

**CAMPAIGN FINANCE AND REPORTING****AMENDMENTS**

2006 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Curtis S. Bramble**

House Sponsor: \_\_\_\_\_

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**LONG TITLE****General Description:**

This bill modifies the Election Code to modify campaign finance and reporting requirements.

**Highlighted Provisions:**

This bill:

- ▶ requires that campaign finance reports be made electronically;
- ▶ modifies the Election Code to require state office candidates, candidates for legislative offices, current officeholders, political parties, and state and local school board candidates to file yearly summary reports;
- ▶ requires the lieutenant governor to attempt to contact a candidate that fails to file certain reports before attempting to remove the candidate from the ballot;
- ▶ requires political action committees and political issues committees to designate and disclose the names of two officers having primary decision-making authority and to provide notice of any change in a primary officer;
- ▶ requires political action committees and political issues committees to file a yearly statement of organization;
- ▶ changes the criminal penalty for failing to file campaign finance reports to an administrative penalty;
- ▶ provides procedures for assessing and collecting the administrative penalty;



- 28           ▶ provides a criminal penalty for knowingly providing false information on a  
29 statement of organization for a political action committee or political issues  
30 committee or on a notice of change of primary officer; and  
31           ▶ makes technical changes.

**Monies Appropriated in this Bill:**

33           None

**Other Special Clauses:**

35           None

**Utah Code Sections Affected:****AMENDS:**

- 38           **20A-11-103**, as last amended by Chapter 166, Laws of Utah 2001  
39           **20A-11-203**, as last amended by Chapter 355, Laws of Utah 1997  
40           **20A-11-206**, as last amended by Chapter 93, Laws of Utah 1999  
41           **20A-11-302**, as last amended by Chapter 355, Laws of Utah 1997  
42           **20A-11-305**, as last amended by Chapter 93, Laws of Utah 1999  
43           **20A-11-401**, as last amended by Chapter 355, Laws of Utah 1997  
44           **20A-11-403**, as repealed and reenacted by Chapter 355, Laws of Utah 1997  
45           **20A-11-506**, as last amended by Chapter 355, Laws of Utah 1997  
46           **20A-11-508**, as repealed and reenacted by Chapter 355, Laws of Utah 1997  
47           **20A-11-601**, as enacted by Chapter 1, Laws of Utah 1995  
48           **20A-11-602**, as last amended by Chapters 45 and 86, Laws of Utah 1999  
49           **20A-11-603**, as enacted by Chapter 355, Laws of Utah 1997  
50           **20A-11-703**, as enacted by Chapter 355, Laws of Utah 1997  
51           **20A-11-801**, as last amended by Chapter 355, Laws of Utah 1997  
52           **20A-11-802**, as last amended by Chapters 160 and 304, Laws of Utah 2003  
53           **20A-11-803**, as enacted by Chapter 355, Laws of Utah 1997  
54           **20A-11-1001**, as last amended by Chapter 355, Laws of Utah 1997  
55           **20A-11-1002**, as last amended by Chapter 317, Laws of Utah 2002  
56           **20A-11-1302**, as enacted by Chapter 355, Laws of Utah 1997  
57           **20A-11-1305**, as last amended by Chapter 215, Laws of Utah 2003
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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **20A-11-103** is amended to read:

**20A-11-103. Reports -- Form of submission.**

(1) (a) (i) Ten days before a report from a state office candidate, legislative office candidate, state school board candidate, political party, political action committee, political issues committee, or judge is due under this chapter, the lieutenant governor shall inform those candidates, judges, and entities by postal mail or, if requested by the candidate, judge, party, or committee, by electronic mail:

(A) that the report is due; and

(B) the date that the report is due.

(ii) In addition to the information required by Subsection (1)(a)(i) and in the same mailing, ten days before the interim reports for candidates or judges are due, the lieutenant governor shall inform the candidate or judge that if the report is not received in the lieutenant governor's office by 5 p.m. on the date that it is due, voters will be informed that the candidate or judge has been disqualified and any votes cast for the candidate or judge will not be counted.

(iii) In addition to the information required by Subsection (1)(a)(i) and in the same mailing, ten days before the interim reports or verified financial statements for entities that are due September 15 and before the regular general election are due, and ten days before summary reports or January 5 financial statements are due, the lieutenant governor shall inform the entity, candidate, judge, or officeholder that if the report is not received in the lieutenant governor's office by the date that it is due, the entity, candidate, judge, or officeholder may be guilty of a class B misdemeanor for failing to file the report or statement.

