

Senator Wayne A. Harper proposes the following substitute bill:

POLITICAL ACTIVITY AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill amends provisions of the Election Code and the Lobbyist Disclosure and Regulation Act relating to reporting obligations of reporting entities and lobbyists.

Highlighted Provisions:

This bill:

- defines and amends terms; and
- modifies requirements relating to reporting by a corporation or a 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 2014, Chapters 18, 158, and 337

20A-11-601, as last amended by Laws of Utah 2011, Chapter 347

20A-11-701, as last amended by Laws of Utah 2013, Chapters 318 and 420

20A-11-702, as last amended by Laws of Utah 2013, Chapters 318 and 420

20A-11-703, as last amended by Laws of Utah 2013, Chapter 420



26 **20A-11-704**, as enacted by Laws of Utah 2006, Chapter 226
27 **20A-11-801**, as last amended by Laws of Utah 2008, Chapter 225
28 **20A-11-1004**, as enacted by Laws of Utah 1995, Chapter 1
29 **36-11-201**, as last amended by Laws of Utah 2010, Chapter 325

30 ENACTS:

31 **20A-11-705**, Utah Code Annotated 1953



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

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

35 **20A-11-101. Definitions.**

36 As used in this chapter:

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

39 (2) "Agent of a reporting entity" means:

40 (a) a person acting on behalf of a reporting entity at the direction of the reporting
41 entity;

42 (b) a person employed by a reporting entity in the reporting entity's capacity as a
43 reporting entity;

44 (c) the personal campaign committee of a candidate or officeholder;

45 (d) a member of the personal campaign committee of a candidate or officeholder in the
46 member's capacity as a member of the personal campaign committee of the candidate or
47 officeholder; or

48 (e) a political consultant of a reporting entity.

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

52 (4) "Business expenditure" means any money paid out by a corporation, regardless of
53 whether the money:

54 (a) is for a normal business expense;

55 (b) is an expenditure, as defined in this section;

56 (c) is paid out for political purposes, as defined in this section;

57 (d) is a political issues expenditure, as defined in this section; or

58 (e) is paid out for any other purpose.

59 [~~(4)~~] (5) "Candidate" means any person who:

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

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

64 [~~(5)~~] (6) "Chief election officer" means:

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

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

70 [~~(6)~~] (7) (a) "Contribution" means any of the following when done for political
71 purposes:

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

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

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

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

80 (v) remuneration from:

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

82 or

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

84 (vi) a loan made by a candidate deposited to the candidate's own campaign; and

85 (vii) in-kind contributions.

86 (b) "Contribution" does not include:

87 (i) services provided by individuals volunteering a portion or all of their time on behalf

88 of the filing entity if the services are provided without compensation by the filing entity or any
89 other person;

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

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

95 ~~[(7)]~~ (8) "Coordinated with" means that goods or services provided for the benefit of a
96 candidate or political party are provided:

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

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

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

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

103 ~~[(8)]~~ (9) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business
104 organization that is registered as a corporation or is authorized to do business in a state and
105 makes any expenditure from corporate funds for:

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

107 (ii) the purpose of expressly advocating the approval or the defeat of any ballot
108 proposition.

109 (b) "Corporation" does not mean:

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

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

112 ~~[(9)]~~ (10) "County political party" means, for each registered political party, all of the
113 persons within a single county who, under definitions established by the political party, are
114 members of the registered political party.

115 ~~[(10)]~~ (11) "County political party officer" means a person whose name is required to
116 be submitted by a county political party to the lieutenant governor in accordance with Section
117 [20A-8-402](#).

118 ~~[(11)]~~ (12) "Detailed listing" means:

- 119 (a) for each contribution or public service assistance:
- 120 (i) the name and address of the individual or source making the contribution or public
- 121 service assistance;
- 122 (ii) the amount or value of the contribution or public service assistance; and
- 123 (iii) the date the contribution or public service assistance was made; and
- 124 (b) for each expenditure:
- 125 (i) the amount of the expenditure;
- 126 (ii) the person or entity to whom it was disbursed;
- 127 (iii) the specific purpose, item, or service acquired by the expenditure; and
- 128 (iv) the date the expenditure was made.

129 ~~[(12)]~~ (13) (a) "Donor," as it relates to a political purpose corporation, means a person
130 that gives money, including a fee, due, or assessment for membership in the corporation, to a
131 corporation without receiving full and adequate consideration for the money.

132 (b) "Donor," as it relates to a political purpose corporation, does not include a person
133 that signs a statement that the corporation may not use the money for an expenditure or
134 political issues expenditure.

135 ~~[(13)]~~ (14) "Election" means each:

- 136 (a) regular general election;
- 137 (b) regular primary election; and
- 138 (c) special election at which candidates are eliminated and selected.

139 ~~[(14)]~~ (15) "Electioneering communication" means a communication that:

- 140 (a) has at least a value of \$10,000;
- 141 (b) clearly identifies a candidate or judge; and
- 142 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising
143 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly
144 identified candidate's or judge's election date.

