

HB0120S01 compared with HB0120

~~{deleted text}~~ shows text that was in HB0120 but was deleted in HB0120S01.

inserted text shows text that was not in HB0120 but was inserted into HB0120S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

~~{CAMPAIGN FINANCIAL DISCLOSURES}~~ Representative Craig Hall proposes the following substitute bill:

MODIFICATIONS TO ELECTION LAW

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Craig Hall

Senate Sponsor: _____

LONG TITLE

General Description:

This bill changes the date on which certain filing entities are required to submit certain financial disclosures.

Highlighted Provisions:

This bill:

- ▶ changes the date on which certain filing entities are required to file a financial disclosures report;
- ▶ amends provisions relating to providing notice that a candidate on a ballot has been disqualified; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

HB0120S01 compared with HB0120

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

- 20A-11-204, as last amended by Laws of Utah 2013, Chapters 170 and 420
- 20A-11-206, as last amended by Laws of Utah 2013, Chapters 170, 252, 317, and 420
- 20A-11-303, as last amended by Laws of Utah 2013, Chapters 170 and 420
- 20A-11-305, as last amended by Laws of Utah 2013, Chapters 170, 252, 317, and 420
- 20A-11-507, as last amended by Laws of Utah 2010, Chapter 389
- 20A-11-508, as last amended by Laws of Utah 2013, Chapters 252 and 420
- 20A-11-511, as enacted by Laws of Utah 2011, Chapter 396
- 20A-11-512, as last amended by Laws of Utah 2013, Chapters 252 and 420
- 20A-11-602, as last amended by Laws of Utah 2013, Chapter 420
- 20A-11-603, as last amended by Laws of Utah 2013, Chapters 252 and 420
- 20A-11-701, as last amended by Laws of Utah 2013, Chapters 318 and 420
- 20A-11-702, as last amended by Laws of Utah 2013, Chapters 318 and 420
- 20A-11-802, as last amended by Laws of Utah 2013, Chapter 420
- 20A-11-803, as last amended by Laws of Utah 2013, Chapter 420
- 20A-11-1303, as last amended by Laws of Utah 2014, Chapter 337
- 20A-11-1305, as last amended by Laws of Utah 2014, Chapter 337
- 20A-11-1502, as enacted by Laws of Utah 2010, Chapter 389

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

Section 1. Section **20A-11-204** is amended to read:

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

(1) (a) As used in this Subsection (1), "campaign account" means a separate campaign account required under Subsection 20A-11-201(1)(a).

(b) Except as provided in Subsection (1)(c), 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:

HB0120S01 compared with HB0120

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

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

(iii) [~~August 31~~] September 30; and

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

(c) If a state office candidate is a state office candidate seeking appointment for a midterm vacancy, the state office candidate:

(i) shall file an interim report:

(A) no later than seven days before the day on which the political party of the party for which the state office candidate seeks nomination meets to declare a nominee for the governor to appoint in accordance with Section 20A-1-504; or

(B) if a state office candidate decides to seek the appointment with less than seven days before the party meets, or the political party schedules the meeting to declare a nominee less than seven days before the day of the meeting, no later than 5 p.m. on the last day of business before the day on which the party meets; and

(ii) is not required to file an interim report at the times described in Subsection (1)(b).

(d) Each state office holder who has a campaign account that has not been dissolved under Section 20A-11-205 shall, in an even year, file an interim report at the following times, regardless of whether an election for the state office holder's office is held that year:

(i) seven days before the political convention for the political party of the state office holder;

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

(iii) [~~August 31~~] September 30; and

(iv) 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;

HB0120S01 compared with HB0120

(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;

(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; and

(j) the name of a political action committee for which the state office candidate or state office holder is designated as an officer who has primary decision-making authority under Section 20A-11-601.

(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 or state office holder more than five days before the required filing date of a report required by this section shall be included in the interim report.

Section 2. Section **20A-11-206** is amended to read:

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

(1) (a) A state office candidate who fails to file a financial statement by the deadline is

HB0120S01 compared with HB0120

subject to a fine imposed in accordance with Section 20A-11-1005.

(b) If a state office candidate fails to file an interim report [~~due before the regular primary election, on August 31, or before the regular general election~~] described in Subsections 20A-11-204(1)(b)(ii) through (iv), the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely filed, inform the county clerk and other appropriate election officials that the state office candidate is disqualified.

