services rendered by a person
- 253 without charge to a political issues committee; or
- 254 (v) goods or services provided to or for the benefit of another reporting entity at less
- 255 than fair market value.
- 256 (b) "Political issues expenditure" does not include:
- 257 (i) services provided without compensation by individuals volunteering a portion or all
- 258 of their time on behalf of a political issues committee; or
- 259 (ii) money lent to a political issues committee by a financial institution in the ordinary
- 260 course of business.
- 261 [~~(32)~~] (36) "Political purposes" means an act done with the intent or in a way to
- 262 influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote
- 263 for or against any candidate or a person seeking a municipal or county office at any caucus,
- 264 political convention, or election.
- 265 [~~(33)~~] (37) "Primary election" means any regular primary election held under the
- 266 election laws.
- 267 [~~(34)~~] (38) "Public office" means the office of governor, lieutenant governor, state
- 268 auditor, state treasurer, attorney general, state or local school board member, political
- 269 subdivision office, state senator, state representative, speaker of the House of Representatives,
- 270 president of the Senate, and the leader, whip, and assistant whip of any party caucus in either
- 271 house of the Legislature.
- 272 [~~(35)~~] (39) (a) "Public service assistance" means the following when given or provided
- 273 to an officeholder to defray the costs of functioning in a public office or aid the officeholder to
- 274 communicate with the officeholder's constituents:
- 275 (i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of

276 money or anything of value to an officeholder; or

277 (ii) goods or services provided at less than fair market value to or for the benefit of the  
278 officeholder.

279 (b) "Public service assistance" does not include:

280 (i) anything provided by the state;

281 (ii) services provided without compensation by individuals volunteering a portion or all  
282 of their time on behalf of an officeholder;

283 (iii) money lent to an officeholder by a financial institution in the ordinary course of  
284 business;

285 (iv) news coverage or any publication by the news media; or

286 (v) any article, story, or other coverage as part of any regular publication of any  
287 organization unless substantially all the publication is devoted to information about the  
288 officeholder.

289 ~~[(36)]~~ (40) "Publicly identified class of individuals" means a group of 50 or more  
290 individuals sharing a common occupation, interest, or association that contribute to a political  
291 action committee or political issues committee and whose names can be obtained by contacting  
292 the political action committee or political issues committee upon whose financial statement the  
293 individuals are listed.

294 ~~[(37)]~~ (41) "Receipts" means contributions and public service assistance.

295 ~~[(38)]~~ (42) "Registered lobbyist" means a person registered under Title 36, Chapter 11,  
296 Lobbyist Disclosure and Regulation Act.

297 ~~[(39)]~~ (43) "Registered political action committee" means any political action  
298 committee that is required by this chapter to file a statement of organization with the lieutenant  
299 governor's office.

300 ~~[(40)]~~ (44) "Registered political issues committee" means any political issues  
301 committee that is required by this chapter to file a statement of organization with the lieutenant  
302 governor's office.

303 ~~[(41)]~~ (45) "Registered political party" means an organization of voters that:

304 (a) participated in the last regular general election and polled a total vote equal to 2%  
305 or more of the total votes cast for all candidates for the United States House of Representatives  
306 for any of its candidates for any office; or

307 (b) has complied with the petition and organizing procedures of Chapter 8, Political  
308 Party Formation and Procedures.

309 [~~(42)~~] (46) (a) "Remuneration" means a payment:

310 (i) made to a legislator for the period the Legislature is in session; and

311 (ii) that is approximately equivalent to an amount a legislator would have earned  
312 during the period the Legislature is in session in the legislator's ordinary course of business.

313 (b) "Remuneration" does not mean anything of economic value given to a legislator by:

314 (i) the legislator's primary employer in the ordinary course of business; or

315 (ii) a person or entity in the ordinary course of business:

316 (A) because of the legislator's ownership interest in the entity; or

317 (B) for services rendered by the legislator on behalf of the person or entity.

