

SB0207S03 compared with SB0207S01

~~deleted text~~ shows text that was in SB0207S01 but was deleted in SB0207S03.

inserted text shows text that was not in SB0207S01 but was inserted into SB0207S03.

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Senator ~~Curtis S. Bramble~~Howard A. Stephenson proposes the following substitute bill:

POLITICAL ACTIVITY AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: ~~_____~~Brad R. Wilson

LONG TITLE

General Description:

This bill amends provisions of the Election Code and the Lobbyist Disclosure and Regulation Act relating to reporting obligations of reporting entities and lobbyists and to other requirements placed on lobbyists.

Highlighted Provisions:

This bill:

- ▶ defines and amends terms;
- ▶ modifies requirements relating to reporting by a corporation or a lobbyist; and
- ▶ removes the requirements relating to lobbyist nametags.

Money Appropriated in this Bill:

None

Other Special Clauses:

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None

Utah Code Sections Affected:

AMENDS:

20A-11-101, as last amended by Laws of Utah 2014, Chapters 18, 158, and 337

20A-11-601, as last amended by Laws of Utah 2011, Chapter 347

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-11-703, as last amended by Laws of Utah 2013, Chapter 420

20A-11-704, as enacted by Laws of Utah 2006, Chapter 226

20A-11-801, as last amended by Laws of Utah 2008, Chapter 225

20A-11-1004, as enacted by Laws of Utah 1995, Chapter 1

36-11-201, as last amended by Laws of Utah 2010, Chapter 325

36-11-305.5, as enacted by Laws of Utah 2014, Chapter 335

ENACTS:

20A-11-705, Utah Code Annotated 1953

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

Section 1. Section **20A-11-101** is amended to read:

20A-11-101. Definitions.

As used in this chapter:

(1) "Address" means the number and street where an individual resides or where a reporting entity has its principal office.

(2) "Agent of a reporting entity" means:

(a) a person acting on behalf of a reporting entity at the direction of the reporting entity;

(b) a person employed by a reporting entity in the reporting entity's capacity as a reporting entity;

(c) the personal campaign committee of a candidate or officeholder;

(d) a member of the personal campaign committee of a candidate or officeholder in the member's capacity as a member of the personal campaign committee of the candidate or officeholder; or

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(e) a political consultant of a reporting entity.

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

(4) "Business expenditure" means any money paid out by a corporation, regardless of whether the money:

(a) is for a normal business expense;

(b) is an expenditure, as defined in this section;

(c) is paid out for political purposes, as defined in this section;

(d) is a political issues expenditure, as defined in this section; or

(e) is paid out for any other purpose.

~~[(4)]~~ (5) "Candidate" means any person who:

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

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

~~[(5)]~~ (6) "Chief election officer" means:

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

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

~~[(6)]~~ (7) (a) "Contribution" means any of the following when done for political purposes:

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

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

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

(iv) compensation paid by any person or reporting entity other than the filing entity for

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personal services provided without charge to the filing entity;

(v) remuneration from:

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

or

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

(vi) a loan made by a candidate deposited to the candidate's own campaign; and

(vii) in-kind contributions.

(b) "Contribution" does not include:

(i) services provided by individuals volunteering a portion or all of their time on behalf of the filing entity if the services are provided without compensation by the filing entity or any other person;

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

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

~~[(7)]~~ (8) "Coordinated with" means that goods or services provided for the benefit of a candidate or political party are provided:

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

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

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

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

~~[(8)]~~ (9) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business organization that is registered as a corporation or is authorized to do business in a state and makes any expenditure from corporate funds for:

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

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

(b) "Corporation" does not mean:

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- (i) a business organization's political action committee or political issues committee; or
- (ii) a business entity organized as a partnership or a sole proprietorship.

~~[(9)]~~ (10) "County political party" means, for each registered political party, all of the persons within a single county who, under definitions established by the political party, are members of the registered political party.