(c) (i) The vacancy on the ballot resulting from the disqualification may be filled as provided in Section 20A-1-501.

(ii) If a state office candidate is disqualified under Subsection (1)(a), the election official shall:

(A) remove the candidate's name from the ballot; or

(B) 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.

(iii) An election official may fulfill the requirement described in Subsection (1)(c)(ii)(B) in relation to an absentee voter, including a military or overseas absentee voter, by including with the absentee ballot a written notice directing the voter to a public website that will inform the voter whether a candidate on the ballot is disqualified.

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

(i) the candidate timely files the reports required by this section no later than the due date in accordance with Section 20A-11-103;

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

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

(A) an amended report; or

(B) 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:

HB0120S01 compared with HB0120

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

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

Section 3. Section **20A-11-303** is amended to read:

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

(1) (a) As used in this Subsection (1), "campaign account" means a separate campaign account required under Subsection 20A-11-301(1)(a)(i).

(b) Except as provided in Subsection (1)(d), 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:

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

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

(iii) ~~August 31~~ September 30; and

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

HB0120S01 compared with HB0120

(c) Each legislative office holder who has a campaign account that has not been dissolved under Section 20A-11-304 shall, in an even year, file an interim report at the following times, regardless of whether an election for the legislative office holder's office is held that year:

(i) seven days before the political convention for the political party of the legislative office holder;

(ii) seven days before the regular primary election date for that year;

(iii) ~~[August 31]~~ September 30; and

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

(d) If a legislative office candidate is a legislative office candidate seeking appointment for a midterm vacancy, the legislative office candidate:

(i) shall file an interim report:

(A) no later than seven days before the day on which the political party of the party for which the legislative office candidate seeks nomination meets to declare a nominee for the governor to appoint in accordance with Section 20A-1-503; or

(B) if a legislative office candidate decides to seek the appointment with less than seven days before the party meets, or the political party schedules the meeting to declare a nominee less than seven days before the day of the meeting, no later than 5 p.m. on the last day of business before the day on which the party meets; and

(ii) is not required to file an interim report at the times described in Subsection (1)(b).

(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

HB0120S01 compared with HB0120

- (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;
- (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; and
- (j) the name of a political action committee for which the legislative office candidate or legislative office holder is designated as an officer who has primary decision-making authority under Section 20A-11-601.

(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 legislative office candidate or legislative office holder more than five days before the required filing date of a report required by this section shall be included in the interim report.

Section 4. Section **20A-11-305** is amended to read:

20A-11-305. Legislative office candidate -- Failure to file report -- Penalties.

(1) (a) A legislative office candidate who fails to file a financial statement by the deadline is subject to a fine imposed in accordance with Section 20A-11-1005.

(b) If a legislative office candidate fails to file an interim report [~~due before the regular primary election, on August 31, or before the regular general election~~] described in Subsections

HB0120S01 compared with HB0120

20A-11-303(1)(b)(ii) through (iv), the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely filed, inform the county clerk and other appropriate election officials that the legislative office candidate is disqualified.

(c) (i) The vacancy on the ballot resulting from the disqualification may be filled as provided in Section 20A-1-501.

(ii) If a legislative office candidate is disqualified under Subsection (1)(a), the election officer shall:

(A) remove the candidate's name from the ballot; or

(B) 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.

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

(i) the candidate timely files the reports required by this section no later than the due date in accordance with Section 20A-11-103;

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

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

(A) an amended report; or

(B) 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

HB0120S01 compared with HB0120

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

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

Section 5. Section **20A-11-507** is amended to read:

20A-11-507. Political party financial reporting requirements -- Interim reports.

(1) The party committee of each registered political party shall file an interim report at the following times in any year in which there is a regular general election:

- (a) seven days before the registered political party's political convention;
- (b) seven days before the regular primary election date;
- (c) [~~August 31~~] September 30; and
- (d) seven days before the general election date.

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

- (a) the net balance of the last financial statement, 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, the fair market value of the contribution;
- (f) a detailed listing of each expenditure made since the last summary report that has

HB0120S01 compared with HB0120

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

Section 6. Section **20A-11-508** is amended to read:

20A-11-508. Political party reporting requirements -- Criminal penalties -- Fines.

