

1 **UTAH STATE BOARD OF EDUCATION ELECTIONS AND**
2 **REPORTING AMENDMENTS**

3 2014 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Brian M. Greene**

6 Senate Sponsor: _____

8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions of the Election Code to make candidates for, and members
11 of, the Utah State Board of Education subject to partisan election and the reporting
12 requirements of state office candidates and state officeholders.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ defines terms, including amending the definition of "state office" to include the
16 Utah State Board of Education;
- 17 ▶ provides that members of the Utah State Board of Education are elected through
18 partisan elections;
- 19 ▶ makes candidates and officeholders for the Utah State Board of Education subject to
20 the same reporting requirements as candidates and officeholders for other state
21 offices;
- 22 ▶ removes the nominating committee, and related provisions, for selecting candidates
23 to run for the Utah State Board of Education; and
- 24 ▶ makes technical changes.

25 **Money Appropriated in this Bill:**

26 None

27 **Other Special Clauses:**



28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **20A-1-504**, as last amended by Laws of Utah 2010, Chapter 197

32 **20A-11-101**, as last amended by Laws of Utah 2013, Chapters 86, 170, 318, and 420

33 **20A-11-403**, as last amended by Laws of Utah 2013, Chapter 420

34 **20A-11-1301**, as last amended by Laws of Utah 2012, Chapter 230

35 **20A-11-1303**, as last amended by Laws of Utah 2013, Chapter 420

36 **20A-11-1305**, as last amended by Laws of Utah 2013, Chapters 252, 317, and 420

37 **20A-14-104**, as last amended by Laws of Utah 2004, Chapter 19

38 REPEALS:

39 **20A-14-105**, as last amended by Laws of Utah 2011, Chapters 292, 327, 335 and last
40 amended by Coordination Clause, Laws of Utah 2011, Chapter 327



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

43 Section 1. Section **20A-1-504** is amended to read:

44 **20A-1-504. Midterm vacancies in the offices of attorney general, state treasurer,**
45 **state auditor, and lieutenant governor.**

46 (1) (a) When a vacancy occurs for any reason in the office of attorney general, state
47 treasurer, [or] state auditor, or State Board of Education, it shall be filled for the unexpired
48 term at the next regular general election.

49 (b) The governor shall fill the vacancy until the next regular general election by
50 appointing a person who meets the qualifications for the office from three persons nominated
51 by the state central committee of the same political party as the prior officeholder.

52 (2) If a vacancy occurs in the office of lieutenant governor, the governor shall, with the
53 consent of the Senate, appoint a person to hold the office until the next regular general election
54 at which the governor stands for election.

55 Section 2. Section **20A-11-101** is amended to read:

56 **20A-11-101. Definitions.**

57 As used in this chapter:

58 (1) "Address" means the number and street where an individual resides or where a

59 reporting entity has its principal office.

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

63 (3) "Candidate" means any person who:

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

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

68 (4) "Chief election officer" means:

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

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

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

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

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

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

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

83 (v) remuneration from:

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

85 or

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

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

89 (b) "Contribution" does not include:

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

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

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

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

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

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

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

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

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

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

109 (ii) the purpose of expressly advocating the approval or the defeat of any ballot
110 proposition.

111 (b) "Corporation" does not mean:

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

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

114 (8) "County political party" means, for each registered political party, all of the persons
115 within a single county who, under definitions established by the political party, are members of
116 the registered political party.

117 (9) "County political party officer" means a person whose name is required to be
118 submitted by a county political party to the lieutenant governor in accordance with Section
119 [20A-8-402](#).