(b) Ten days before a report from a local school board candidate is due under this chapter, the county clerk shall inform the candidate by postal mail or, if requested, by electronic mail:

(i) that the report is due;

(ii) the date that the report is due; and

(iii) if the report is not received in the county clerk's office by 5 p.m. on the date that it is due, voters will be informed that the candidate has been disqualified and any votes cast for the candidate will not be counted.

~~[(2) Persons or entities submitting reports required by this chapter may submit them:]~~

[~~(a) on paper, printed, typed, or legibly handwritten or hand printed;~~  
[~~(b) on a computer disk according to specifications established by the chief election officer that protect against fraudulent filings and secure the accuracy of the information contained on the computer disk;~~  
[~~(c) via fax; or~~  
[~~(d) via electronic mail according to specifications established by the chief election officer.~~]

(2) A person or entity submitting a report or statement required by this chapter shall submit the report or statement electronically via an online form or data entry system according to specifications established by the chief election officer.

(3) A report or statement is considered filed if:

(a) it is received in the chief election officer's office no later than 5:00 p.m. on the date that it is due;

(b) it is received in the chief election officer's office with a postmark three days or more before the date that the report or statement was due; or

(c) the candidate, judge, or entity has proof that the report was mailed, with appropriate postage and addressing, three days before the report or statement was due.

Section 2. Section **20A-11-203** is amended to read:

**20A-11-203. State office candidate -- Financial reporting requirements --  
Year-end summary report.**

(1) Each state office candidate shall file a summary report by January 5 of [~~the year after the regular general election~~] each year.

(2) (a) Each summary report shall include the following information as of December 31 of the [~~last regular general election~~] previous year:

(i) the net balance [~~of~~] shown on the last summary report, if any;

(ii) a single figure equal to the total amount of receipts reported on all interim reports, if any;

(iii) a single figure equal to the total amount of expenditures reported on all interim reports, if any, filed during the election year;

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

(v) for each nonmonetary contribution, the fair market value of the contribution;  
(vi) a detailed listing of each expenditure made since the last summary report that has not been reported in detail on an interim report;

(vii) for each nonmonetary expenditure, the fair market value of the expenditure; and  
(viii) a net balance for the year, consisting of the net balance from the last summary report, if any, plus all receipts received and minus all expenditures made.

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

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

(c) In preparing the report, all receipts and expenditures shall be reported as of December 31 of the [~~last regular general election~~] previous year.

(3) The summary report shall contain a paragraph signed by an authorized member of the state office candidate's personal campaign committee or by the state office candidate certifying that, to the best of the signer's knowledge, all receipts and all expenditures have been reported as of December 31 of the [~~last regular general election~~] previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

(4) State office candidates reporting under this section need only report receipts received and expenditures made after April 29, 1991.

Section 3. Section **20A-11-206** is amended to read:

**20A-11-206. State office candidate -- Failure to file reports -- Penalties.**

(1) (a) If a state office candidate fails to file an interim report due before the regular primary election, September 15, or before the regular general election, the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely mailed and to inform the candidate of the delinquency, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the candidate by blacking out the candidate's name before the ballots are delivered to voters; or

(ii) shall, if removing the candidate's name from the ballot is not practicable, inform the voters by any practicable method that the candidate has been disqualified and that votes cast for the candidate will not be counted; and

(iii) may not count any votes for that candidate.

(b) Any state office candidate who fails to file timely a financial statement required by this part is disqualified and the vacancy on the ballot may be filled as provided in Section 20A-1-501.

(c) Notwithstanding Subsections (1)(a) and (1)(b), a state office candidate is not disqualified if:

(i) the candidate files the reports required by this section;

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

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

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

(i) each state office candidate that is required to file a summary report has filed one; and

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

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

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

~~[(ii) Each state office candidate who violates Subsection (2)(c)(i) is guilty of a class B misdemeanor.]~~

~~[(iii)]~~ (ii) The lieutenant governor shall report all violations of Subsection (2)(c)(i) to the attorney general.

(iii) Each state office candidate who willfully violates Subsection (2)(c)(i) may be

required to pay:

(A) a civil penalty of up to \$250 for each violation; and

(B) a civil penalty of up to \$500 for each subsequent violation.

(iv) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(v) The chief election officer shall collect the civil penalty by bringing an action in the district court for Salt Lake County.

(vi) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 4. Section **20A-11-302** is amended to read:

**20A-11-302. Legislative office candidate -- Financial reporting requirements -- Year-end summary report.**

(1) Each legislative office candidate shall file a summary report by January 5 of ~~the year after the regular general election~~ each year.

