Senator John L. Valentine proposes the following substitute bill:

CAMPAIGN AND FINANCIAL REPORTING REQUIREMENTS AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brad L. Dee

Senate Sponsor: Gregory S. Bell

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Trisha S. Beck
Ron Bigelow
Jim Bird
Laura Black
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Mark A. Wheatley
Larry B. Wiley
Carl Wimmer
Bradley A. Winn

LONG TITLE

General Description:

This bill addresses the reporting of contributions and public service assistance for various candidates for office and officeholders.

Highlighted Provisions:

This bill:

- addresses the reporting of in-kind contributions;
- requires contributions and public service assistance to be reported within 30 days of the day on which they are received;
- requires contributions and public service assistance that are made in the form of a negotiable instrument or check to be negotiated before the filing deadline for, and included on, interim reports; and
- makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

20A-11-201, as last amended by Laws of Utah 1997, Chapter 355

20A-11-203, as last amended by Laws of Utah 2008, Chapter 14

20A-11-204, as last amended by Laws of Utah 2008, Chapter 14

20A-11-301, as last amended by Laws of Utah 1997, Chapter 355

20A-11-302, as last amended by Laws of Utah 2008, Chapters 14 and 225

20A-11-303, as last amended by Laws of Utah 2008, Chapter 14

20A-11-401, as last amended by Laws of Utah 2008, Chapter 14

20A-11-1301, as enacted by Laws of Utah 1997, Chapter 355

20A-11-1302, as last amended by Laws of Utah 2008, Chapters 14 and 225

20A-11-1303, as last amended by Laws of Utah 2008, Chapter 14

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

Section 1. Section **20A-11-201** is amended to read:

20A-11-201. State office candidate -- Separate bank account for campaign funds.

(1) (a) Each state office candidate or the candidate's personal campaign committee shall deposit each contribution and public service assistance received in one or more separate

campaign accounts in a financial institution.

(b) The state office candidate or the candidate's personal campaign committee may use the monies in those accounts only for political purposes.

(2) A state office candidate or the candidate's personal campaign committee may not deposit or mingle any contributions received into a personal or business account.

(3) If a person who is no longer a state office candidate chooses not to expend the monies remaining in his campaign account, the person shall continue to file the year-end summary report required by Section 20A-11-203 until the statement of dissolution and final summary report required by Section 20A-11-205 are filed with the lieutenant governor.

(4) (a) As used in this Subsection (4) and Section 20A-11-204, "received" means:

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

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

(iii) for any other type of contribution, that any portion of the contribution's benefit inures to the state office candidate.

(b) Each state office candidate shall report each contribution and public service assistance to the lieutenant governor within 30 days after the contribution or public service assistance is received.

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

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

(1) (a) Each state office candidate shall file a summary report by January 10 of the year after the regular general election year.

(b) Beginning with the 2008 regular general election and in addition to the requirements of Subsection (1)(a), a former state office candidate that has not filed the statement of dissolution and final summary report required under Section 20A-11-205 shall continue to file a summary report on January 10 of each year.

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

(i) the net balance of 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 previous 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[~~;~~]:

(A) the fair market value of the contribution[~~;~~] with that information provided by the contributor; and

(B) a specific description 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 minus all expenditures.

(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 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 previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

Section 3. Section **20A-11-204** is amended to read:

20A-11-204. State office candidate -- Financial reporting requirements -- Interim reports.

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

(a) seven days before the candidate's political convention;

(b) seven days before the regular primary election date;

(c) August 31; and

(d) seven days before the regular general election date.

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

(a) the net balance of the last summary report, if any;

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

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

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

(e) for each nonmonetary contribution[~~,~~]:

(i) the fair market value of the contribution[~~;~~] with that information provided by the contributor; and

(ii) a specific description of the contribution;

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

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

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

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

(i) beginning balance;

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

(iii) total contributions to date;

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

(v) total expenditures to date.

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

(b) 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.

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

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

Section 4. Section **20A-11-301** is amended to read:

20A-11-301. Legislative office candidate -- Campaign requirements.

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

(2) A legislative office candidate may not deposit or mingle any contributions or public service assistance received into a personal or business account.

(3) A legislative office candidate may not make any political expenditures prohibited by law.

(4) If a person who is no longer a legislative candidate chooses not to expend the monies remaining in his campaign account, the person shall continue to file the year-end summary report required by Section 20A-11-302 until the statement of dissolution and final summary report required by Section 20A-11-304 are filed with the lieutenant governor.

(5) (a) As used in this Subsection (5) and Section 20A-11-303, "received" means:

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

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

(iii) for any other type of contribution, that any portion of the contribution's benefit inures to the legislative office candidate.

(b) Each legislative office candidate shall report each contribution and public service assistance to the lieutenant governor within 30 days after the contribution or public service assistance is received.

Section 5. Section **20A-11-302** is amended to read:

20A-11-302. Legislative office candidate -- Financial reporting requirements --

Year-end summary report.