318 [~~(43)~~] (47) "Reporting entity" means a candidate, a candidate's personal campaign

319 committee, a judge, a judge's personal campaign committee, an officeholder, a party

320 committee, a political action committee, a political issues committee, a corporation, or a labor

321 organization, as defined in Section 20A-11-1501.

322 [~~(44)~~] (48) "School board office" means the office of state school board or local school  
323 board.

324 [~~(45)~~] (49) (a) "Source" means the person or entity that is the legal owner of the  
325 tangible or intangible asset that comprises the contribution.

326 (b) "Source" means, for political action committees and corporations, the political  
327 action committee and the corporation as entities, not the contributors to the political action  
328 committee or the owners or shareholders of the corporation.

329 [~~(46)~~] (50) "State office" means the offices of governor, lieutenant governor, attorney  
330 general, state auditor, and state treasurer.

331 [~~(47)~~] (51) "State office candidate" means a person who:

332 (a) files a declaration of candidacy for a state office; or

333 (b) receives contributions, makes expenditures, or gives consent for any other person to  
334 receive contributions or make expenditures to bring about the person's nomination or election  
335 to a state office.

336 [~~(48)~~] (52) "Summary report" means the year end report containing the summary of a  
337 reporting entity's contributions and expenditures.

338 [(49)] (53) "Supervisory board" means the individual or group of individuals that  
339 allocate expenditures from a political issues committee.

340 Section 2. Section 20A-11-1701 is enacted to read:

341 **Part 17. County or Municipality Office Candidates Act**

342 **20A-11-1701. Title.**

343 This part is known as the "County or Municipality Office Candidates Act."

344 Section 3. Section 20A-11-1702 is enacted to read:

345 **20A-11-1702. County or municipality office candidate -- Campaign requirements.**

346 (1) (a) Each county office candidate or municipality office candidate shall deposit each  
347 contribution and public service assistance received in one or more separate accounts in a  
348 financial institution that are dedicated only to that purpose.

349 (b) A county office candidate or municipality office candidate may not use money  
350 deposited in an account described in Subsection (1)(a) for:

351 (i) a personal use expenditure; or

352 (ii) an expenditure prohibited by law.

353 (2) A county office candidate or municipality office candidate may not deposit or  
354 mingle any contributions or public service assistance received into a personal or business  
355 account.

356 (3) A county office candidate or municipality office candidate may not make any  
357 political expenditures prohibited by law.

358 (4) If a person who is no longer a county office candidate or municipality office  
359 candidate chooses not to expend the money remaining in a campaign account, the person shall  
360 continue to file the year-end summary report required by Section 20A-11-1703 until the  
361 statement of dissolution and final summary report required by Section 20A-11-1705 are filed  
362 with the:

363 (a) lieutenant governor, in the case of a county office candidate; or

364 (b) county clerk, in the case of a municipality office candidate.

365 (5) (a) Except as provided in Subsection (5)(b) and Section 20A-11-402, a person who  
366 is no longer a county office candidate or municipality office candidate may not expend or  
367 transfer the money in a campaign account in a manner that would cause the former county  
368 office candidate or municipality office candidate to recognize the money as taxable income

369 under federal tax law.

370 (b) A person who is no longer a county office candidate or municipality office  
371 candidate may transfer the money in a campaign account in a manner that would cause the  
372 former county office candidate or municipality office candidate to recognize the money as  
373 taxable income under federal tax law if the transfer is made to a campaign account for federal  
374 office.

375 (6) (a) As used in this Subsection (6) and Section 20A-11-1704, "received" means:

376 (i) for a cash contribution, that the cash is given to a county office candidate or  
377 municipality office candidate or a member of the candidate's personal campaign committee;

378 (ii) for a contribution that is a negotiable instrument or check, that the negotiable  
379 instrument or check is negotiated; and

380 (iii) for any other type of contribution, that any portion of the contribution's benefit  
381 inures to the county office candidate or municipality office candidate.

