

1 **CAMPAIGN CONTRIBUTION LIMITS**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Kraig Powell**

5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

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

10 **Highlighted Provisions:**

11 This bill:

12 ▶ provides that a state office candidate, a legislative office candidate, a school board
13 office candidate, or a judge may not, during any two-year period, accept total
14 contributions from the same individual or source in an amount of \$9,999 or more.

15 **Money Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 None

19 **Utah Code Sections Affected:**

20 AMENDS:

21 **20A-11-201**, as last amended by Laws of Utah 2012, Chapter 230

22 **20A-11-301**, as last amended by Laws of Utah 2012, Chapter 230

23 **20A-11-1301**, as last amended by Laws of Utah 2012, Chapter 230

24 **20A-12-303**, as last amended by Laws of Utah 2011, Chapter 396

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

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



28 **20A-11-201. State office candidate -- Separate bank account for campaign funds**
29 **-- No personal use -- Report contributions within 30 days -- Report other accounts --**
30 **Contribution limitation.**

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

34 (b) A state office candidate or a candidate's personal campaign committee may not use
35 money deposited in a campaign account for:

36 (i) a personal use expenditure; or

37 (ii) an expenditure prohibited by law.

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

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

44 (4) (a) Except as provided in Subsection (4)(b) and Section 20A-11-402, a person who
45 is no longer a state office candidate may not expend or transfer the money in a campaign
46 account in a manner that would cause the former state office candidate to recognize the money
47 as taxable income under federal tax law.

48 (b) A person who is no longer a state office candidate may transfer the money in a
49 campaign account in a manner that would cause the former state office candidate to recognize
50 the money as taxable income under federal tax law if the transfer is made to a campaign
51 account for federal office.

52 (5) (a) As used in this Subsection (5) and Section 20A-11-204, "received" means:

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

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

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

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

62 (6) (a) As used in this Subsection (6), "account" means an account in a financial
63 institution:

64 (i) that is not described in Subsection (1)(a); and

65 (ii) into which or from which a person who, as a candidate for an office, other than the
66 state office for which the person files a declaration of candidacy or federal office, or as a holder
67 of an office, other than a state office for which the person files a declaration of candidacy or
68 federal office, deposits a contribution or makes an expenditure.

69 (b) A state office candidate shall include on any financial statement filed in accordance
70 with this part:

71 (i) a contribution deposited in an account:

72 (A) since the last campaign finance statement was filed; or

73 (B) that has not been reported under a statute or ordinance that governs the account; or

74 (ii) an expenditure made from an account:

75 (A) since the last campaign finance statement was filed; or

76 (B) that has not been reported under a statute or ordinance that governs the account.

77 (7) A state office candidate may not, during any two-year period, accept total
78 contributions from the same individual or source in an amount of \$9,999 or more.

79 Section 2. Section 20A-11-301 is amended to read:

80 **20A-11-301. Legislative office candidate -- Campaign finance requirements --**
81 **Candidate as a political action committee officer -- No personal use -- Report**
82 **contributions within 30 days -- Report other accounts -- Contribution limitation.**

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

86 (ii) A legislative office candidate may:

87 (A) receive a contribution or public service assistance from a political action
88 committee registered under Section 20A-11-601; and

89 (B) be designated by a political action committee as an officer who has primary

90 decision-making authority as described in Section [20A-11-601](#).

91 (b) A legislative office candidate or the candidate's personal campaign committee may
92 not use money deposited in an account described in Subsection (1)(a)(i) for:

93 (i) a personal use expenditure; or

94 (ii) an expenditure prohibited by law.

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

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

101 (4) (a) Except as provided in Subsection (4)(b) and Section [20A-11-402](#), a person who
102 is no longer a legislative office candidate may not expend or transfer the money in a campaign
103 account in a manner that would cause the former legislative office candidate to recognize the
104 money as taxable income under federal tax law.

105 (b) A person who is no longer a legislative office candidate may transfer the money in
106 a campaign account in a manner that would cause the former legislative office candidate to
107 recognize the money as taxable income under federal tax law if the transfer is made to a
108 campaign account for federal office.

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

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

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

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

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

119 (6) (a) As used in this Subsection (6), "account" means an account in a financial
120 institution:

121 (i) that is not described in Subsection (1)(a)(i); and
 122 (ii) into which or from which a person who, as a candidate for an office, other than a
 123 legislative office for which the person files a declaration of candidacy or federal office, or as a
 124 holder of an office, other than a legislative office for which the person files a declaration of
 125 candidacy or federal office, deposits a contribution or makes an expenditure.