145 ~~[(15)]~~ (16) (a) "Expenditure" means any of the following made by a reporting entity or
146 an agent of a reporting entity on behalf of the reporting entity:

- 147 (i) any disbursement from contributions, receipts, or from the separate bank account
148 required by this chapter;
- 149 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,

150 or anything of value made for political purposes;

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

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

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

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

160 (b) "Expenditure" does not include:

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

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

165 (iii) anything listed in Subsection [~~(15)~~] (16)(a) that is given by a reporting entity to
166 candidates for office or officeholders in states other than Utah.

167 [~~(16)~~] (17) "Federal office" means the office of president of the United States, United
168 States Senator, or United States Representative.

169 [~~(17)~~] (18) "Filing entity" means the reporting entity that is required to file a financial
170 statement required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

171 [~~(18)~~] (19) "Financial statement" includes any summary report, interim report, verified
172 financial statement, or other statement disclosing contributions, expenditures, receipts,
173 donations, or disbursements that is required by this chapter or Chapter 12, Part 2, Judicial
174 Retention Elections.

175 [~~(19)~~] (20) "Governing board" means the individual or group of individuals that
176 determine the candidates and committees that will receive expenditures from a political action
177 committee, political party, or corporation.

178 [~~(20)~~] (21) "Incorporation" means the process established by Title 10, Chapter 2, Part
179 1, Incorporation, by which a geographical area becomes legally recognized as a city or town.

180 [~~(21)~~] (22) "Incorporation election" means the election authorized by Section 10-2-111

181 or 10-2-127.

182 ~~[(22)]~~ (23) "Incorporation petition" means a petition authorized by Section 10-2-109 or
183 10-2-125.

184 ~~[(23)]~~ (24) "Individual" means a natural person.

185 ~~[(24)]~~ (25) "In-kind contribution" means anything of value, other than money, that is
186 accepted by or coordinated with a filing entity.

187 ~~[(25)]~~ (26) "Interim report" means a report identifying the contributions received and
188 expenditures made since the last report.

189 ~~[(26)]~~ (27) "Legislative office" means the office of state senator, state representative,
190 speaker of the House of Representatives, president of the Senate, and the leader, whip, and
191 assistant whip of any party caucus in either house of the Legislature.

192 ~~[(27)]~~ (28) "Legislative office candidate" means a person who:

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

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

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

200 ~~[(28)]~~ (29) "Major political party" means either of the two registered political parties
201 that have the greatest number of members elected to the two houses of the Legislature.

202 ~~[(29)]~~ (30) "Officeholder" means a person who holds a public office.

203 ~~[(30)]~~ (31) "Party committee" means any committee organized by or authorized by the
204 governing board of a registered political party.

205 ~~[(31)]~~ (32) "Person" means both natural and legal persons, including individuals,
206 business organizations, personal campaign committees, party committees, political action
207 committees, political issues committees, and labor organizations, as defined in Section
208 20A-11-1501.

209 ~~[(32)]~~ (33) "Personal campaign committee" means the committee appointed by a
210 candidate to act for the candidate as provided in this chapter.

211 ~~[(33)]~~ (34) "Personal use expenditure" has the same meaning as provided under Section

212 20A-11-104.

213 [~~34~~] (35) (a) "Political action committee" means an entity, or any group of
214 individuals or entities within or outside this state, a major purpose of which is to:

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

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

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

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

223 (i) a party committee;

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

226 (iii) an individual;

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

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

231 (vi) a personal campaign committee.

232 [~~35~~] (36) (a) "Political consultant" means a person who is paid by a reporting entity,
233 or paid by another person on behalf of and with the knowledge of the reporting entity, to
234 provide political advice to the reporting entity.

235 (b) "Political consultant" includes a circumstance described in Subsection [~~35~~]
236 (36)(a), where the person:

237 (i) has already been paid, with money or other consideration;

238 (ii) expects to be paid in the future, with money or other consideration; or

239 (iii) understands that the person may, in the discretion of the reporting entity or another
240 person on behalf of and with the knowledge of the reporting entity, be paid in the future, with
241 money or other consideration.

242 [~~36~~] (37) "Political convention" means a county or state political convention held by

243 a registered political party to select candidates.

244 [~~(37)~~] (38) (a) "Political issues committee" means an entity, or any group of individuals
245 or entities within or outside this state, a major purpose of which is to:

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

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

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

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

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

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

258 (iii) an individual;

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

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

263 [~~(38)~~] (39) (a) "Political issues contribution" means any of the following:

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

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

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

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

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

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

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

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

279 ~~[(39)]~~ (40) (a) "Political issues expenditure" means any of the following when made by
280 a political issues committee or on behalf of a political issues committee by an agent of the
281 reporting entity:

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

284 (A) a ballot proposition; or

285 (B) an incorporation petition or incorporation election;

286 (ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for
287 the express purpose of influencing the approval or the defeat of:

288 (A) a ballot proposition; or

289 (B) an incorporation petition or incorporation election;

290 (iii) an express, legally enforceable contract, promise, or agreement to make any
291 political issues expenditure;

292 (iv) compensation paid by a reporting entity for personal services rendered by a person
293 without charge to a political issues committee; or

294 (v) goods or services provided to or for the benefit of another reporting entity at less
295 than fair market value.