382 (b) Each county office candidate or municipality office candidate shall report to the  
383 chief election officer each contribution and public service assistance within 30 days after the  
384 contribution or public service assistance is received.

385 Section 4. Section **20A-11-1703** is enacted to read:

386 **20A-11-1703. County office candidate or municipality office candidate --**

387 **Financial reporting requirements -- Year-end summary report.**

388 (1) (a) Each county office candidate or municipality office candidate shall file a  
389 summary report:

390 (i) by January 10 of the year after the regular general election year for a candidate for  
391 an elected office of a county; or

392 (ii) by January 10 of the year after the municipal general election year for a candidate  
393 for an elected office of a municipality.

394 (b) In addition to the requirements of Subsection (1)(a), a former county office  
395 candidate or municipality office candidate who has not filed the statement of dissolution and  
396 final summary report required under Section 20A-11-1705 shall continue to file a summary  
397 report on January 10 of each year.

398 (2) (a) Each summary report shall include the following information as of December 31  
399 of the previous year:

- 400 (i) the net balance of the last financial statement, if any;  
401 (ii) a single figure equal to the total amount of receipts reported on all interim reports,  
402 if any, during the previous year;  
403 (iii) a single figure equal to the total amount of expenditures reported on all interim  
404 reports, if any, filed during the previous year;  
405 (iv) a detailed listing of each receipt, contribution, and public service assistance since  
406 the last summary report that has not been reported in detail on an interim report;  
407 (v) for each nonmonetary contribution:  
408 (A) the fair market value of the contribution with that information provided by the  
409 contributor; and  
410 (B) a specific description of the contribution;  
411 (vi) a detailed listing of each expenditure made since the last summary report that has  
412 not been reported in detail on an interim report;  
413 (vii) for each nonmonetary expenditure, the fair market value of the expenditure; and  
414 (viii) a net balance for the year consisting of the net balance from the last summary  
415 report, if any, plus all receipts minus all expenditures.  
416 (b) (i) For all individual contributions or public service assistance of \$50 or less, a  
417 single aggregate figure may be reported without separate detailed listings.  
418 (ii) Two or more contributions from the same source that have an aggregate total of  
419 more than \$50 may not be reported in the aggregate, but shall be reported separately.  
420 (c) In preparing the report, all receipts and expenditures shall be reported as of  
421 December 31 of the previous year.  
422 (d) A check or negotiable instrument received by a county office candidate or  
423 municipality office candidate on or before December 31 of the previous year shall be included  
424 in the summary report.  
425 (3) The county office candidate or municipality office candidate shall certify in the  
426 summary report that, to the best of the county office candidate's or municipality office  
427 candidate's knowledge, all receipts and all expenditures have been reported as of December 31  
428 of the previous year and that there are no bills or obligations outstanding and unpaid except as  
429 set forth in that report.  
430 Section 5. Section **20A-11-1704** is enacted to read:

431 20A-11-1704. County office candidate or municipality office candidate --  
432 **Financial reporting requirements -- Interim reports.**

433 (1) Each county office candidate or municipality office candidate shall file an interim  
434 report at the following times in any year in which the candidate has filed a declaration of  
435 candidacy for a public office:

436 (a) for a candidate for an elected office of a county:  
437 (i) seven days before the candidate's political convention;  
438 (ii) seven days before the regular primary election date;  
439 (iii) August 31; and  
440 (iv) seven days before the regular general election date; or

441 (b) for a candidate for an elected office of a municipality:  
442 (i) August 15;  
443 (ii) seven days before the municipal primary election date; and  
444 (iii) seven days before the municipal general election date.