(2) (a) Each summary report shall include the following information as of December 31 of the ~~last regular general election~~ previous year:

(i) the net balance ~~of~~ shown on the last summary report, if any;

(ii) a single figure equal to the total amount of receipts reported on all interim reports, if any, during the calendar year in which the summary report is due;

(iii) a single figure equal to the total amount of expenditures reported on all interim reports, if any, filed during the election year;

(iv) a detailed listing of each receipt, contribution, and public service assistance since the last summary report that has not been reported in detail on an interim report;

(v) for each nonmonetary contribution, the fair market value of the contribution;

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

(vii) for each nonmonetary expenditure, the fair market value of the expenditure; and

(viii) a net balance for the year, consisting of the net balance from the last summary report, if any, plus all receipts received and minus all expenditures made.

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

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

(c) In preparing the report, all receipts and expenditures shall be reported as of December 31 of the [~~last regular general election~~] previous year.

(3) The summary report shall contain a paragraph signed by the legislative office candidate certifying that to the best of the candidate's knowledge, all receipts and all expenditures have been reported as of December 31 of the [~~last regular general election~~] previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

(4) Legislative office candidates reporting under this section need only report receipts received and expenditures made after April 29, 1991.

Section 5. Section **20A-11-305** is amended to read:

**20A-11-305. Legislative office candidate -- Failure to file report -- Name not printed on ballot -- Filling vacancy.**

(1) (a) If a legislative office candidate fails to file an interim report due before the regular primary election, September 15, or before the regular general election, the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely mailed and to inform the candidate of the delinquency, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the candidate by blacking out the candidate's name before the ballots are delivered to voters; or

(ii) shall, if removing the candidate's name from the ballot is not practicable, inform the voters by any practicable method that the candidate has been disqualified and that votes cast for the candidate will not be counted; and

(iii) may not count any votes for that candidate.

(b) Any legislative office candidate who fails to file timely a financial statement required by this part is disqualified and the vacancy on the ballot may be filled as provided in Section 20A-1-501.

(c) Notwithstanding Subsections (1)(a) and (1)(b), a legislative office candidate is not disqualified if:

(i) the candidate files the reports required by this section;



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

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

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

(i) each legislative office candidate that is required to file a summary report has filed one; and

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

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

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

~~[(ii) Each legislative office candidate who violates Subsection (2)(c)(i) is guilty of a class B misdemeanor.]~~

~~[(iii)]~~ (ii) The lieutenant governor shall report all violations of Subsection (2)(c)(i) to the attorney general.

(iii) Each legislative office candidate who willfully violates Subsection (2)(c)(i) may be required to pay:

(A) a civil penalty of up to \$250 for each violation; and

(B) a civil penalty of up to \$500 for each subsequent violation.

(iv) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(v) The chief election officer shall collect the civil penalty by bringing an action in the

district court of a county in which the legislative office candidate's legislative district is located.

(vi) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 6. Section **20A-11-401** is amended to read:

**20A-11-401. Officeholder financial reporting requirements -- Year-end summary report.**

(1) Each officeholder shall file a summary report by January 5 of [~~the year after the regular general election~~] each year.

(2) (a) Each summary report shall include the following information as of December 31 of the [~~last regular general election~~] previous year:

(i) the net balance [~~of~~] shown on the last summary report, if any;

(ii) a detailed listing of each contribution and public service assistance received since the last summary report;

(iii) for each nonmonetary contribution, the fair market value of the contribution;

(iv) a detailed listing of each expenditure made since the last summary report;

(v) for each nonmonetary expenditure, the fair market value of the expenditure; and

(vi) a net balance for the year, consisting of the net balance from the last summary report plus all receipts received and minus all expenditures made.

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

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

(c) In preparing the report, all receipts and expenditures shall be reported as of December 31 of the [~~last regular general election~~] previous year.

(3) The summary report shall contain a paragraph signed by the officeholder certifying that, to the best of the officeholder's knowledge, all receipts and all expenditures have been reported as of December 31 of the [~~last regular general election~~] previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

Section 7. Section **20A-11-403** is amended to read:

**20A-11-403. Failure to file -- Penalties.**

(1) Within 30 days after a deadline for the filing of a summary report, the lieutenant

governor shall review each filed summary report to ensure that:

(a) each officeholder that is required to file a summary report has filed one; and

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

(2) If it appears that any officeholder has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any summary report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the officeholder of the violation or written complaint and direct the officeholder to file a summary report correcting the problem.

