

**Representative Kraig Powell** proposes the following substitute bill:

**CAMPAIGN CONTRIBUTIONS AMENDMENTS**

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kraig Powell**

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

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**LONG TITLE**

**General Description:**

This bill amends provisions of the Election Code relating to campaign contributions.

**Highlighted Provisions:**

This bill:

- ▶ requires the lieutenant governor to maintain, on the lieutenant governor's website, a database of reporting entities, principals, and lobbyists; and

- ▶ requires a detailed listing in a financial report to include a statement indicating whether the individual or source making a contribution is a reporting entity, principal, or lobbyist.

**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 2012, Chapter 230

ENACTS:

**20A-11-105**, Utah Code Annotated 1953



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

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

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

As used in this chapter:

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

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

(3) "Candidate" means any person who:

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

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

(4) "Chief election officer" means:

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

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

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

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

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

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

(iv) compensation paid by any person or reporting entity other than the filing entity for personal services provided without charge to the filing entity;

(v) remuneration from:

57 (A) any organization or its directly affiliated organization that has a registered lobbyist;

58 or

59 (B) any agency or subdivision of the state, including school districts; and

60 (vi) goods or services provided to or for the benefit of the filing entity at less than fair  
61 market value.

62 (b) "Contribution" does not include:

63 (i) services provided without compensation by individuals volunteering a portion or all  
64 of their time on behalf of the filing entity;

65 (ii) money lent to the filing entity by a financial institution in the ordinary course of  
66 business; or

67 (iii) goods or services provided for the benefit of a candidate or political party at less  
68 than fair market value that are not authorized by or coordinated with the candidate or political  
69 party.

70 (6) "Coordinated with" means that goods or services provided for the benefit of a  
71 candidate or political party are provided:

72 (a) with the candidate's or political party's prior knowledge, if the candidate or political  
73 party does not object;

74 (b) by agreement with the candidate or political party;

75 (c) in coordination with the candidate or political party; or

76 (d) using official logos, slogans, and similar elements belonging to a candidate or  
77 political party.

78 (7) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business  
79 organization that is registered as a corporation or is authorized to do business in a state and  
80 makes any expenditure from corporate funds for:

81 (i) the purpose of expressly advocating for political purposes; or

82 (ii) the purpose of expressly advocating the approval or the defeat of any ballot  
83 proposition.

84 (b) "Corporation" does not mean:

85 (i) a business organization's political action committee or political issues committee; or

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

87 (8) "County political party" means, for each registered political party, all of the persons

88 within a single county who, under definitions established by the political party, are members of  
89 the registered political party.

90 (9) "County political party officer" means a person whose name is required to be  
91 submitted by a county political party to the lieutenant governor in accordance with Section  
92 20A-8-402.

93 (10) "Detailed listing" means:

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

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

97 (ii) if a reporting entity has actual knowledge or imputed knowledge, as described in  
98 Section 20A-11-105, that the individual or source making the contribution or service is any of  
99 the following, a statement indicating which of the following the individual or source is:

100 (A) a reporting entity;

101 (B) a principal, as defined in Section 36-11-102; or

102 (C) a lobbyist, as defined in Section 36-11-102;

103 [~~(ii)~~] (iii) the amount or value of the contribution or public service assistance; and

104 [~~(iii)~~] (iv) the date the contribution or public service assistance was made; and

105 (b) for each expenditure:

106 (i) the amount of the expenditure;

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

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

109 (iv) the date the expenditure was made.

110 (11) "Election" means each:

111 (a) regular general election;

112 (b) regular primary election; and

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

114 (12) "Electioneering communication" means a communication that:

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

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

117 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising  
118 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly

119 identified candidate's or judge's election date.

120 (13) (a) "Expenditure" means:

121 (i) any disbursement from contributions, receipts, or from the separate bank account  
122 required by this chapter;

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

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

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

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

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

134 (b) "Expenditure" does not include:

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

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

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

141 (14) "Federal office" means the office of President of the United States, United States  
142 Senator, or United States Representative.

143 (15) "Filing entity" means the reporting entity that is required to file a financial  
144 statement required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

145 (16) "Financial statement" includes any summary report, interim report, verified  
146 financial statement, or other statement disclosing contributions, expenditures, receipts,  
147 donations, or disbursements that is required by this chapter or Chapter 12, Part 2, Judicial  
148 Retention Elections.

149 (17) "Governing board" means the individual or group of individuals that determine the

150 candidates and committees that will receive expenditures from a political action committee,  
151 political party, or corporation.

152 (18) "Incorporation" means the process established by Title 10, Chapter 2, Part 1,  
153 Incorporation, by which a geographical area becomes legally recognized as a city or town.

154 (19) "Incorporation election" means the election authorized by Section 10-2-111.

155 (20) "Incorporation petition" means a petition authorized by Section 10-2-109.

156 (21) "Individual" means a natural person.

157 (22) "Interim report" means a report identifying the contributions received and  
158 expenditures made since the last report.

159 (23) "Legislative office" means the office of state senator, state representative, speaker  
160 of the House of Representatives, president of the Senate, and the leader, whip, and assistant  
161 whip of any party caucus in either house of the Legislature.

162 (24) "Legislative office candidate" means a person who:

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

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

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

170 (25) "Officeholder" means a person who holds a public office.

171 (26) "Party committee" means any committee organized by or authorized by the  
172 governing board of a registered political party.

173 (27) "Person" means both natural and legal persons, including individuals, business  
174 organizations, personal campaign committees, party committees, political action committees,  
175 political issues committees, and labor organizations, as defined in Section 20A-11-1501.