120 (10) "Detailed listing" means:

- 121 (a) for each contribution or public service assistance:
- 122 (i) the name and address of the individual or source making the contribution or public
- 123 service assistance;
- 124 (ii) the amount or value of the contribution or public service assistance; and
- 125 (iii) the date the contribution or public service assistance was made; and
- 126 (b) for each expenditure:
- 127 (i) the amount of the expenditure;
- 128 (ii) the person or entity to whom it was disbursed;
- 129 (iii) the specific purpose, item, or service acquired by the expenditure; and
- 130 (iv) the date the expenditure was made.
- 131 (11) (a) "Donor" means a person that gives money, including a fee, due, or assessment
- 132 for membership in the corporation, to a corporation without receiving full and adequate
- 133 consideration for the money.
- 134 (b) "Donor" does not include a person that signs a statement that the corporation may
- 135 not use the money for an expenditure or political issues expenditure.
- 136 (12) "Election" means each:
- 137 (a) regular general election;
- 138 (b) regular primary election; and
- 139 (c) special election at which candidates are eliminated and selected.
- 140 (13) "Electioneering communication" means a communication that:
- 141 (a) has at least a value of \$10,000;
- 142 (b) clearly identifies a candidate or judge; and
- 143 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising
- 144 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly
- 145 identified candidate's or judge's election date.
- 146 (14) (a) "Expenditure" means:
- 147 (i) any disbursement from contributions, receipts, or from the separate bank account
- 148 required by this chapter;
- 149 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
- 150 or anything of value made for political purposes;
- 151 (iii) an express, legally enforceable contract, promise, or agreement to make any

152 purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of
153 value for political purposes;

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

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

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

160 (b) "Expenditure" does not include:

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

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

165 (iii) anything listed in Subsection (14)(a) that is given by a reporting entity to
166 candidates for office or officeholders in states other than Utah.

167 (15) "Federal office" means the office of President of the United States, United States
168 Senator, or United States Representative.

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

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

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

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

180 (20) "Incorporation election" means the election authorized by Section 10-2-111.

181 (21) "Incorporation petition" means a petition authorized by Section 10-2-109.

182 (22) "Individual" means a natural person.

183 (23) "Interim report" means a report identifying the contributions received and
184 expenditures made since the last report.

185 (24) "Legislative office" means the office of state senator, state representative, speaker
186 of the House of Representatives, president of the Senate, and the leader, whip, and assistant
187 whip of any party caucus in either house of the Legislature.

188 (25) "Legislative office candidate" means a person who:

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

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

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

196 (26) "Major political party" means either of the two registered political parties that
197 have the greatest number of members elected to the two houses of the Legislature.

198 (27) "Officeholder" means a person who holds a public office.

199 (28) "Party committee" means any committee organized by or authorized by the
200 governing board of a registered political party.

201 (29) "Person" means both natural and legal persons, including individuals, business
202 organizations, personal campaign committees, party committees, political action committees,
203 political issues committees, and labor organizations, as defined in Section [20A-11-1501](#).

204 (30) "Personal campaign committee" means the committee appointed by a candidate to
205 act for the candidate as provided in this chapter.

206 (31) "Personal use expenditure" has the same meaning as provided under Section
207 [20A-11-104](#).

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

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

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

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

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

218 (i) a party committee;

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

221 (iii) an individual;

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

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

226 (vi) a personal campaign committee.

227 (33) "Political convention" means a county or state political convention held by a
228 registered political party to select candidates.

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

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

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

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

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

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

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

243 (iii) an individual;

244 (iv) individuals who are related and who make contributions from a joint checking

245 account; or

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

248 (35) (a) "Political issues contribution" means any of the following:

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

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

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

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

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

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

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

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

264 (36) (a) "Political issues expenditure" means any of the following:

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

267 (A) a ballot proposition; or

268 (B) an incorporation petition or incorporation election;

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

271 (A) a ballot proposition; or

272 (B) an incorporation petition or incorporation election;

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

275 (iv) compensation paid by a reporting entity for personal services rendered by a person

276 without charge to a political issues committee; or

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

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

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

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

284 (37) "Political purposes" means an act done with the intent or in a way to influence or
285 tend to influence, directly or indirectly, any person to refrain from voting or to vote for or
286 against any candidate or a person seeking a municipal or county office at any caucus, political
287 convention, or election.

288 (38) (a) "Poll" means the survey of a person regarding the person's opinion or
289 knowledge of an individual who has filed a declaration of candidacy for public office, or of a
290 ballot proposition that has legally qualified for placement on the ballot, which is conducted in
291 person or by telephone, facsimile, Internet, postal mail, or email.

292 (b) "Poll" does not include:

293 (i) a ballot; or

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

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

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

297 (39) "Primary election" means any regular primary election held under the election
298 laws.