296 (b) "Political issues expenditure" does not include:

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

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

301 (41) "Political purpose corporation" means a corporation that makes, or is organized
302 with the intention of making, expenditures, political issues expenditures, or in-kind
303 contributions with a combined value that exceeds 50% of the corporation's business
304 expenditures.

305 ~~[(40)]~~ (42) "Political purposes" means an act done with the intent or in a way to
306 influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote
307 for or against any candidate or a person seeking a municipal or county office at any caucus,
308 political convention, or election.

309 ~~[(41)]~~ (43) (a) "Poll" means the survey of a person regarding the person's opinion or
310 knowledge of an individual who has filed a declaration of candidacy for public office, or of a
311 ballot proposition that has legally qualified for placement on the ballot, which is conducted in
312 person or by telephone, facsimile, Internet, postal mail, or email.

313 (b) "Poll" does not include:

314 (i) a ballot; or

315 (ii) an interview of a focus group that is conducted, in person, by one individual, if:

316 (A) the focus group consists of more than three, and less than thirteen, individuals; and

317 (B) all individuals in the focus group are present during the interview.

318 ~~[(42)]~~ (44) "Primary election" means any regular primary election held under the
319 election laws.

320 (45) "Publicly identified class of individuals" means a group of 50 or more individuals
321 sharing a common occupation, interest, or association that contribute to a political action
322 committee or political issues committee and whose names can be obtained by contacting the
323 political action committee or political issues committee upon whose financial statement the
324 individuals are listed.

325 ~~[(43)]~~ (46) "Public office" means the office of governor, lieutenant governor, state
326 auditor, state treasurer, attorney general, state school board member, state senator, state
327 representative, speaker of the House of Representatives, president of the Senate, and the leader,
328 whip, and assistant whip of any party caucus in either house of the Legislature.

329 ~~[(44)]~~ (47) (a) "Public service assistance" means the following when given or provided
330 to an officeholder to defray the costs of functioning in a public office or aid the officeholder to
331 communicate with the officeholder's constituents:

332 (i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of
333 money or anything of value to an officeholder; or

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

336 (b) "Public service assistance" does not include:
337 (i) anything provided by the state;
338 (ii) services provided without compensation by individuals volunteering a portion or all
339 of their time on behalf of an officeholder;
340 (iii) money lent to an officeholder by a financial institution in the ordinary course of
341 business;
342 (iv) news coverage or any publication by the news media; or
343 (v) any article, story, or other coverage as part of any regular publication of any
344 organization unless substantially all the publication is devoted to information about the
345 officeholder.

346 [~~46~~] (48) "Receipts" means contributions and public service assistance.

347 [~~47~~] (49) "Registered lobbyist" means a person registered under Title 36, Chapter 11,
348 Lobbyist Disclosure and Regulation Act.

349 [~~48~~] (50) "Registered political action committee" means any political action
350 committee that is required by this chapter to file a statement of organization with the Office of
351 the Lieutenant Governor.

352 [~~49~~] (51) "Registered political issues committee" means any political issues
353 committee that is required by this chapter to file a statement of organization with the Office of
354 the Lieutenant Governor.

355 [~~50~~] (52) "Registered political party" means an organization of voters that:

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

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

361 [~~51~~] (53) (a) "Remuneration" means a payment:

362 (i) made to a legislator for the period the Legislature is in session; and
363 (ii) that is approximately equivalent to an amount a legislator would have earned
364 during the period the Legislature is in session in the legislator's ordinary course of business.

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

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

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

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

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

370 [~~(52)~~] (54) "Reporting entity" means a candidate, a candidate's personal campaign
371 committee, a judge, a judge's personal campaign committee, an officeholder, a party
372 committee, a political action committee, a political issues committee, a political purpose
373 corporation, or a labor organization, as defined in Section 20A-11-1501.

374 [~~(53)~~] (55) "School board office" means the office of state school board.

375 [~~(54)~~] (56) (a) "Source" means the person or entity that is the legal owner of the
376 tangible or intangible asset that comprises the contribution.

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

380 [~~(55)~~] (57) "State office" means the offices of governor, lieutenant governor, attorney
381 general, state auditor, and state treasurer.

382 [~~(56)~~] (58) "State office candidate" means a person who:

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

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

387 [~~(57)~~] (59) "Summary report" means the year end report containing the summary of a
388 reporting entity's contributions and expenditures.

389 [~~(58)~~] (60) "Supervisory board" means the individual or group of individuals that
390 allocate expenditures from a political issues committee.

391 Section 2. Section 20A-11-601 is amended to read:

392 **20A-11-601. Political action committees -- Registration -- Criminal penalty for**
393 **providing false information or accepting unlawful contribution.**

394 (1) (a) Each political action committee shall file a statement of organization with the
395 lieutenant governor's office by January 10 of each year, unless the political action committee
396 has filed a notice of dissolution under Subsection (4).