(3) (a) It is unlawful for any officeholder to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

~~[(b) Each officeholder who violates Subsection (3)(a) is guilty of a class B misdemeanor.]~~

~~[(c)] (b)~~ The lieutenant governor shall report all violations of Subsection (3)(a) to the attorney general.

(c) Each officeholder who willfully violates Subsection (3)(a) may be required to pay:

(i) a civil penalty of up to \$250 for each violation; and

(ii) a civil penalty of up to \$500 for each subsequent violation.

(d) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(e) The chief election officer shall collect the civil penalty by bringing an action:

(i) in the district court of a county in which the officeholder's office is located; or

(ii) in the case of a statewide officeholder, in the district court for Salt Lake County.

(f) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 8. Section **20A-11-506** is amended to read:

**20A-11-506. Political party financial reporting requirements -- Year-end summary report.**

(1) Each party committee shall file a summary report by January 5 of ~~[the year after the regular general election]~~ each year.

(2) (a) Each summary report shall include the following information as of December 31

of the ~~[regular general election]~~ previous year:

- (i) the net balance ~~[of]~~ shown on the last summary report, if any;
- (ii) a single figure equal to the total amount of receipts reported on all interim reports, if any, during the election year;
- (iii) a single figure equal to the total amount of expenditures reported on all interim reports, if any, filed during the election year;
- (iv) a detailed listing of each contribution and public service assistance received since the last summary report that has not been reported in detail on an interim report;
- (v) for each nonmonetary contribution, the fair market value of the contribution;
- (vi) a detailed listing of each expenditure made since the last summary report that has not been reported in detail on an interim report;
- (vii) for each nonmonetary expenditure, the fair market value of the expenditure; and
- (viii) a net balance for the year, consisting of the net balance from the last summary report, if any, plus all receipts received and minus all expenditures made.

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

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

(c) In preparing the report, all receipts and expenditures shall be reported as of December 31 of the ~~[last regular general election]~~ previous year.

(3) The summary report shall contain a paragraph signed by the treasurer of the party committee certifying that, to the best of the treasurer's knowledge, all receipts and all expenditures have been reported as of December 31 of the ~~[last regular general election]~~ previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

Section 9. Section **20A-11-508** is amended to read:

**20A-11-508. Political party reporting requirements -- Penalties.**

(1) (a) ~~[Each]~~ It is unlawful for a registered political party ~~[that fails]~~ to fail to file ~~[the]~~ an interim ~~[reports]~~ report that is due:

(i) on September 15; or

(ii) before the regular general session ~~[is guilty of a class B misdemeanor]~~.

(b) The lieutenant governor shall report all violations of Subsection (1)(a) to the attorney general.

(2) Within 30 days after a deadline for the filing of a summary report required by this part, the lieutenant governor shall review each filed report to ensure that:

(a) each political party that is required to file a report has filed one; and

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

(3) If it appears that any political party has failed to file a report required by law, if it appears that a filed report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the political party of the violation or written complaint and direct the political party to file a summary report correcting the problem.

(4) (a) It is unlawful for any political party to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

~~[(b) Each political party who violates Subsection (4)(a) is guilty of a class B misdemeanor.]~~

~~[(c)]~~ (b) The lieutenant governor shall report all violations of Subsection (4)(a) to the attorney general.

(c) Each political party that willfully violates Subsection (1)(a) or (4)(a) may be required to pay:

(i) a civil penalty of up to \$250 for each violation; and

(ii) a civil penalty of up to \$500 for each subsequent violation.

(d) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(e) The chief election officer shall collect the civil penalty by bringing an action in the district court of a county in which the headquarters of the political party is located.

(f) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 10. Section **20A-11-601** is amended to read:

**20A-11-601. Political action committees -- Registration.**

(1) (a) Each political action committee shall file a statement of organization with the

lieutenant governor's office by January 10 of each year, unless the political action committee has filed a notice of dissolution under Subsection (4).

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

~~[(a)]~~ (i) receiving contributions totaling at least \$750 ~~[in any calendar year]~~; or

~~[(b)]~~ (ii) distributing expenditures for political purposes totaling at least \$750 ~~[in any calendar year]~~.

(c) If January 10 falls on a weekend or holiday, the statement of organization shall be filed by the following business day.