299 (40) "Public office" means the office of governor, lieutenant governor, state auditor,
300 state treasurer, attorney general, state or local school board member, state senator, state
301 representative, speaker of the House of Representatives, president of the Senate, and the leader,
302 whip, and assistant whip of any party caucus in either house of the Legislature.

303 (41) (a) "Public service assistance" means the following when given or provided to an
304 officeholder to defray the costs of functioning in a public office or aid the officeholder to
305 communicate with the officeholder's constituents:

306 (i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of

307 money or anything of value to an officeholder; or

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

310 (b) "Public service assistance" does not include:

311 (i) anything provided by the state;

312 (ii) services provided without compensation by individuals volunteering a portion or all
313 of their time on behalf of an officeholder;

314 (iii) money lent to an officeholder by a financial institution in the ordinary course of
315 business;

316 (iv) news coverage or any publication by the news media; or

317 (v) any article, story, or other coverage as part of any regular publication of any
318 organization unless substantially all the publication is devoted to information about the
319 officeholder.

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

325 (43) "Receipts" means contributions and public service assistance.

326 (44) "Registered lobbyist" means a person registered under Title 36, Chapter 11,
327 Lobbyist Disclosure and Regulation Act.

328 (45) "Registered political action committee" means any political action committee that
329 is required by this chapter to file a statement of organization with the Office of the Lieutenant
330 Governor.

331 (46) "Registered political issues committee" means any political issues committee that
332 is required by this chapter to file a statement of organization with the Office of the Lieutenant
333 Governor.

334 (47) "Registered political party" means an organization of voters that:

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

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

340 (48) (a) "Remuneration" means a payment:

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

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

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

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

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

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

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

349 (49) "Reporting entity" means a candidate, a candidate's personal campaign committee,
350 a judge, a judge's personal campaign committee, an officeholder, a party committee, a political
351 action committee, a political issues committee, a corporation, or a labor organization, as
352 defined in Section [20A-11-1501](#).

353 (50) "School board office" means the office of ~~[state school board or]~~ a local school
354 board.

355 (51) (a) "Source" means the person or entity that is the legal owner of the tangible or
356 intangible asset that comprises the contribution.

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

360 (52) "State office" means the offices of governor, lieutenant governor, attorney general,
361 state auditor, ~~[and]~~ state treasurer, and State Board of Education.

362 (53) "State office candidate" means a person who:

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

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

367 (54) "Summary report" means the year end report containing the summary of a
368 reporting entity's contributions and expenditures.

369 (55) "Supervisory board" means the individual or group of individuals that allocate
370 expenditures from a political issues committee.

371 Section 3. Section **20A-11-403** is amended to read:

372 **20A-11-403. Failure to file -- Penalties.**

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

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

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

377 (2) If it appears that any officeholder has failed to file the summary report required by
378 law, if it appears that a filed summary report does not conform to the law, or if the lieutenant
379 governor has received a written complaint alleging a violation of the law or the falsity of any
380 summary report, the lieutenant governor shall, if the lieutenant governor determines that a
381 violation has occurred:

382 (a) impose a fine against the filing entity in accordance with Section [20A-11-1005](#); and

383 (b) within five days of discovery of a violation or receipt of a written complaint, notify
384 the officeholder of the violation or written complaint and direct the officeholder to file a
385 summary report correcting the problem.

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

388 (b) Each officeholder who violates Subsection (3)(a) is guilty of a class B
389 misdemeanor.

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

392 (d) In addition to the criminal penalty described in Subsection (3)(b), the lieutenant
393 governor shall impose a civil fine of \$100 against an officeholder who violates Subsection
394 (3)(a).

395 (4) Within 30 days after a deadline for the filing of an interim report by an officeholder
396 under Subsection [20A-11-204\(1\)\(c\)](#)~~]~~ or [20A-11-303\(1\)\(c\)](#)~~]~~ ~~or~~ ~~[20A-11-1303\(1\)\(c\)](#)~~, the
397 lieutenant governor shall review each filed interim report to ensure that each interim report
398 contains the information required for the report.