445 (2) Each interim report shall include the following information:

446 (a) the net balance of the last summary report, if any;  
447 (b) a single figure equal to the total amount of receipts reported on all prior interim  
448 reports, if any, during the calendar year in which the interim report is due;

449 (c) a single figure equal to the total amount of expenditures reported on all prior  
450 interim reports, if any, filed during the calendar year in which the interim report is due;

451 (d) a detailed listing of each contribution and public service assistance received since  
452 the last summary report that has not been reported in detail on a prior interim report;

453 (e) for each nonmonetary contribution:

454 (i) the fair market value of the contribution with that information provided by the  
455 contributor; and

456 (ii) a specific description of the contribution;

457 (f) a detailed listing of each expenditure made since the last summary report that has  
458 not been reported in detail on a prior interim report;

459 (g) for each nonmonetary expenditure, the fair market value of the expenditure;

460 (h) a net balance for the year consisting of the net balance from the last summary  
461 report, if any, plus all receipts since the last summary report minus all expenditures since the

462 last summary report; and

463 (i) a summary page in the form required by the lieutenant governor that identifies:

464 (i) beginning balance;

465 (ii) total contributions during the period since the last statement;

466 (iii) total contributions to date;

467 (iv) total expenditures during the period since the last statement; and

468 (v) total expenditures to date.

469 (3) (a) For all individual contributions or public service assistance of \$50 or less, a  
470 single aggregate figure may be reported without separate detailed listings.

471 (b) Two or more contributions from the same source that have an aggregate total of  
472 more than \$50 may not be reported in the aggregate, but shall be reported separately.

473 (4) (a) In preparing each interim report, all receipts and expenditures shall be reported  
474 as of five days before the required filing date of the report.

475 (b) Any negotiable instrument or check received by a county office candidate or  
476 municipality office candidate more than five days before the required filing date of a report  
477 required by this section shall be included in the interim report.

478 Section 6. Section **20A-11-1705** is enacted to read:

479 **20A-11-1705. County office candidate or municipality office candidate --**

480 **Financial reporting requirements -- Termination of duty to report.**

481 (1) Each county office candidate or municipality office candidate is subject to interim  
482 reporting requirements until the candidate withdraws or is eliminated in a primary.

483 (2) Each county office candidate or municipality office candidate is subject to year-end  
484 summary reporting requirements until the candidate has filed a statement of dissolution with  
485 the lieutenant governor stating that:

486 (a) the county office candidate or municipality office candidate is no longer receiving  
487 contributions and is no longer making expenditures;

488 (b) the ending balance on the last summary report filed is zero and the balance in the  
489 separate bank account required in Section 20A-11-1702 is zero; and

490 (c) a final summary report, in the form required by Section 20A-11-1703, showing a  
491 zero balance is attached to the statement of dissolution.

492 (3) A statement of dissolution and a final summary report may be filed at any time.

493 (4) Each county office candidate or municipality office candidate shall continue to file  
494 the year-end summary report required by Section 20A-11-1703 until the statement of  
495 dissolution and final summary report required by this section are filed.

496 Section 7. Section **20A-11-1706** is enacted to read:

497 **20A-11-1706. County office candidate or municipality office candidate -- Failure**  
498 **to file statement -- Penalties.**

499 (1) (a) If a county office candidate or municipality office candidate fails to file an  
500 interim report as required by Section 20A-11-1704, the chief election officer shall, after  
501 making a reasonable attempt to discover if the report was timely filed:

502 (i) inform the county clerk and other appropriate election officials who:

503 (A) shall, if practicable, remove the name of the candidate from the ballots before the  
504 ballots are delivered to voters, or, if removing the candidate's name from the ballot is not  
505 practicable, inform the voters by any practicable method that the candidate has been  
506 disqualified and that votes cast for the candidate will not be counted; and

507 (B) may not count any votes for that candidate; and

508 (ii) impose a fine against the filing entity in accordance with Section 20A-11-1005.

509 (b) Any county office candidate or municipality office candidate who fails to file  
510 timely a financial statement required by this part is disqualified and the vacancy on the ballot  
511 may be filled as provided in Chapter 1, Part 5, Candidate Vacancies and Vacancies in Elected  
512 Offices.