(1) (a) Each registered political party that fails to file a financial statement by the deadline is subject to a fine imposed in accordance with Section 20A-11-1005.

(b) Each registered political party that fails to file [~~the interim reports due before the regular primary election, on August 31, or before the regular general election~~] an interim report described in Subsections 20A-11-507(1)(b) through (d) is guilty of a class B misdemeanor.

(c) The lieutenant governor shall report all violations of Subsection (1)(b) 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

HB0120S01 compared with HB0120

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 seven 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) The lieutenant governor shall report all violations of Subsection (4)(a) to the attorney general.

(d) In addition to the criminal penalty described in Subsection (4)(b), the lieutenant governor shall impose a civil fine of \$1,000 against a political party that violates Subsection (4)(a).

Section 7. Section **20A-11-511** is amended to read:

20A-11-511. County political party financial reporting requirements -- Interim reports.

(1) (a) A county political party officer of a county political party that has received contributions totaling at least \$750, or disbursed expenditures totaling at least \$50, during a calendar year shall file an interim report at the following times in any year in which there is a regular general election:

- (i) seven days before the county political party's convention;
- (ii) seven days before the regular primary election date;
- (iii) [~~August 31~~] September 30; and
- (iv) seven days before the general election date.

(b) A county political party officer need not file an interim report if it received no contributions or made no expenditures during the reporting period.

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

- (a) the net balance of the last financial statement, 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;

HB0120S01 compared with HB0120

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

Section 8. Section **20A-11-512** is amended to read:

20A-11-512. County political party -- Criminal penalties -- Fines.

(1) (a) A county political party that fails to file an interim report that is due seven days before the county political party's convention is subject to a fine imposed in accordance with Section 20A-11-1005.

(b) A county political party that fails to file [~~the interim report due before the regular primary election, on August 31, or before the regular general election~~] an interim report described in Subsections 20A-11-511(1)(a)(ii) through (iv) is subject to a fine of \$1,000, which

HB0120S01 compared with HB0120

the chief election officer shall deposit in the General Fund.

(2) Within 30 days after a deadline for the filing of the January 10 statement required by Section 20A-11-510, the lieutenant governor shall review each filed statement to ensure that:

- (a) a county political party officer who is required to file a statement has filed one; and
- (b) each statement contains the information required by Section 20A-11-510.

(3) If it appears that any county political party officer has failed to file a financial statement, if it appears that a filed financial 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 financial statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the county political party officer of the violation or written complaint and direct the county political party officer to file a financial statement correcting the problem.

(4) A county political party that fails to file or amend a financial statement within seven days after receiving notice from the lieutenant governor under this section is subject to a fine of \$1,000, which the chief election officer shall deposit in the General Fund.

Section 9. Section **20A-11-602** is amended to read:

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

(1) (a) Each registered political action committee that has received contributions totaling at least \$750, or disbursed expenditures totaling at least \$50, during a calendar year shall file a verified financial statement with the lieutenant governor's office:

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

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

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

(iv) on [~~August 31~~] September 30; and

(v) seven days before:

(A) the municipal general election; and

(B) the regular general election date.

(b) The registered political action committee shall report:

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

HB0120S01 compared with HB0120

statement; and

(ii) for [~~financial statements filed under~~] a financial statement described in Subsections (1)(a)(ii) through (iv), all contributions and expenditures as of five days before the required filing date of the financial statement.

(c) The registered political action committee need not file a statement under this section if it received no contributions and made no expenditures during the reporting period.

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

(i) the name and address 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 statement by the political action committee's treasurer or chief financial officer certifying that, to the best of the person'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.

HB0120S01 compared with HB0120

(3) A group or entity may not divide or separate into units, sections, or smaller groups for the purpose of avoiding the financial reporting requirements of this chapter, and substance shall prevail over form in determining the scope or size of a political action committee.

(4) (a) As used in this Subsection (4), "received" means:

(i) for a cash contribution, that the cash is given to a political action 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 political action committee.

(b) A political action committee shall report each contribution to the lieutenant governor within 30 days after the contribution is received.

Section 10. Section **20A-11-603** is amended to read:

20A-11-603. Criminal penalties -- Fines.

(1) (a) Each political action committee that fails to file a financial statement by the deadline is subject to a fine imposed in accordance with Section 20A-11-1005.