397 (b) If a political action committee is organized after the January 10 filing date, the

398 political action committee shall file an initial statement of organization no later than seven days
399 after:

400 (i) receiving contributions totaling at least \$750; or

401 (ii) distributing expenditures for political purposes totaling at least \$50.

402 (2) (a) Each political action committee shall designate two officers who have primary
403 decision-making authority for the political action committee.

404 (b) A person may not exercise primary decision-making authority for a political action
405 committee who is not designated under Subsection (2)(a).

406 (3) The statement of organization shall include:

407 (a) the name and address of the political action committee;

408 (b) the name, street address, phone number, occupation, and title of the two primary
409 officers designated under Subsection (2)(a);

410 (c) the name, street address, occupation, and title of all other officers of the political
411 action committee;

412 (d) the name and street address of the organization, individual corporation, association,
413 unit of government, or union that the political action committee represents, if any;

414 (e) the name and street address of all affiliated or connected organizations and their
415 relationships to the political action committee;

416 (f) the name, street address, business address, occupation, and phone number of the
417 committee's treasurer or chief financial officer; and

418 (g) the name, street address, and occupation of each member of the governing and
419 advisory boards, if any.

420 (4) (a) Any registered political action committee that intends to permanently cease
421 operations shall file a notice of dissolution with the lieutenant governor's office.

422 (b) Any notice of dissolution filed by a political action committee does not exempt that
423 political action committee from complying with the financial reporting requirements of this
424 chapter.

425 (5) (a) Unless the political action committee has filed a notice of dissolution under
426 Subsection (4), a political action committee shall file, with the lieutenant governor's office,
427 notice of any change of an officer described in Subsection (2)(a).

428 (b) Notice of a change of a primary officer described in Subsection (2)(a) shall:

429 (i) be filed within 10 days of the date of the change; and

430 (ii) contain the name and title of the officer being replaced, and the name, street
431 address, occupation, and title of the new officer.

432 (6) (a) A person is guilty of providing false information in relation to a political action
433 committee if the person intentionally or knowingly gives false or misleading material
434 information in the statement of organization or the notice of change of primary officer.

435 (b) Each primary officer designated in Subsection (2)(a) is guilty of accepting an
436 unlawful contribution if the political action committee knowingly or recklessly accepts a
437 contribution from a political purpose corporation that:

438 (i) was organized less than 90 days before the date of the general election; and

439 (ii) at the time the political action committee accepts the contribution, has failed to file
440 a statement of organization with the lieutenant governor's office as required by Section
441 [20A-11-704](#).

442 (c) A violation of this Subsection (6) is a third degree felony.

443 Section 3. Section **20A-11-701** is amended to read:

444 **20A-11-701. Campaign financial reporting by political purpose corporations --**
445 **Filing requirements -- Statement contents -- Donor reporting and notification required.**

446 (1) (a) Each political purpose corporation [~~that has made expenditures for political~~
447 ~~purposes that total at least \$750 during a calendar year~~] shall file a verified financial statement
448 with the lieutenant governor's office:

449 (i) on January 10, reporting expenditures as of December 31 of the previous year;

450 (ii) seven days before the state political convention for each major political party;

451 (iii) seven days before the regular primary election date;

452 (iv) on August 31; and

453 (v) seven days before the regular general election date.

454 (b) The political purpose corporation shall report:

455 (i) a detailed listing of all expenditures made since the last financial statement;

456 (ii) for financial statements filed under Subsections (1)(a)(ii) through (v), all
457 expenditures as of five days before the required filing date of the financial statement; and

458 (iii) whether the political purpose corporation, including an officer of the political
459 purpose corporation, director of the political purpose corporation, or person with at least 10%

460 ownership in the political purpose corporation:

461 (A) has bid since the last financial statement on a contract, as defined in Section
462 63G-6a-103, in excess of \$100,000;

463 (B) is currently bidding on a contract, as defined in Section 63G-6a-103, in excess of
464 \$100,000; or

465 (C) is a party to a contract, as defined in Section 63G-6a-103, in excess of \$100,000.

466 (c) The political purpose corporation need not file a financial statement under this
467 section if the political purpose corporation made no expenditures during the reporting period.

468 (2) The financial statement shall include:

469 (a) the name and address of each reporting entity that received an expenditure from the
470 political purpose corporation, and the amount of each expenditure;

471 (b) the total amount of expenditures disbursed by the political purpose corporation:

472 (i) since the last financial statement; and

473 (ii) during the calendar year;

474 (c) (i) a statement that the political purpose corporation did not receive any money
475 from any donor during the calendar year or the previous calendar year that the political purpose
476 corporation has not reported in a previous financial statement; or

477 (ii) a report, described in Subsection (3), of the money received from donors during the
478 calendar year or the previous calendar year that the political purpose corporation has not
479 reported in a previous financial statement; and

480 (d) a statement by the corporation's treasurer or chief financial officer certifying the
481 accuracy of the financial statement.

482 (3) (a) The report required by Subsection (2)(c)(ii) shall include:

483 (i) the name and address of each donor;

484 (ii) the amount of the money received by the political purpose corporation from each
485 donor; and

486 (iii) the date on which the political purpose corporation received the money.