513 (c) Notwithstanding Subsections (1)(a) and (b), a county office candidate or  
514 municipality office candidate is not disqualified and the chief election officer may not impose a  
515 fine if:

516 (i) the candidate timely files the reports required by this section in accordance with  
517 Section 20A-11-103;

518 (ii) those reports are completed, detailing accurately and completely the information  
519 required by this part except for inadvertent omissions or insignificant errors or inaccuracies;  
520 and

521 (iii) those omissions, errors, or inaccuracies described in Subsection (1)(c)(ii) are  
522 corrected in:

523 (A) an amended report; or

524 (B) the next scheduled report.

525 (2) (a) Within 30 days after a deadline for the filing of a summary report by a county  
526 office candidate, the lieutenant governor shall review each filed summary report to ensure that:

527 (i) each county office candidate who is required to file a summary report has filed one;

528 and

529 (ii) each summary report contains the information required by this part.

530 (b) If it appears that any county office candidate has failed to file the summary report  
531 required by law, if it appears that a filed summary report does not conform to the law, or if the  
532 lieutenant governor has received a written complaint alleging a violation of the law or the  
533 falsity of any summary report, the lieutenant governor shall, within five days of discovery of a  
534 violation or receipt of a written complaint, notify the county office candidate of the violation or  
535 written complaint and direct the county office candidate to file a summary report correcting the  
536 problem.

537 (c) (i) It is unlawful for any county office candidate to fail to file or amend a summary  
538 report within 14 days after receiving notice from the lieutenant governor under this section.

539 (ii) Each county office candidate who violates Subsection (2)(c)(i) is guilty of a class B  
540 misdemeanor.

541 (iii) The lieutenant governor shall report all violations of Subsection (2)(c)(i) to the  
542 attorney general.

543 (3) (a) Within 30 days after a deadline for the filing of a summary report by a  
544 municipality office candidate, the county clerk shall review each filed summary report to  
545 ensure that:

546 (i) each municipality office candidate who is required to file a summary report has filed  
547 one; and

548 (ii) each summary report contains the information required by this part.

549 (b) If it appears that any municipality office candidate has failed to file the summary  
550 report required by law, if it appears that a filed summary report does not conform to the law, or  
551 if the county clerk has received a written complaint alleging a violation of the law or the falsity  
552 of any summary report, the county clerk shall, within five days of discovery of a violation or  
553 receipt of a written complaint, notify the municipality office candidate of the violation or  
554 written complaint and direct the municipality office candidate to file a summary report

555 correcting the problem.

556 (c) (i) It is unlawful for any municipality office candidate to fail to file or amend a  
557 summary report within 14 days after receiving notice from the county clerk under this section.

558 (ii) Each municipality office candidate who violates Subsection (3)(c)(i) is guilty of a  
559 class B misdemeanor.

560 (iii) The county clerk shall report all violations of Subsection (3)(c)(i) to the district or  
561 county attorney.

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**Legislative Review Note**  
as of 2-23-11 12:13 PM

**Office of Legislative Research and General Counsel**

# FISCAL NOTE

H.B. 278

SHORT TITLE: Campaign Finance Amendments

SPONSOR: Sumsion, K.

2011 GENERAL SESSION, STATE OF UTAH

## STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill will cost the Lt. Governor's Office \$15,000 one-time from the General Fund in FY 2012 for reprogramming the financial disclosure website, and \$197,000 ongoing from the General Fund starting in FY 2012 for personnel.

### STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue	\$0	\$0	\$0
Expenditure:			
General Fund	\$0	\$197,000	\$197,000
General Fund, One-Time	\$0	\$15,000	\$0
Total Expenditure	\$0	\$212,000	\$197,000
Net Impact, All Funds (Rev.-Exp.)	\$0	(\$212,000)	(\$197,000)
Net Impact, General/Education Funds	\$0	(\$212,000)	(\$197,000)

## LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

## DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.