176 (28) "Personal campaign committee" means the committee appointed by a candidate to  
177 act for the candidate as provided in this chapter.

178 (29) "Personal use expenditure" has the same meaning as provided under Section  
179 20A-11-104.

180 (30) (a) "Political action committee" means an entity, or any group of individuals or

181 entities within or outside this state, a major purpose of which is to:

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

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

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

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

190 (i) a party committee;

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

193 (iii) an individual;

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

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

198 (vi) a personal campaign committee.

199 (31) "Political convention" means a county or state political convention held by a  
200 registered political party to select candidates.

201 (32) (a) "Political issues committee" means an entity, or any group of individuals or  
202 entities within or outside this state, a major purpose of which is to:

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

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

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

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

- 212 (i) a registered political party or a party committee;
- 213 (ii) any entity that provides goods or services to an individual or committee in the
- 214 regular course of its business at the same price that would be provided to the general public;
- 215 (iii) an individual;
- 216 (iv) individuals who are related and who make contributions from a joint checking
- 217 account; or
- 218 (v) a corporation, except a corporation a major purpose of which is to act as a political
- 219 issues committee.
- 220 (33) (a) "Political issues contribution" means any of the following:
- 221 (i) a gift, subscription, unpaid or partially unpaid loan, advance, or deposit of money or
- 222 anything of value given to a political issues committee;
- 223 (ii) an express, legally enforceable contract, promise, or agreement to make a political
- 224 issues donation to influence the approval or defeat of any ballot proposition;
- 225 (iii) any transfer of funds received by a political issues committee from a reporting
- 226 entity;
- 227 (iv) compensation paid by another reporting entity for personal services rendered
- 228 without charge to a political issues committee; and
- 229 (v) goods or services provided to or for the benefit of a political issues committee at
- 230 less than fair market value.
- 231 (b) "Political issues contribution" does not include:
- 232 (i) services provided without compensation by individuals volunteering a portion or all
- 233 of their time on behalf of a political issues committee; or
- 234 (ii) money lent to a political issues committee by a financial institution in the ordinary
- 235 course of business.
- 236 (34) (a) "Political issues expenditure" means any of the following:
- 237 (i) any payment from political issues contributions made for the purpose of influencing
- 238 the approval or the defeat of:
- 239 (A) a ballot proposition; or
- 240 (B) an incorporation petition or incorporation election;
- 241 (ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for
- 242 the express purpose of influencing the approval or the defeat of:

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

- 274 (i) anything provided by the state;
- 275 (ii) services provided without compensation by individuals volunteering a portion or all  
276 of their time on behalf of an officeholder;
- 277 (iii) money lent to an officeholder by a financial institution in the ordinary course of  
278 business;
- 279 (iv) news coverage or any publication by the news media; or
- 280 (v) any article, story, or other coverage as part of any regular publication of any  
281 organization unless substantially all the publication is devoted to information about the  
282 officeholder.

283 (39) "Publicly identified class of individuals" means a group of 50 or more individuals  
284 sharing a common occupation, interest, or association that contribute to a political action  
285 committee or political issues committee and whose names can be obtained by contacting the  
286 political action committee or political issues committee upon whose financial statement the  
287 individuals are listed.

288 (40) "Receipts" means contributions and public service assistance.

289 (41) "Registered lobbyist" means a person registered under Title 36, Chapter 11,  
290 Lobbyist Disclosure and Regulation Act.

291 (42) "Registered political action committee" means any political action committee that  
292 is required by this chapter to file a statement of organization with the lieutenant governor's  
293 office.

294 (43) "Registered political issues committee" means any political issues committee that  
295 is required by this chapter to file a statement of organization with the lieutenant governor's  
296 office.

297 (44) "Registered political party" means an organization of voters that:

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

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

303 (45) (a) "Remuneration" means a payment:

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

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

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

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

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

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

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

312 (46) "Reporting entity" means a candidate, a candidate's personal campaign committee,  
313 a judge, a judge's personal campaign committee, an officeholder, a party committee, a political  
314 action committee, a political issues committee, a corporation, or a labor organization, as  
315 defined in Section 20A-11-1501.

316 (47) "School board office" means the office of state school board or local school board.

317 (48) (a) "Source" means the person or entity that is the legal owner of the tangible or  
318 intangible asset that comprises the contribution.

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

322 (49) "State office" means the offices of governor, lieutenant governor, attorney general,  
323 state auditor, and state treasurer.

324 (50) "State office candidate" means a person who:

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

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

329 (51) "Summary report" means the year end report containing the summary of a  
330 reporting entity's contributions and expenditures.

331 (52) "Supervisory board" means the individual or group of individuals that allocate  
332 expenditures from a political issues committee.

333 Section 2. Section **20A-11-105** is enacted to read:

334 **20A-11-105. Database of reporting entities, principals, and lobbyists.**

335 **(1) Beginning on July 1, 2013, the lieutenant governor shall maintain on the lieutenant**

336 governor's website a database, searchable by category and name, of each reporting entity,  
337 principal, and lobbyist.

338 (2) The lieutenant governor shall:

339 (a) ensure that the database described in Subsection (1) is accessible from a  
340 conspicuous link on the home page of the lieutenant governor's website; and

341 (b) keep a record of the day on which the lieutenant governor adds each reporting  
342 entity, principal, or lobbyist to the website.

343 (3) A reporting entity has imputed knowledge that an individual or source is a reporting  
344 entity, principal, or lobbyist beginning on the day after the day on which that information is  
345 added to the database described in Subsection (1).