126 (b) A legislative office candidate shall include on any financial statement filed in
 127 accordance with this part:

- 128 (i) a contribution deposited in an account:
 - 129 (A) since the last campaign finance statement was filed; or
 - 130 (B) that has not been reported under a statute or ordinance that governs the account; or
- 131 (ii) an expenditure made from an account:
 - 132 (A) since the last campaign finance statement was filed; or
 - 133 (B) that has not been reported under a statute or ordinance that governs the account.

134 (7) A legislative office candidate may not, during any two-year period, accept total
 135 contributions from the same individual or source in an amount of \$9,999 or more.

136 Section 3. Section **20A-11-1301** is amended to read:

137 **20A-11-1301. School board office candidate -- Campaign finance requirements --**
 138 **Candidate as a political action committee officer -- No personal use -- Report**
 139 **contributions within 30 days -- Report other accounts -- Contribution limitation.**

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

143 (ii) A school board office candidate may:

- 144 (A) receive a contribution or public service assistance from a political action
 145 committee registered under Section [20A-11-601](#); and
- 146 (B) be designated by a political action committee as an officer who has primary
 147 decision-making authority as described in Section [20A-11-601](#).

148 (b) A school board office candidate may not use money deposited in an account
 149 described in Subsection (1)(a)(i) for:

- 150 (i) a personal use expenditure; or
- 151 (ii) an expenditure prohibited by law.

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

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

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

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

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

162 (5) (a) Except as provided in Subsection (5)(b) and Section 20A-11-402, a person who
163 is no longer a school board candidate may not expend or transfer the money in a campaign
164 account in a manner that would cause the former school board candidate to recognize the
165 money as taxable income under federal tax law.

166 (b) A person who is no longer a school board candidate may transfer the money in a
167 campaign account in a manner that would cause the former school board candidate to recognize
168 the money as taxable income under federal tax law if the transfer is made to a campaign
169 account for federal office.

170 (6) (a) As used in this Subsection (6) and Section 20A-11-1303, "received" means:

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

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

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

177 (b) Each school board office candidate shall report to the chief election officer each
178 contribution and public service assistance within 30 days after the contribution or public
179 service assistance is received.

180 (7) (a) As used in this Subsection (7), "account" means an account in a financial
181 institution:

182 (i) that is not described in Subsection (1)(a)(i); and

183 (ii) into which or from which a person who, as a candidate for an office, other than a
184 school board office for which the person files a declaration of candidacy or federal office, or as
185 a holder of an office, other than a school board office for which the person files a declaration of
186 candidacy or federal office, deposits a contribution or makes an expenditure.

187 (b) A school board office candidate shall include on any financial statement filed in
188 accordance with this part:

189 (i) a contribution deposited in an account:

190 (A) since the last campaign finance statement was filed; or

191 (B) that has not been reported under a statute or ordinance that governs the account; or

192 (ii) an expenditure made from an account:

193 (A) since the last campaign finance statement was filed; or

194 (B) that has not been reported under a statute or ordinance that governs the account.

195 (8) A school board office candidate may not, during any two-year period, accept total
196 contributions from the same individual or source in an amount of \$9,999 or more.

197 Section 4. Section **20A-12-303** is amended to read:

198 **20A-12-303. Separate account for campaign funds -- Reporting contributions --**
199 **Contribution limitation.**

200 (1) The judge or the judge's personal campaign committee shall deposit each
201 contribution in one or more separate personal campaign accounts in a financial institution.

202 (2) The judge or the judge's personal campaign committee may not deposit or mingle
203 any contributions received into a personal or business account.

204 (3) (a) As used in this Subsection (3) and Section **20A-12-305**, "received" means:

205 (i) for a cash contribution, that the cash is given to a judge or the judge's personal
206 campaign committee;

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

209 (iii) for any other type of contribution, that any portion of the contribution's benefit
210 inures to the judge.

211 (b) The judge or the judge's personal campaign committee shall report to the lieutenant
212 governor each contribution within 30 days after the contribution is received.

213 (4) A judge may not, during any two-year period, accept total contributions from the

214 same individual or source in an amount of \$9,999 or more.

Legislative Review Note
as of 9-17-13 9:11 AM

Office of Legislative Research and General Counsel