399 (5) If it appears that any officeholder has failed to file an interim report required by

400 law, if it appears that a filed interim report does not conform to the law, or if the lieutenant
401 governor has received a written complaint alleging a violation of the law or the falsity of any
402 interim report, the lieutenant governor shall, if the lieutenant governor determines that a
403 violation has occurred:

404 (a) impose a fine against the filing entity in accordance with Section 20A-11-1005; and

405 (b) within five days after the day on which the violation is discovered or a written
406 complaint is received, notify the officeholder of the violation or written complaint and direct
407 the officeholder to file an interim report correcting the problem.

408 (6) (a) It is unlawful for any officeholder to fail to file or amend an interim report
409 within seven days after the day on which the officeholder receives notice from the lieutenant
410 governor under this section.

411 (b) Each officeholder who violates Subsection (6)(a) is guilty of a class B
412 misdemeanor.

413 (c) The lieutenant governor shall report all violations of Subsection (6)(a) to the
414 attorney general.

415 (d) In addition to the criminal penalty described in Subsection (6)(b), the lieutenant
416 governor shall impose a civil fine of \$100 against an officeholder who violates Subsection
417 (6)(a).

418 Section 4. Section 20A-11-1301 is amended to read:

419 **20A-11-1301. School board office candidate -- Campaign finance requirements --**
420 **Candidate as a political action committee officer -- No personal use -- Report**
421 **contributions within 30 days -- Report other accounts.**

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

425 (ii) A school board office candidate may:

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

428 (B) be designated by a political action committee as an officer who has primary
429 decision-making authority as described in Section 20A-11-601.

430 (b) A school board office candidate may not use money deposited in an account

431 described in Subsection (1)(a)(i) for:

432 (i) a personal use expenditure; or

433 (ii) an expenditure prohibited by law.

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

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

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

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

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

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

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

452 (6) (a) As used in this Subsection (6), ~~and Section 20A-11-1303;~~ "received" ~~[means:]~~
453 is as defined in Subsection 20A-11-1303(1)(a).

454 ~~[(i) for a cash contribution, that the cash is given to a school board office candidate or a~~
455 ~~member of the candidate's personal campaign committee;]~~

456 ~~[(ii) for a contribution that is a negotiable instrument or check, that the negotiable~~
457 ~~instrument or check is negotiated; and]~~

458 ~~[(iii) for any other type of contribution, that any portion of the contribution's benefit~~
459 ~~inures to the school board office candidate.]~~

460 (b) Each school board office candidate shall report to the chief election officer each
461 contribution and public service assistance within 30 days after the contribution or public

462 service assistance is received.

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

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

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

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

472 (i) a contribution deposited in an account:

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

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

475 (ii) an expenditure made from an account:

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

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

478 Section 5. Section **20A-11-1303** is amended to read:

479 **20A-11-1303. School board office candidate and school board officeholder --**

480 **Financial reporting requirements -- Interim reports.**

481 (1) (a) As used in this section, "received" means:

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

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

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

488 ~~[(1)(a)]~~ (b) As used in this Subsection (1), "campaign account" means a separate
489 campaign account required under Subsection **20A-11-1301**(1)(a)(i).

490 ~~[(b)]~~ (c) Each school board office candidate shall file an interim report at the following
491 times in any year in which the candidate has filed a declaration of candidacy for a public office:

492 ~~[(i) May 15, for a state school board office candidate;]~~

493 ~~[(iv)]~~ (i) seven days before the regular primary election date;

494 ~~[(iii)]~~ (ii) August 31; and

495 ~~[(iv)]~~ (iii) seven days before the regular general election date.