487 (b) A political purpose corporation shall report money received from donors in the
488 following order:

489 (i) first, beginning with the least recent date on which the political purpose corporation
490 received money that the political purpose corporation has not reported in a previous financial

491 statement, the money received from a donor that:

492 (A) requests that the political purpose corporation use the money to make an
493 expenditure;

494 (B) gives the money to the political purpose corporation in response to a solicitation
495 indicating the political purpose corporation's intent to make an expenditure; or

496 (C) knows that the political purpose corporation may use the money to make an
497 expenditure; and

498 (ii) second, divide the difference between the total amount of expenditures made since
499 the last financial statement and the total amount of money reported under Subsection (3)(b)(i)
500 on a proration basis between all donors that:

501 (A) are not described in Subsection (3)(b)(i);

502 (B) gave at least \$50 during the calendar year or previous calendar year; and

503 (C) have not been reported in a previous financial statement.

504 (c) If the amount reported under Subsection (3)(b) is less than the total amount of
505 expenditures made since the last financial statement, the financial statement shall contain a
506 statement that the political purpose corporation has reported all donors that gave money, and all
507 money received by donors, during the calendar year or previous calendar year that the political
508 purpose corporation has not reported in a previous financial statement.

509 (d) The political purpose corporation shall indicate on the financial statement that the
510 amount attributed to each donor under Subsection (3)(b)(ii) is only an estimate.

511 (e) (i) For all individual donations of \$50 or less, the political purpose corporation may
512 report a single aggregate figure without separate detailed listings.

513 (ii) The political purpose corporation:

514 (A) may not report in the aggregate two or more donations from the same source that
515 have an aggregate total of more than \$50; and

516 (B) shall separately report donations described in Subsection (3)(e)(ii)(A).

517 (4) [~~If a corporation makes expenditures that total at least \$750 during a calendar year,~~
518 ~~the~~] A political purpose corporation shall notify a person giving money to the political purpose
519 corporation that:

520 (a) the political purpose corporation may use the money to make an expenditure; and

521 (b) the person's name and address may be disclosed on the political purpose

522 corporation's financial statement.

523 Section 4. Section **20A-11-702** is amended to read:

524 **20A-11-702. Campaign financial reporting of political issues expenditures by**
525 **political purpose corporations -- Financial reporting -- Donor reporting and notification**
526 **required.**

527 (1) (a) Each political purpose corporation that has made political issues expenditures
528 on current or proposed ballot issues [~~that total at least \$750~~] during a calendar year shall file a
529 verified financial statement with the lieutenant governor's office:

530 (i) on January 10, reporting expenditures as of December 31 of the previous year;

531 (ii) seven days before the state political convention of each major political party;

532 (iii) seven days before the regular primary election date;

533 (iv) on August 31; and

534 (v) seven days before the regular general election date.

535 (b) The political purpose corporation shall report:

536 (i) a detailed listing of all expenditures made since the last financial statement; and

537 (ii) for financial statements under Subsections (1)(a)(ii) through (v), expenditures as of
538 five days before the required filing date of the financial statement.

539 (c) The political purpose corporation need not file a statement under this section if it
540 made no expenditures during the reporting period.

541 (2) That statement shall include:

542 (a) the name and address of each individual, entity, or group of individuals or entities
543 that received a political issues expenditure of more than \$50 from the political purpose
544 corporation, and the amount of each political issues expenditure;

545 (b) the total amount of political issues expenditures disbursed by the political purpose
546 corporation:

547 (i) since the last financial statement; and

548 (ii) during the calendar year;

549 (c) (i) a statement that the political purpose corporation did not receive any money
550 from any donor during the calendar year or the previous calendar year that the corporation has
551 not reported in a previous financial statement; or

552 (ii) a report, described in Subsection (3), of the money received from donors during the

553 calendar year or the previous calendar year that the political purpose corporation has not
554 reported in a previous financial statement; and

555 (d) a statement by the political purpose corporation's treasurer or chief financial officer
556 certifying the accuracy of the verified financial statement.

557 (3) (a) The report required by Subsection (2)(c)(ii) shall include:

558 (i) the name and address of each donor;

559 (ii) the amount of the money received by the political purpose corporation from each
560 donor; and

561 (iii) the date on which the political purpose corporation received the money.

562 (b) A political purpose corporation shall report money received from donors in the
563 following order:

564 (i) first, beginning with the least recent date on which the political purpose corporation
565 received money that has not been reported in a previous financial statement, the money
566 received from a donor that:

567 (A) requests that the political purpose corporation use the money to make a political
568 issues expenditure;

569 (B) gives the money to the political purpose corporation in response to a solicitation
570 indicating the corporation's intent to make a political issues expenditure; or

571 (C) knows that the political purpose corporation may use the money to make a political
572 issues expenditure; and

573 (ii) second, divide the difference between the total amount of political issues
574 expenditures made since the last financial statement and the total amount of money reported
575 under Subsection (3)(b)(i) on a proration basis between all donors that:

576 (A) are not described in Subsection (3)(b)(i);

577 (B) gave at least \$50 during the calendar year or previous calendar year; and

578 (C) have not been reported in a previous financial statement.