(b) Each political action committee that fails to file ~~[the]~~ a financial statement ~~[due before the regular primary election, on August 31, before the municipal general election, or before the regular general election]~~ described in Subsections 20A-11-602(1)(a)(iii) through (v) is guilty of a class B misdemeanor.

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

(2) Within 30 days after a deadline for the filing of the January 10 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 10 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.

HB0120S01 compared with HB0120

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

(b) Each political action committee that violates Subsection (4)(a) is guilty of a class B misdemeanor.

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

(d) In addition to the criminal penalty described in Subsection (4)(b), the lieutenant governor shall impose a civil fine of \$1,000 against a political action committee that violates Subsection (4)(a).

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

20A-11-701. Campaign financial reporting by corporations -- Filing requirements -- Statement contents -- Donor reporting and notification required.

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

- (i) on January 10, reporting expenditures as of December 31 of the previous year;
- (ii) seven days before the state political convention for each major political party;
- (iii) seven days before the regular primary election date;
- (iv) on [~~August 31~~] September 30; and
- (v) seven days before the regular general election date.

(b) The corporation shall report:

- (i) a detailed listing of all expenditures made since the last financial statement;
- (ii) for [~~financial statements filed under~~] a financial statement described in Subsections (1)(a)(ii) through (v), all expenditures as of five days before the required filing date of the financial statement; and

(iii) whether the corporation, including an officer of the corporation, director of the corporation, or person with at least 10% ownership in the corporation:

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

(B) is currently bidding on a contract, as defined in Section 63G-6a-103, in excess of

HB0120S01 compared with HB0120

\$100,000; or

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

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

(2) The financial statement shall include:

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

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

(i) since the last financial statement; and

(ii) during the calendar year;

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

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

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

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

(i) the name and address of each donor;

(ii) the amount of the money received by the corporation from each donor; and

(iii) the date on which the corporation received the money.

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

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

(A) requests that the corporation use the money to make an expenditure;

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

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

(ii) second, divide the difference between the total amount of expenditures made since

HB0120S01 compared with HB0120

the last financial statement and the total amount of money reported under Subsection (3)(b)(i) on a proration basis between all donors that:

- (A) are not described in Subsection (3)(b)(i);
- (B) gave at least \$50 during the calendar year or previous calendar year; and
- (C) have not been reported in a previous financial statement.

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

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

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

(ii) The corporation:

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

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

(4) If a corporation makes expenditures that total at least \$750 during a calendar year, the corporation shall notify a person giving money to the corporation that:

- (a) the corporation may use the money to make an expenditure; and
- (b) the person's name and address may be disclosed on the corporation's financial statement.

Section 12. Section **20A-11-702** is amended to read:

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

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

- (i) on January 10, reporting expenditures as of December 31 of the previous year;
- (ii) seven days before the state political convention of each major political party;

HB0120S01 compared with HB0120

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

(iv) on [~~August 31~~] September 30; and

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

(b) The corporation shall report:

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

(ii) for [~~financial statements under~~] a financial statement described in Subsections

(1)(a)(ii) through (v), expenditures as of five days before the required filing date of the financial statement.

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

(2) That statement shall include:

(a) 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 corporation, and the amount of each political issues expenditure;

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

(i) since the last financial statement; and

(ii) during the calendar year;

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

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

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

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

(i) the name and address of each donor;

(ii) the amount of the money received by the corporation from each donor; and

(iii) the date on which the corporation received the money.

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

(i) first, beginning with the least recent date on which the corporation received money

HB0120S01 compared with HB0120

that has not been reported in a previous financial statement, the money received from a donor that:

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

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

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

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

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

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

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

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

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

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

(ii) The corporation:

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

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

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

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

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

HB0120S01 compared with HB0120

Section 13. 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, shall file a verified financial statement with the lieutenant governor's office:

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

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

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

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

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

(vi) if the political issues committee has received or expended funds in relation to an initiative or referendum, at the time the initiative or referendum sponsors submit:

(A) the verified and certified initiative packets as required by Section 20A-7-206; or

(B) the signed and verified referendum packets as required by Section 20A-7-306;

(vii) on ~~[August 31]~~ September 30; and

(viii) seven days before:

(A) the municipal general election; and

(B) 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) all contributions and expenditures as of five days before the required filing date of the financial statement, except for a financial statement filed on January 10.

(c) 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.