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

~~[(2)]~~ (3) The statement of organization shall include:

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

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

~~[(b)]~~ (c) the name, street address, occupation, and title of ~~[each officer]~~ all other officers of the political action committee;

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

~~[(d)]~~ (e) the name and street address of all affiliated or connected organizations and their relationships to the political action committee;

~~[(e)]~~ (f) the name, street address, business address, occupation, and phone number of the committee's treasurer or chief financial officer; and

~~[(f)]~~ (g) the name, street address, and occupation of each member of the governing ~~[board]~~ and advisory boards, if any.

~~[(3)]~~ (4) (a) Any registered political action committee that intends to permanently cease operations shall file a notice of dissolution with the lieutenant governor's office.

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

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

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

435 (i) be filed within ten days of the date of the change; and

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

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

441 (b) A violation of this Subsection (6) is a third degree felony.

442 Section 11. Section **20A-11-602** is amended to read:

443 **20A-11-602. Political action committees -- Financial reporting.**

444 (1) (a) Each registered political action committee that has received contributions or  
445 made expenditures that total at least \$750 during a calendar year shall file a verified financial  
446 statement with the lieutenant governor's office on:

447 (i) January 5, reporting contributions and expenditures as of December 31 of the  
448 previous year;

449 (ii) September 15; and

450 (iii) seven days before the regular general election.

451 (b) The registered political action committee shall report:

452 (i) a detailed listing of all contributions received and expenditures made since the last  
453 statement; and

454 (ii) for financial statements filed on September 15 and before the general election, all  
455 contributions and expenditures as of three days before the required filing date of the financial  
456 statement.

457 (c) ~~[The]~~ (i) Except as provided in Subsection (1)(c)(ii), the registered political action  
458 committee need not file a statement under this section if it received no contributions and made  
459 no expenditures [during the reporting period.] since the last filed statement.

460 (ii) Each registered political action committee shall file the January 5 verified financial  
461 statement required by Subsection (1)(a)(i) even if it received no contributions and made no

expenditures during the previous calendar year.

(2) (a) The verified financial statement shall include:

(i) the name, address, and occupation of any individual that makes a contribution to the reporting political action committee, and the amount of the contribution;

(ii) the identification of any publicly identified class of individuals that makes a contribution to the reporting political action committee, and the amount of the contribution;

(iii) the name and address of any political action committee, group, or entity that makes a contribution to the reporting political action committee, and the amount of the contribution;

(iv) for each nonmonetary contribution, the fair market value of the contribution;

(v) the name and address of each reporting entity that received an expenditure from the reporting political action committee, and the amount of each expenditure;

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

(vii) the total amount of contributions received and expenditures disbursed by the reporting political action committee;

(viii) a paragraph signed by the political action committee's treasurer or chief financial officer verifying that, to the best of the signer's knowledge, the financial report is accurate; and

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

(A) beginning balance;

(B) total contributions during the period since the last statement;

(C) total contributions to date;

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

(E) total expenditures to date.

(b) (i) Contributions received by a political action committee that have a value of \$50 or less need not be reported individually, but shall be listed on the report as an aggregate total.

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

Section 12. Section **20A-11-603** is amended to read:

**20A-11-603. Penalties.**

(1) (a) ~~[Each]~~ It is unlawful for a political action committee ~~[that fails]~~ to fail to file the statement that is due;

(i) on September 15; or



(ii) before the regular general session [~~is guilty of a class B misdemeanor~~].

(b) The lieutenant governor shall report all violations of Subsection (1)(a) to the attorney general.

(2) Within 30 days after a deadline for the filing of the January 5 statement required by this part, the lieutenant governor shall review each filed statement to ensure that:

(a) each political action committee that is required to file a statement has filed one; and

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

(3) If it appears that any political action committee has failed to file the January 5 statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the political action committee of the violation or written complaint and direct the political action committee to file a statement correcting the problem.

(4) (a) It is unlawful for any political action committee to fail to file or amend a statement within 14 days after receiving notice from the lieutenant governor under this section.

~~[(b) Each political action committee who violates Subsection (4)(a) is guilty of a class B misdemeanor.]~~

~~[(c)]~~ (b) The lieutenant governor shall report all violations of Subsection (4)(a) to the attorney general.

(5) (a) Each political action committee that willfully violates Subsection (1)(a) or (4)(a) may be required to pay:

(i) a civil penalty of up to \$250 for each violation; and

(ii) a civil penalty of up to \$500 for each subsequent violation.

(b) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(c) The chief election officer shall collect the civil penalty by bringing an action in the district court of a county in which the headquarters of the political action committee is located.