(1) (a) Each legislative office candidate shall file a summary report by January 10 of the year after the regular general election year.

(b) Beginning with the 2008 regular general election and in addition to the requirements of Subsection (1)(a), a former legislative office candidate that has not filed the statement of dissolution and final summary report required under Section 20A-11-304 shall continue to file a summary report on January 10 of each year.

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

(i) the net balance of 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 previous 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[~~,~~]:

(A) the fair market value of the contribution[~~;~~] with that information provided by the contributor; and

(B) a specific description 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 minus all expenditures.

(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 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 previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

Section 6. Section **20A-11-303** is amended to read:

20A-11-303. Legislative office candidate -- Financial reporting requirements -- Interim reports.

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

(a) seven days before the candidate's political convention;

(b) seven days before the regular primary election date;

(c) August 31; and

(d) seven days before the regular general election date.

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

(a) the net balance of the last summary report, if any;

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

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

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

(e) for each nonmonetary contribution[~~;~~]:

(i) the fair market value of the contribution[~~;~~] with that information provided by the contributor; and

(ii) a specific description of the contribution;

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

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

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

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

(i) beginning balance;

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

(iii) total contributions to date;

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

(v) total expenditures to date.

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

(b) 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.

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

<u>(b) Any negotiable instrument or check received by a legislative office candidate more than five days before the required filing date of a report required by this section shall be negotiated and included in the interim report.</u>

Section 7. Section **20A-11-401** is amended to read:

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

(1) (a) Each officeholder shall file a summary report by January 10 of each year.

(b) An officeholder that is required to file a summary report both as an officeholder and as a candidate for office under the requirements of this chapter may file a single summary report as a candidate and an officeholder, provided that the combined report meets the requirements of:

(i) this section; and

(ii) the section that provides the requirements for the summary report that must be filed by the officeholder in the officeholder's capacity of a candidate for office.

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

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

(ii) a single figure equal to the total amount of receipts received since the last summary report, if any;

(iii) a single figure equal to the total amount of expenditures made since the last summary report, if any;

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

(v) for each nonmonetary contribution[~~;~~]:

(A) the fair market value of the contribution[~~;~~] with that information provided by the contributor; and

(B) a specific description of the contribution;

(vi) a detailed listing of each expenditure made since the last summary 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 plus all receipts minus all expenditures.

(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 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 calendar year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

Section 8. Section **20A-11-1301** is amended to read:

20A-11-1301. School board office candidate -- Campaign requirements.

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

(2) A school board office candidate may not deposit or mingle any contributions or public service assistance received into a personal or business account.

(3) A school board office candidate may not make any political expenditures prohibited by law.

(4) If a person who is no longer a school board candidate chooses not to expend the monies remaining in his campaign account, the person shall continue to file the year-end summary report required by Section 20A-11-1302 until the statement of dissolution and final summary report required by Section 20A-11-1304 are filed with:

(a) the lieutenant governor in the case of a state school board candidate; and

(b) the county clerk, in the case of a local school board candidate.

(5) (a) As used in this Subsection (5) and Section 20A-11-1303, "received" means:

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

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

(iii) for any other type of contribution, that any portion of the contribution's benefit inures to the legislative office candidate.

(b) Each school board office candidate shall report each contribution and public service assistance to the lieutenant governor within 30 days after the contribution or public service assistance is received.

Section 9. Section **20A-11-1302** is amended to read:

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

(1) (a) Each school board office candidate shall file a summary report by January 10 of the year after the regular general election year.

(b) Beginning with the 2008 regular general election and in addition to the requirements of Subsection (1)(a), a former school board office candidate that has not filed the statement of dissolution and final summary report required under Section 20A-11-1304 shall continue to file a summary report on January 10 of each year.

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

(i) the net balance of 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 previous year;

(iii) a single figure equal to the total amount of expenditures reported on all interim reports, if any, filed during the previous 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[~~,~~]:

(A) the fair market value of the contribution[~~;~~] with that information provided by the contributor; and

(B) a specific description 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 minus all expenditures.

(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 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 previous year and that there are no bills or obligations outstanding and unpaid except as set forth in that report.

Section 10. Section **20A-11-1303** is amended to read:

20A-11-1303. School board office candidate -- Financial reporting requirements -- Interim reports.

(1) Each school board office candidate shall file an interim report at the following times in any year in which the candidate has filed a declaration of candidacy for a public office:

(a) May 15, for state school board office candidates;

(b) seven days before the regular primary election date;

(c) August 31; and

(d) seven days before the regular general election date.

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

(a) the net balance of the last summary report, if any;

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

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

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

(e) for each nonmonetary contribution[~~;~~]:

(i) the fair market value of the contribution[~~;~~] with that information provided by the contribution; and

(ii) a specific description of the contribution;

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

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

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

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

(i) beginning balance;

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

(iii) total contributions to date;

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

(v) total expenditures to date.

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

(b) 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.

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

(b) Any negotiable instrument or check received by a school board office candidate more than five days before the required filing date of a report required by this section shall be negotiated and included in the interim report.