(2) (a) That statement shall include:

(i) the name and address of any individual that makes a political issues contribution to

HB0120S01 compared with HB0120

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 statement by the political issues committee's treasurer or chief financial officer certifying that, to the best of the person'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

HB0120S01 compared with HB0120

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.

(3) (a) As used in this Subsection (3), "received" means:

- (i) for a cash contribution, that the cash is given to a political issues 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 political issues committee.

(b) A political issues committee shall report each contribution to the lieutenant governor within 30 days after the contribution is received.

Section 14. Section **20A-11-803** is amended to read:

20A-11-803. Criminal penalties.

(1) (a) Each political issues committee that fails to file ~~the~~ a financial statement ~~[due August 31, before the municipal general election, or before the regular general election]~~ described in Subsection 20A-11-802(1)(a)(vii) or (viii) 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 10 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 10 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

HB0120S01 compared with HB0120

statement within seven 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) The lieutenant governor shall report all violations of Subsection (4)(a) to the attorney general.

(d) In addition to the criminal penalty described in Subsection (4)(b), the lieutenant governor shall impose a civil fine of \$1,000 against a political issues committee that violates Subsection (4)(a).

Section 15. Section **20A-11-1303** is amended to read:

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

(1) (a) As used in this Subsection (1), "campaign account" means a separate campaign account required under Subsection 20A-11-1301(1)(a)(i).

(b) 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:

- (i) May 15;
- (ii) seven days before the regular primary election date;
- (iii) ~~[August 31]~~ September 30; and
- (iv) seven days before the regular general election date.

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

- (i) May 15;
- (ii) seven days before the regular primary election date for that year;
- (iii) ~~[August 31]~~ September 30; and
- (iv) 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

HB0120S01 compared with HB0120

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;

(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; and

(j) the name of a political action committee for which the school board office candidate or school board office holder is designated as an officer who has primary decision-making authority under Section 20A-11-601.

(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 or

HB0120S01 compared with HB0120

school board office holder more than five days before the required filing date of a report required by this section shall be included in the interim report.

Section 16. Section **20A-11-1305** is amended to read:

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

Penalties.

(1) (a) A school board office candidate who fails to file a financial statement by the deadline is subject to a fine imposed in accordance with Section 20A-11-1005.

(b) If a school board office candidate fails to file an interim report [~~due before the regular primary election, on August 31, or before the regular general election~~] described in Subsections 20A-11-1303(1)(b)(ii) through (iv), the chief election officer shall, after making a reasonable attempt to discover if the report was timely filed, inform the county clerk and other appropriate election officials who:

(i) (A) shall, if practicable, remove the name of the candidate from the ballots before the ballots are delivered to voters; or

(B) 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

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

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

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

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

(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 described in Subsection (1)(d)(ii) are corrected in:

(A) an amended report; or

(B) the next scheduled report.

HB0120S01 compared with HB0120

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

(i) each 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 a 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 school board candidate of the violation or written complaint and direct the school board candidate to file a summary report correcting the problem.

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

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

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

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

Section 17. Section **20A-11-1502** is amended to read:

20A-11-1502. Campaign financial reporting of contributions -- Filing requirements -- Statement contents.

(1) (a) Each labor organization that has made expenditures for political purposes or political issues expenditures on current or proposed ballot issues that total at least \$750 during a calendar year shall file a verified financial statement with the lieutenant governor's office:

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

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

(iii) on [~~August 31~~] September 30; and

HB0120S01 compared with HB0120

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

(b) The labor organization shall report:

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

(ii) for [~~financial statements filed under~~] a financial statement described in Subsections

(1)(a)(ii) through (iv), all expenditures as of five days before the required filing date of the financial statement.

(c) The labor organization need not file a financial statement under this section if the labor organization:

(i) made no expenditures during the reporting period; or

(ii) reports its expenditures during the reporting period under another part of this chapter.

(2) The financial statement shall include:

(a) the name and address of each reporting entity that received an expenditure or political issues expenditure of more than \$50 from the labor organization, and the amount of each expenditure or political issues expenditure;

(b) the total amount of expenditures disbursed by the labor organization; and

(c) a statement by the labor organization's treasurer or chief financial officer certifying the accuracy of the financial statement.

†

Legislative Review Note

~~as of 1-5-15 6:15 PM~~

~~Office of Legislative Research and General Counsel~~