579 (c) If the amount reported under Subsection (3)(b) is less than the total amount of
580 political issues expenditures made since the last financial statement, the financial statement
581 shall contain a statement that the corporation has reported all donors that gave money, and all
582 money received by donors, during the calendar year or previous calendar year that the
583 corporation has not reported in a previous financial statement.

584 (d) The political purpose corporation shall indicate on the financial statement that the
585 amount attributed to each donor under Subsection (3)(b)(ii) is only an estimate.

586 (e) (i) For all individual donations of \$50 or less, the political purpose corporation may
587 report a single aggregate figure without separate detailed listings.

588 (ii) The political purpose corporation:

589 (A) may not report in the aggregate two or more donations from the same source that
590 have an aggregate total of more than \$50; and

591 (B) shall separately report donations described in Subsection (3)(e)(ii)(A).

592 (4) If a political purpose corporation makes political issues expenditures [~~that total at~~
593 ~~least \$750~~] during a calendar year, the political purpose corporation shall notify a person giving
594 money to the corporation that:

595 (a) the political purpose corporation may use the money to make a political issues
596 expenditure; and

597 (b) the person's name and address may be disclosed on the political purpose
598 corporation's financial statement.

599 Section 5. Section **20A-11-703** is amended to read:

600 **20A-11-703. Criminal penalties -- Fines.**

601 (1) Within 30 days after a deadline for the filing of any statement required by this part,
602 the lieutenant governor shall review each filed statement to ensure that:

603 (a) each political purpose corporation that is required to file a statement has filed one;
604 and

605 (b) each statement contains the information required by this part.

606 (2) If it appears that any political purpose corporation has failed to file any statement, if
607 it appears that a filed statement does not conform to the law, or if the lieutenant governor has
608 received a written complaint alleging a violation of the law or the falsity of any statement, the
609 lieutenant governor shall:

610 (a) impose a fine against the political purpose corporation in accordance with Section
611 [20A-11-1005](#); and

612 (b) within five days of discovery of a violation or receipt of a written complaint, notify
613 the political purpose corporation of the violation or written complaint and direct the political
614 purpose corporation to file a statement correcting the problem.

615 (3) (a) It is unlawful for any political purpose corporation to fail to file or amend a
616 statement within seven days after receiving notice from the lieutenant governor under this
617 section.

618 (b) Each political purpose corporation that violates Subsection (3)(a) is guilty of a class
619 B misdemeanor.

620 (c) The lieutenant governor shall report all violations of Subsection (3)(a) to the
621 attorney general.

622 (d) In addition to the criminal penalty described in Subsection (3)(b), the lieutenant
623 governor shall impose a civil fine of \$1,000 against a political purpose corporation that violates
624 Subsection (3)(a).

625 Section 6. Section **20A-11-704** is amended to read:

626 **20A-11-704. Statement of organization required for certain new political purpose**
627 **corporations.**

628 (1) A political purpose corporation that is incorporated, organized, or otherwise created
629 less than 90 days before the date of a general election shall file a statement of organization with
630 the lieutenant governor's office before making a contribution to a political action committee or
631 a political issues committee in association with the election.

632 (2) The statement of organization shall include:

633 (a) the name and street address of the political purpose corporation;

634 (b) the name, street address, phone number, occupation, and title of one or more
635 individuals that have primary decision-making authority for the political purpose corporation;

636 (c) the name, street address, phone number, occupation, and title of the political
637 purpose corporation's chief financial officer;

638 (d) the name, street address, occupation, and title of all other officers or managers of
639 the political purpose corporation; and

640 (e) the name, street address, and occupation of each member of the political purpose
641 corporation's governing and advisory boards, if any.

642 Section 7. Section **20A-11-705** is enacted to read:

643 **20A-11-705. Notice of in-kind contributions.**

644 (1) A corporation that makes an in-kind contribution to a reporting entity shall, within
645 seven days after the day on which the corporation makes the in-kind contribution, provide the

646 reporting entity a written notice that includes:

647 (a) the name and address of the corporation;

648 (b) the date of the in-kind expenditure;

649 (c) a description of the in-kind expenditure; and

650 (d) the value, in dollars, of the in-kind expenditure.

651 (2) A corporation that provides, and a reporting entity that receives, the written notice
652 described in Subsection (1) shall retain a copy of the notice for five years after the day on
653 which the written notice is provided to the reporting entity.

654 (3) A corporation or reporting entity that fails to comply with the requirements of this
655 section is guilty of a class B misdemeanor.

656 (4) A person that intentionally or knowingly provides, or conspires to provide, false
657 information on a written notice described in this section is guilty of a class B misdemeanor.

658 Section 8. Section **20A-11-801** is amended to read:

659 **20A-11-801. Political issues committees -- Registration -- Criminal penalty for**
660 **providing false information or accepting unlawful contribution.**

661 (1) (a) Each political issues committee shall file a statement of organization with the
662 lieutenant governor's office by January 10 of each year, unless the political issues committee
663 has filed a notice of dissolution under Subsection (4).