496 ~~[(c) Each state school board office holder who has a campaign account that has not~~
497 ~~been dissolved under Section 20A-11-1304 shall, in an even year, file an interim report at the~~
498 ~~following times, regardless of whether an election for the state school board office holder's~~
499 ~~office is held that year:]~~

500 ~~[(i) May 15;]~~

501 ~~[(ii) seven days before the regular primary election date for that year;]~~

502 ~~[(iii) August 31; and]~~

503 ~~[(iv) seven days before the regular general election date.]~~

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

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

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

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

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

512 (e) for each nonmonetary contribution:

513 (i) the fair market value of the contribution with that information provided by the
514 contributor; and

515 (ii) a specific description of the contribution;

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

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

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

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

523 (i) beginning balance;

- 524 (ii) total contributions during the period since the last statement;
- 525 (iii) total contributions to date;
- 526 (iv) total expenditures during the period since the last statement; and
- 527 (v) total expenditures to date; and
- 528 (j) the name of a political action committee for which the school board office candidate
- 529 or school board office holder is designated as an officer who has primary decision-making
- 530 authority under Section [20A-11-601](#).

531 (3) (a) For all individual contributions or public service assistance of \$50 or less, a

532 single aggregate figure may be reported without separate detailed listings.

533 (b) Two or more contributions from the same source that have an aggregate total of

534 more than \$50 may not be reported in the aggregate, but shall be reported separately.

535 (4) (a) In preparing each interim report, all receipts and expenditures shall be reported

536 as of five days before the required filing date of the report.

537 (b) Any negotiable instrument or check received by a school board office candidate or

538 school board office holder more than five days before the required filing date of a report

539 required by this section shall be included in the interim report.

540 Section 6. Section [20A-11-1305](#) is amended to read:

541 **20A-11-1305. School board office candidate -- Failure to file statement --**

542 **Penalties.**

543 (1) (a) A school board office candidate who fails to file a financial statement by the

544 deadline is subject to a fine imposed in accordance with Section [20A-11-1005](#).

545 (b) If a school board office candidate fails to file an interim report due before the

546 regular primary election, on August 31, or before the regular general election, the chief election

547 officer shall, after making a reasonable attempt to discover if the report was timely filed,

548 inform the county clerk and other appropriate election officials who:

549 (i) (A) shall, if practicable, remove the name of the candidate from the ballots before

550 the ballots are delivered to voters; or

551 (B) shall, if removing the candidate's name from the ballot is not practicable, inform

552 the voters by any practicable method that the candidate has been disqualified and that votes

553 cast for the candidate will not be counted; and

554 (ii) may not count any votes for that candidate.

555 (c) Any school board office candidate who fails to file timely a financial statement
556 required by Subsection 20A-11-1303(1)[~~(b)(ii), (iii), or (iv)~~](c) is disqualified.

557 (d) Notwithstanding Subsections (1)(b) and (1)(c), a school board office candidate is
558 not disqualified and the chief election officer may not impose a fine if:

559 (i) the candidate timely files the reports required by this section in accordance with
560 Section 20A-11-103;

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

564 (iii) those omissions, errors, or inaccuracies described in Subsection (1)(d)(ii) are
565 corrected in:

566 (A) an amended report; or

567 (B) the next scheduled report.

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

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

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

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

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

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

586 (iii) The lieutenant governor shall report all violations of Subsection (2)(c)(i) to the
587 attorney general.

588 (iv) In addition to the criminal penalty described in Subsection (2)(c)(ii), the lieutenant
589 governor shall impose a civil fine of \$100 against a state school board candidate who violates
590 Subsection (2)(c)(i).

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

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

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

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

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

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

608 (iii) The county clerk shall report all violations of Subsection (3)(c)(i) to the district or
609 county attorney.

610 (iv) In addition to the criminal penalty described in Subsection (3)(c)(ii), the lieutenant
611 governor shall impose a civil fine of \$100 against a local school board candidate who violates
612 Subsection (3)(c)(i).

613 Section 7. Section **20A-14-104** is amended to read:

614 **20A-14-104. Becoming a candidate for membership on the State Board of**
615 **Education.**

616 [~~(1)(a) Persons~~] A person interested in becoming a candidate for the State Board of

617 Education shall file a declaration of candidacy according to the procedures and requirements of
618 Sections 20A-9-201 and 20A-9-202.