~~[(10)]~~ (11) "County political party officer" means a person whose name is required to be submitted by a county political party to the lieutenant governor in accordance with Section 20A-8-402.

~~[(11)]~~ (12) "Detailed listing" means:

(a) for each contribution or public service assistance:

(i) the name and address of the individual or source making the contribution or public service assistance;

(ii) the amount or value of the contribution or public service assistance; and

(iii) the date the contribution or public service assistance was made; and

(b) for each expenditure:

(i) the amount of the expenditure;

(ii) the person or entity to whom it was disbursed;

(iii) the specific purpose, item, or service acquired by the expenditure; and

(iv) the date the expenditure was made.

~~[(12)]~~ (13) (a) "Donor," as it relates to a political purpose corporation, means a person that gives money, including a fee, due, or assessment for membership in the corporation, to a corporation without receiving full and adequate consideration for the money.

(b) "Donor," as it relates to a political purpose corporation, does not include a person that signs a statement that the corporation may not use the money for an expenditure or political issues expenditure.

~~[(13)]~~ (14) "Election" means each:

(a) regular general election;

(b) regular primary election; and

(c) special election at which candidates are eliminated and selected.

~~[(14)]~~ (15) "Electioneering communication" means a communication that:

(a) has at least a value of \$10,000;

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(b) clearly identifies a candidate or judge; and

(c) is disseminated through the Internet, newspaper, magazine, outdoor advertising facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly identified candidate's or judge's election date.

~~[(15)]~~ (16) (a) "Expenditure" means any of the following made by a reporting entity or an agent of a reporting entity on behalf of the reporting entity:

(i) any disbursement from contributions, receipts, or from the separate bank account required by this chapter;

(ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of value made for political purposes;

(iii) an express, legally enforceable contract, promise, or agreement to make any purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of value for political purposes;

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

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

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

(b) "Expenditure" does not include:

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

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

(iii) anything listed in Subsection ~~[(15)]~~ (16)(a) that is given by a reporting entity to candidates for office or officeholders in states other than Utah.

~~[(16)]~~ (17) "Federal office" means the office of president of the United States, United States Senator, or United States Representative.

~~[(17)]~~ (18) "Filing entity" means the reporting entity that is required to file a financial statement required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

~~[(18)]~~ (19) "Financial statement" includes any summary report, interim report, verified

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financial statement, or other statement disclosing contributions, expenditures, receipts, donations, or disbursements that is required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

~~[(19)]~~ (20) "Governing board" means the individual or group of individuals that determine the candidates and committees that will receive expenditures from a political action committee, political party, or corporation.

~~[(20)]~~ (21) "Incorporation" means the process established by Title 10, Chapter 2, Part 1, Incorporation, by which a geographical area becomes legally recognized as a city or town.

~~[(21)]~~ (22) "Incorporation election" means the election authorized by Section 10-2-111 or 10-2-127.

~~[(22)]~~ (23) "Incorporation petition" means a petition authorized by Section 10-2-109 or 10-2-125.

~~[(23)]~~ (24) "Individual" means a natural person.

~~[(24)]~~ (25) "In-kind contribution" means anything of value, other than money, that is accepted by or coordinated with a filing entity.

~~[(25)]~~ (26) "Interim report" means a report identifying the contributions received and expenditures made since the last report.

~~[(26)]~~ (27) "Legislative office" means the office of state senator, state representative, speaker of the House of Representatives, president of the Senate, and the leader, whip, and assistant whip of any party caucus in either house of the Legislature.

~~[(27)]~~ (28) "Legislative office candidate" means a person who:

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

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

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

~~[(28)]~~ (29) "Major political party" means either of the two registered political parties that have the greatest number of members elected to the two houses of the Legislature.

~~[(29)]~~ (30) "Officeholder" means a person who holds a public office.

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~~[(30)]~~ (31) "Party committee" means any committee organized by or authorized by the governing board of a registered political party.