(d) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 13. Section **20A-11-703** is amended to read:

**20A-11-703. Penalties.**

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

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

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

(2) If it appears that any corporation has failed to file any statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the corporation of the violation or written complaint and direct the corporation to file a statement correcting the problem.

(3) (a) It is unlawful for any corporation to fail to file or amend a statement within 14 days after receiving notice from the lieutenant governor under this section.

~~[(b) Each corporation who violates Subsection (3)(a) is guilty of a class B misdemeanor.]~~

~~[(c)]~~ (b) The lieutenant governor shall report all violations of this Subsection (3)(a) to the attorney general.

(c) Each corporation that willfully violates Subsection (3)(a) may be required to pay:

(i) a civil penalty of up to \$250 for each violation; and

(ii) a civil penalty of up to \$500 for each subsequent violation.

(d) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(e) The chief election officer shall collect the civil penalty by bringing an action in the district court of a county in which the corporation is located.

(f) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 14. Section **20A-11-801** is amended to read:

**20A-11-801. Political issues committees -- Registration.**

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

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

555 political issues committee shall file an initial statement of organization no later than seven days  
556 after;

557 (i) receiving political issues contributions totaling at least \$750; or  
558 (ii) disbursing political issues expenditures totaling at least \$50 ~~[in any calendar year]~~.  
559 (c) If January 10 falls on a weekend or holiday, the statement of organization shall be  
560 filed by the following business day.

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

563 ~~[(2)]~~ (3) The statement of organization shall include:

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

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

567 ~~[(b)]~~ (c) the name, street address, occupation, and title of ~~[each officer]~~ all other  
568 officers of the political issues committee;

569 ~~[(c)]~~ (d) the name and street address of the organization, individual, corporation,  
570 association, unit of government, or union that the political issues committee represents, if any;

571 ~~[(d)]~~ (e) the name and street address of all affiliated or connected organizations and  
572 their relationships to the political issues committee;

573 ~~[(e)]~~ (f) the name, street address, business address, occupation, and phone number of  
574 the committee's treasurer or chief financial officer;

575 ~~[(f)]~~ (g) the name, street address, and occupation of each member of the supervisory  
576 ~~[board]~~ and advisory boards, if any; and

577 ~~[(g)]~~ (h) the ballot proposition whose outcome they wish to affect, and whether they  
578 support or oppose it.

579 ~~[(3)]~~ (4) (a) Any registered political issues committee that intends to permanently cease  
580 operations during a calendar year shall file a notice of dissolution with the lieutenant governor's  
581 office.

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

585 (5) (a) Unless the political issues committee has filed a notice of dissolution under

Subsection (4), a political issues committee shall file, with the lieutenant governor's office, notice of any change of an officer described in Subsection (2).

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

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

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

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

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

Section 15. Section 20A-11-802 is amended to read:

**20A-11-802. Political issues committees -- Financial reporting.**

(1) (a) Each registered political issues committee that has received political issues contributions totaling at least \$750, or disbursed political issues expenditures totaling at least \$50 during a calendar year on current or proposed statewide ballot propositions, to influence an incorporation petition or an incorporation election, or on initiative petitions to be submitted to the Legislature, shall file a verified financial statement with the lieutenant governor's office:

(i) on January 5, reporting contributions and expenditures as of December 31 of the previous year;

(ii) seven days before the date of an incorporation election, if the political issues committee has received donations or made disbursements to affect an incorporation;

(iii) March 1;

(iv) June 1;

(v) at least three days before the first public hearing held as required by Section 20A-7-204.1;

(vi) at the time the sponsors submit the verified and certified initiative packets to the county clerk as required by Section 20A-7-206;

(vii) on September 15; and

(viii) seven days before the regular general election.

(b) The political issues committee shall report:

(i) a detailed listing of all contributions received and expenditures made since the last

statement; and

(ii) for financial statements filed on September 15 and before the general election, all contributions and expenditures as of three days before the required filing date of the financial statement.

(c) ~~[The]~~ (i) Except as provided in Subsection (1)(c)(ii), the political issues committee need not file a statement under this section if it received no contributions and made no expenditures [during the reporting period:] since the last filed statement.

(ii) Each registered political issues committee shall file the January 5 verified financial statement required by Subsection (1)(a)(i) even if it received no contributions and made no expenditures during the previous calendar year.