619 ~~[(b) By May 1 of the year in which a State Board of Education member's term expires,~~
620 ~~the lieutenant governor shall submit the name of each person who has filed a declaration of~~
621 ~~candidacy for the State Board of Education to the nominating and recruiting committee for the~~
622 ~~State Board of Education.]~~

623 ~~[(2) By November 1 of the year preceding each regular general election year, a~~
624 ~~nominating and recruiting committee consisting of 12 members, each to serve a two-year term,~~
625 ~~shall be appointed by the governor as follows:]~~

626 ~~[(a) one member shall be appointed to represent each of the following business and~~
627 ~~industry sectors:]~~

628 ~~[(i) manufacturing and mining;]~~

629 ~~[(ii) transportation and public utilities;]~~

630 ~~[(iii) service, trade, and information technology;]~~

631 ~~[(iv) finance, insurance, and real estate;]~~

632 ~~[(v) construction; and]~~

633 ~~[(vi) agriculture; and]~~

634 ~~[(b) one member shall be appointed to represent each of the following education~~
635 ~~sectors:]~~

636 ~~[(i) teachers;]~~

637 ~~[(ii) school administrators;]~~

638 ~~[(iii) parents;]~~

639 ~~[(iv) local school board members;]~~

640 ~~[(v) charter schools; and]~~

641 ~~[(vi) higher education.]~~

642 ~~[(3) (a) The members appointed under Subsections (2)(a)(i) through (vi) and (2)(b)(i)~~
643 ~~through (vi) shall be appointed from lists containing at least two names submitted by~~
644 ~~organizations representing each of the respective sectors.]~~

645 ~~[(b) At least one member of the nominating and recruiting committee shall reside~~
646 ~~within each state board district in which a member's term expires during the committee's~~
647 ~~two-year term of office.]~~

648 ~~[(4) (a) The members shall elect one member to serve as chair for the committee.]~~

649 ~~[(b) The chair, or another member of the committee designated by the chair, shall~~
650 ~~schedule and convene all committee meetings.]~~

651 ~~[(c) Any formal action by the committee requires the approval of a majority of~~
652 ~~committee members.]~~

653 ~~[(d) Members of the nominating and recruiting committee shall serve without~~
654 ~~compensation, but they may be reimbursed for expenses incurred in the performance of their~~
655 ~~official duties as established by the Division of Finance.]~~

656 ~~[(5) The nominating and recruiting committee shall:]~~

657 ~~[(a) recruit potential candidates for membership on the State Board of Education prior~~
658 ~~to the deadline to file a declaration of candidacy;]~~

659 ~~[(b) prepare a list of candidates for membership on the State Board of Education for~~
660 ~~each state board district subject to election in that year using the qualifications under~~
661 ~~Subsection (6);]~~

662 ~~[(c) submit a list of at least three candidates for each state board position to the~~
663 ~~governor by July 1; and]~~

664 ~~[(d) ensure that the list includes appropriate background information on each~~
665 ~~candidate.]~~

666 ~~[(6) The nominating committee shall select a broad variety of candidates who possess~~
667 ~~outstanding professional qualifications relating to the powers and duties of the State Board of~~
668 ~~Education, including experience in the following areas:]~~

669 ~~[(a) business and industry administration;]~~

670 ~~[(b) business and industry human resource management;]~~

671 ~~[(c) business and industry finance;]~~

672 ~~[(d) business and industry, including expertise in:]~~

673 ~~[(i) metrics and evaluation;]~~

674 ~~[(ii) manufacturing;]~~

675 ~~[(iii) retailing;]~~

676 ~~[(iv) natural resources;]~~

677 ~~[(v) information technology;]~~

678 ~~[(vi) construction;]~~

- 679 [~~(vii) banking;~~]
- 680 [~~(viii) science and engineering; and~~]
- 681 [~~(ix) medical and healthcare;~~]
- 682 [~~(e) higher education administration;~~]
- 683 [~~(f) applied technology education;~~]
- 684 [~~(g) public education administration;~~]
- 685 [~~(h) public education instruction;~~]
- 686 [~~(i) economic development;~~]
- 687 [~~(j) labor; and~~]
- 688 [~~(k) other life experiences that would benefit the State Board of Education.]~~]

689 Section 8. **Repealer.**

690 This bill repeals:

691 Section **20A-14-105, Becoming a candidate for membership on the State Board of**
692 **Education -- Selection of candidates by the governor -- Ballot placement.**

Legislative Review Note
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Office of Legislative Research and General Counsel