664 (b) If a political issues committee is organized after the January 10 filing date, the
665 political issues committee shall file an initial statement of organization no later than seven days
666 after:

667 (i) receiving political issues contributions totaling at least \$750; or

668 (ii) disbursing political issues expenditures totaling at least \$50.

669 (2) Each political issues committee shall designate two officers that have primary
670 decision-making authority for the political issues committee.

671 (3) The statement of organization shall include:

672 (a) the name and street address of the political issues committee;

673 (b) the name, street address, phone number, occupation, and title of the two primary
674 officers designated under Subsection (2);

675 (c) the name, street address, occupation, and title of all other officers of the political
676 issues committee;

677 (d) the name and street address of the organization, individual, corporation,
678 association, unit of government, or union that the political issues committee represents, if any;

679 (e) the name and street address of all affiliated or connected organizations and their
680 relationships to the political issues committee;

681 (f) the name, street address, business address, occupation, and phone number of the
682 committee's treasurer or chief financial officer;

683 (g) the name, street address, and occupation of each member of the supervisory and
684 advisory boards, if any; and

685 (h) the ballot proposition whose outcome they wish to affect, and whether they support
686 or oppose it.

687 (4) (a) Any registered political issues committee that intends to permanently cease
688 operations during a calendar year shall file a notice of dissolution with the lieutenant governor's
689 office.

690 (b) Any notice of dissolution filed by a political issues committee does not exempt that
691 political issues committee from complying with the financial reporting requirements of this
692 chapter.

693 (5) (a) Unless the political issues committee has filed a notice of dissolution under
694 Subsection (4), a political issues committee shall file, with the lieutenant governor's office,
695 notice of any change of an officer described in Subsection (2).

696 (b) Notice of a change of a primary officer described in Subsection (2) shall:

697 (i) be filed within 10 days of the date of the change; and

698 (ii) contain the name and title of the officer being replaced and the name, street
699 address, occupation, and title of the new officer.

700 (6) (a) A person is guilty of providing false information in relation to a political issues
701 committee if the person intentionally or knowingly gives false or misleading material
702 information in the statement of organization or the notice of change of primary officer.

703 (b) Each primary officer designated in Subsection (2) is guilty of accepting an unlawful
704 contribution if the political issues committee knowingly or recklessly accepts a contribution
705 from a political purpose corporation that:

706 (i) was organized less than 90 days before the date of the general election; and

707 (ii) at the time the political issues committee accepts the contribution, has failed to file

708 a statement of organization with the lieutenant governor's office as required by Section
709 [20A-11-704](#).

710 (c) A violation of this Subsection (6) is a third degree felony.

711 Section 9. Section **20A-11-1004** is amended to read:

712 **20A-11-1004. Summary of financial reports of political action committees and**
713 **political purpose corporations.**

714 (1) The lieutenant governor's office shall prepare a summary of each financial report
715 submitted by each political purpose corporation, political action committee, and political issues
716 committee.

717 (2) Each summary shall include the following information:

718 (a) for each candidate:

719 (i) the name of each political action committee and political purpose corporation that
720 made expenditures to the candidate; and

721 (ii) the aggregate total of expenditures made by each political action committee and
722 political purpose corporation to the candidate;

723 (b) for each political action committee:

724 (i) the name of each individual or organization listed on the financial report that made
725 contributions to the political action committee and the aggregate total of contributions made by
726 each individual or organization listed on the financial report to the political action committee;
727 and

728 (ii) the name of each candidate, personal campaign committee, and political action
729 committee that received expenditures from a political action committee and the aggregate total
730 of expenditures made to each candidate, personal campaign committee, and political action
731 committee;

732 (c) for each political purpose corporation:

733 (i) the name of each candidate, personal campaign committee, and political action
734 committee that received expenditures from the political purpose corporation, and the aggregate
735 total of expenditures made by the political purpose corporation to each candidate, personal
736 campaign committee, and political action committee; and

737 (ii) the name of each individual, entity, or group of individuals or entities that received
738 disbursements from the political purpose corporation, and the aggregate total of disbursements

739 made by the political purpose corporation to each individual, entity, or group of individuals or
740 entities;

741 (d) for each political issues committee:

742 (i) the name of each individual or organization listed on the financial report that made
743 political issues contributions to the political issues committee and the aggregate total of
744 political issues contributions made by each individual or organization listed on the financial
745 report to the political issues committee; and

746 (ii) the name of each individual, entity, or group of individuals or entities that received
747 political issues expenditures from a political issues committee and the aggregate total of
748 political issues expenditures made to each individual, entity, or group of individuals or entities.

749 Section 10. Section **36-11-201** is amended to read:

750 **36-11-201. Lobbyist, principal, and government officer financial reporting**
751 **requirements -- Prohibition for related person to make expenditures.**

752 (1) (a) (i) [~~A~~] Except as provided in Subsection (1)(a)(ii), a lobbyist shall file financial
753 reports with the lieutenant governor on or before the due dates specified in Subsection (2).