(2) (a) ~~[That]~~ The verified financial statement shall include:

(i) the name, address, and occupation of any individual that makes a political issues contribution to the reporting political issues committee, and the amount of the political issues contribution;

(ii) the identification of any publicly identified class of individuals that makes a political issues contribution to the reporting political issues committee, and the amount of the political issues contribution;

(iii) the name and address of any political issues committee, group, or entity that makes a political issues contribution to the reporting political issues committee, and the amount of the political issues contribution;

(iv) the name and address of each reporting entity that makes a political issues contribution to the reporting political issues committee, and the amount of the political issues contribution;

(v) for each nonmonetary contribution, the fair market value of the contribution;

(vi) except as provided in Subsection (2)(c), the name and address of each individual, entity, or group of individuals or entities that received a political issues expenditure of more than \$50 from the reporting political issues committee, and the amount of each political issues expenditure;

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

(viii) the total amount of political issues contributions received and political issues expenditures disbursed by the reporting political issues committee;

(ix) a paragraph signed by the political issues committee's treasurer or chief financial officer verifying that, to the best of the signer's knowledge, the financial statement is accurate; and

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

(A) beginning balance;

(B) total contributions during the period since the last statement;

(C) total contributions to date;

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

(E) total expenditures to date.

(b) (i) Political issues contributions received by a political issues committee that have a value of \$50 or less need not be reported individually, but shall be listed on the report as an aggregate total.

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

(c) When reporting political issue expenditures made to circulators of initiative petitions, the political issues committee:

(i) need only report the amount paid to each initiative petition circulator; and

(ii) need not report the name or address of the circulator.

Section 16. Section **20A-11-803** is amended to read:

**20A-11-803. Penalties.**

(1) (a) ~~[Each]~~ It is unlawful for a political issues committee ~~[that fails]~~ to fail to file the statement that is due;

(i) on September 15; or

(ii) before the regular general session ~~[is guilty of a class B misdemeanor]~~.

(b) The lieutenant governor shall report all violations of Subsection (1)(a) to the attorney general.

(2) Within 30 days after a deadline for the filing of the January 5 statement, the lieutenant governor shall review each filed statement to ensure that:

(a) each political issues committee that is required to file a statement has filed one; and

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

(3) If it appears that any political issues committee has failed to file the January 5 statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the political issues committee of the violation or written complaint and direct the political issues committee to file a statement correcting the problem.

(4) (a) It is unlawful for any political issues committee to fail to file or amend a statement within 14 days after receiving notice from the lieutenant governor under this section.

~~[(b) Each political issues committee who violates Subsection (4)(a) is guilty of a class B misdemeanor.]~~

~~[(c)]~~ (b) The lieutenant governor shall report all violations of Subsection (4)(a) to the attorney general.

(5) (a) Each political issues committee that willfully violates Subsection (1)(a) or (4)(a) may be required to pay:

(i) a civil penalty of up to \$250 for each violation; and

(ii) a civil penalty of up to \$500 for each subsequent violation.

(b) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(c) The chief election officer shall collect the civil penalty by bringing an action in the district court of a county in which the headquarters of the political issues committee is located.

(d) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

Section 17. Section **20A-11-1001** is amended to read:

**20A-11-1001. Means for filing to be prepared and furnished by chief election officer.**

The chief election officer shall:

(1) develop and prepare forms ~~[for]~~ or other methods for filing all statements and reports required by this chapter; and

(2) provide instructions for filing, and copies of ~~[the]~~ filing forms, as applicable, to the secretary of every committee, to every candidate, and to all others who request them.

Section 18. Section **20A-11-1002** is amended to read:

**20A-11-1002. Retention and public inspection of reports -- Written complaint if statement is false or unlawful.**

(1) The chief election officer shall:

(a) make each ~~[financial]~~ statement or report required by this chapter:

(i) open to public inspection in the office of the chief election officer; and

(ii) available for viewing on the Internet at the lieutenant governor's website within seven calendar days after the report is received by the chief election officer;

(b) preserve those statements or reports for at least five years; and

(c) provide certified copies of the ~~[financial]~~ statements or reports in the same manner as for other public records.

(2) Any candidate or voter may file a written complaint with the chief election officer alleging that a filed ~~[financial]~~ statement or report does not conform to law or to the truth.

Section 19. Section **20A-11-1302** is amended to read:

**20A-11-1302. School board office candidate -- Financial reporting requirements -- Year-end summary report.**

(1) Each school board office candidate shall file a summary report by January 5 of ~~[the year after the regular general election]~~ each year.