754 (ii) [~~Ha~~] A lobbyist who has not made an expenditure during [the] a quarterly reporting
755 period[~~, the lobbyist shall file a financial report listing the amount of expenditures as "none."~~]
756 is not required to file a quarterly financial report for that quarterly reporting period.

757 (iii) A lobbyist who is not required to file any quarterly reports under this section for a
758 calendar year shall, on or before January 10 of the following year, file a financial report listing
759 the amount of the expenditures for the entire preceding year as "none."

760 (b) A government officer or principal that makes an expenditure during any of the
761 quarterly reporting periods under Subsection (2)(a) shall file a financial report with the
762 lieutenant governor on or before the date that a report for that quarter is due.

763 (2) (a) A financial report is due quarterly on the following dates:

764 (i) April 10, for the period of January 1 through March 31;

765 (ii) July 10, for the period of April 1 through June 30;

766 (iii) October 10, for the period of July 1 through September 30; and

767 (iv) January 10, for the period of October 1 through December 31 of the previous year.

768 (b) If the due date for a financial report falls on a Saturday, Sunday, or legal holiday,
769 the report is due on the next succeeding business day.

770 (c) A financial report is timely filed if it is filed electronically before the close of
771 regular office hours on or before the due date.

772 (3) A financial report shall contain:

773 (a) the total amount of expenditures made to benefit any public official during the
774 quarterly reporting period;

775 (b) the total amount of expenditures made, by the type of public official, during the
776 quarterly reporting period;

777 (c) for the financial report due on January 10:

778 (i) the total amount of expenditures made to benefit any public official during the last
779 calendar year; and

780 (ii) the total amount of expenditures made, by the type of public official, during the last
781 calendar year;

782 (d) a disclosure of each expenditure made during the quarterly reporting period to
783 reimburse or pay for travel or lodging for a public official, including:

784 (i) each travel destination and each lodging location;

785 (ii) the name of each public official who benefitted from the expenditure on travel or
786 lodging;

787 (iii) the public official type of each public official named;

788 (iv) for each public official named, a listing of the amount and purpose of each
789 expenditure made for travel or lodging; and

790 (v) the total amount of expenditures listed under Subsection (3)(d)(iv);

791 (e) a disclosure of aggregate daily expenditures greater than \$10 made during the
792 quarterly reporting period including:

793 (i) the date and purpose of the expenditure;

794 (ii) the location of the expenditure;

795 (iii) the name of any public official benefitted by the expenditure;

796 (iv) the type of the public official benefitted by the expenditure; and

797 (v) the total monetary worth of the benefit that the expenditure conferred on any public
798 official;

799 (f) for each public official who was employed by the lobbyist, principal, or government
800 officer, a list that provides:

- 801 (i) the name of the public official; and
- 802 (ii) the nature of the employment with the public official;
- 803 (g) each bill or resolution, by number and short title, on behalf of which the lobbyist,
- 804 principal, or government officer made an expenditure to a public official;
- 805 (h) a description of each executive action on behalf of which the lobbyist, principal, or
- 806 government officer made an expenditure to a public official;
- 807 (i) the general purposes, interests, and nature of the entities that the lobbyist, principal,
- 808 or government officer filing the report represents; and
- 809 (j) for a lobbyist, a certification that the information provided in the report is true,
- 810 accurate, and complete to the lobbyist's best knowledge and belief.
- 811 (4) A related person may not, while assisting a lobbyist, principal, or government
- 812 officer in lobbying, make an expenditure that benefits a public official under circumstances that
- 813 would otherwise fall within the disclosure requirements of this chapter if the expenditure was
- 814 made by the lobbyist, principal, or government officer.
- 815 (5) The lieutenant governor shall:
- 816 (a) (i) develop a preprinted form for a financial report required by this section; and
- 817 (ii) make copies of the form available to a lobbyist, principal, or government officer
- 818 who requests a form; and
- 819 (b) provide a reporting system that allows a lobbyist, principal, or government officer
- 820 to submit a financial report required by this chapter via the Internet.
- 821 (6) (a) A lobbyist and a principal shall continue to file a financial report required by
- 822 this section until the lobbyist or principal files a statement with the lieutenant governor that:
- 823 (i) states:
- 824 (A) for a lobbyist, that the lobbyist has ceased lobbying activities; or
- 825 (B) for a principal, that the principal no longer employs an individual as a lobbyist;
- 826 (ii) in the case of a lobbyist, states that the lobbyist is surrendering the lobbyist's
- 827 license;
- 828 (iii) contains a listing, as required by this section, of all previously unreported
- 829 expenditures that have been made through the date of the statement; and
- 830 (iv) states that the lobbyist or principal will not make any additional expenditure that is
- 831 not disclosed on the statement unless the lobbyist or principal complies with the disclosure and

832 licensing requirements of this chapter.

833 (b) [~~A~~] Except as provided in Subsection (1)(a)(ii), a person that fails to renew the
834 lobbyist's license or otherwise ceases to be licensed is required to file a financial report
835 quarterly until the person files the statement required by Subsection (6)(a).