(2) (a) Each summary report shall include the following information as of December 31 of the ~~[last regular general election]~~ previous year:

(i) the net balance ~~[of]~~ shown on the last summary report, if any;

(ii) a single figure equal to the total amount of receipts reported on all interim reports, if any, during the calendar year in which the summary report is due;

(iii) a single figure equal to the total amount of expenditures reported on all interim reports, if any, filed during the election year;

(iv) a detailed listing of each receipt, contribution, and public service assistance since the last summary report that has not been reported in detail on an interim report;

(v) for each nonmonetary contribution, the fair market value of the contribution;

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

(vii) for each nonmonetary expenditure, the fair market value of the expenditure; and

(viii) a net balance for the year, consisting of the net balance from the last summary



report, if any, plus all receipts received and minus all expenditures made.

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

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

(c) In preparing the report, all receipts and expenditures shall be reported as of December 31 of the [~~last regular general election~~] previous year.

(3) The summary report shall contain a paragraph signed by the school board office candidate certifying that, to the best of the school board office candidate's knowledge, all receipts and all expenditures have been reported as of December 31 of the [~~last regular general election~~] previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

(4) School board office candidates reporting under this section need only report receipts received and expenditures made after May 5, 1997.

Section 20. Section **20A-11-1305** is amended to read:

**20A-11-1305. School board office candidate -- Failure to file statement -- Name not printed on ballot -- Filling vacancy.**

(1) (a) If a school board office candidate fails to file an interim report due before the regular primary election, September 15, and before the regular general election, the chief election officer shall, after making a reasonable attempt to discover if the report was timely mailed and to inform the candidate of the delinquency, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the candidate by blacking out the candidate's name before the ballots are delivered to voters; or

(ii) shall, if removing the candidate's name from the ballot is not practicable, inform the voters by any practicable method that the candidate has been disqualified and that votes cast for candidate will not be counted; and

(iii) may not count any votes for that candidate.

(b) Any school board office candidate who fails to file timely a financial statement required by this part is disqualified and the vacancy on the ballot may be filled as provided in Section 20A-1-501.

(c) Notwithstanding Subsection (1)(a) and (1)(b), a school board office candidate is not disqualified if:

(i) the candidate files the reports required by this section;

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

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

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

(i) each state school board candidate that is required to file a summary report has filed one; and

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

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

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

~~[(ii) Each state school board candidate who violates Subsection (2)(c)(i) is guilty of a class B misdemeanor.]~~

~~[(iii)]~~ (ii) The lieutenant governor shall report all violations of Subsection (2)(c)(i) to the attorney general.

(iii) Each state school board candidate who willfully violates Subsection (2)(c)(i) may be required to pay:

(A) a civil penalty of up to \$250 for each violation; and

(B) a civil penalty of up to \$500 for each subsequent violation.

(iv) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

(v) The chief election officer shall collect the civil penalty by bringing an action in the district court in the county in which the state school board candidate resides.

(vi) An administrative penalty imposed pursuant to this section shall be deposited in the General Fund.

(3) (a) Within 30 days after a deadline for the filing of a summary report, the county clerk shall review each filed summary report to ensure that:

(i) each local school board candidate that is required to file a summary report has filed one; and

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

(b) If it appears that any local school board candidate has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the county clerk has received a written complaint alleging a violation of the law or the falsity of any summary report, the county clerk shall, within five days of discovery of a violation or receipt of a written complaint, notify the local school board candidate of the violation or written complaint and direct the local school board candidate to file a summary report correcting the problem.

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

~~[(ii) Each local school board candidate who violates Subsection (3)(c)(i) is guilty of a class B misdemeanor.]~~

~~[(iii)]~~ (ii) The county clerk shall report all violations of Subsection (3)(c)(i) to the district or county attorney.

(iii) Each local school board candidate who willfully violates Subsection (3)(c)(i) may be required to pay:

(A) a civil penalty of up to \$250 for each violation; and

(B) a civil penalty of up to \$500 for each subsequent violation.

(iv) The chief election officer may assess the civil penalty in accordance with Title 63, Chapter 46b, Administrative Procedures Act.

834           (v) The chief election officer shall collect the civil penalty by bringing an action in the  
835 district court in the county in which the local school board candidate resides.  
836           (vi) An administrative penalty imposed pursuant to this section shall be deposited in  
837 the General Fund.

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**Legislative Review Note****as of 2-14-06 9:06 AM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

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**Fiscal Note**  
**Bill Number SB0254**

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**Campaign Finance and Reporting Amendments**

*23-Feb-06*

*2:40 PM*

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**State Impact**

It is estimated that provisions of this bill can be implemented with existing resources.

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**Individual and Business Impact**

No significant fiscal impact.

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**Office of the Legislative Fiscal Analyst**