~~[(31)]~~ (32) "Person" means both natural and legal persons, including individuals, business organizations, personal campaign committees, party committees, political action committees, political issues committees, and labor organizations, as defined in Section 20A-11-1501.

~~[(32)]~~ (33) "Personal campaign committee" means the committee appointed by a candidate to act for the candidate as provided in this chapter.

~~[(33)]~~ (34) "Personal use expenditure" has the same meaning as provided under Section 20A-11-104.

~~[(34)]~~ (35) (a) "Political action committee" means an entity, or any group of individuals or entities within or outside this state, a major purpose of which is to:

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

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

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

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

(i) a party committee;

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

(iii) an individual;

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

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

(vi) a personal campaign committee.

~~[(35)]~~ (36) (a) "Political consultant" means a person who is paid by a reporting entity, or paid by another person on behalf of and with the knowledge of the reporting entity, to

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provide political advice to the reporting entity.

(b) "Political consultant" includes a circumstance described in Subsection [~~(35)~~]
(36)(a), where the person:

- (i) has already been paid, with money or other consideration;
- (ii) expects to be paid in the future, with money or other consideration; or
- (iii) understands that the person may, in the discretion of the reporting entity or another person on behalf of and with the knowledge of the reporting entity, be paid in the future, with money or other consideration.

~~(36)~~ (37) "Political convention" means a county or state political convention held by a registered political party to select candidates.

~~(37)~~ (38) (a) "Political issues committee" means an entity, or any group of individuals or entities within or outside this state, a major purpose of which is to:

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

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

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

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

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

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

(iii) an individual;

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

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

~~(38)~~ (39) (a) "Political issues contribution" means any of the following:

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

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anything of value given to a political issues committee;

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

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

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

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

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

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

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

~~[(39)]~~ (40) (a) "Political issues expenditure" means any of the following when made by a political issues committee or on behalf of a political issues committee by an agent of the reporting entity:

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

(A) a ballot proposition; or

(B) an incorporation petition or incorporation election;

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

(A) a ballot proposition; or

(B) an incorporation petition or incorporation election;

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

(iv) compensation paid by a reporting entity for personal services rendered by a person without charge to a political issues committee; or

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

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

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

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

(41) "Political purpose corporation" means a corporation that makes, or is organized with the intention of making, expenditures, political issues expenditures, or in-kind contributions with a combined value that exceeds 50% of the corporation's business expenditures.

~~[(40)]~~ (42) "Political purposes" means an act done with the intent or in a way to influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote for or against any candidate or a person seeking a municipal or county office at any caucus, political convention, or election.

~~[(41)]~~ (43) (a) "Poll" means the survey of a person regarding the person's opinion or knowledge of an individual who has filed a declaration of candidacy for public office, or of a ballot proposition that has legally qualified for placement on the ballot, which is conducted in person or by telephone, facsimile, Internet, postal mail, or email.

(b) "Poll" does not include:

(i) a ballot; or

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

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

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

~~[(42)]~~ (44) "Primary election" means any regular primary election held under the election laws.

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

~~[(43)]~~ (46) "Public office" means the office of governor, lieutenant governor, state auditor, state treasurer, attorney general, state school board member, state senator, state

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representative, speaker of the House of Representatives, president of the Senate, and the leader, whip, and assistant whip of any party caucus in either house of the Legislature.

~~[(44)]~~ (47) (a) "Public service assistance" means the following when given or provided to an officeholder to defray the costs of functioning in a public office or aid the officeholder to communicate with the officeholder's constituents:

(i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or anything of value to an officeholder; or

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

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

(i) anything provided by the state;

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

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

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

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

~~[(46)]~~ (48) "Receipts" means contributions and public service assistance.

~~[(47)]~~ (49) "Registered lobbyist" means a person registered under Title 36, Chapter 11, Lobbyist Disclosure and Regulation Act.

~~[(48)]~~ (50) "Registered political action committee" means any political action committee that is required by this chapter to file a statement of organization with the Office of the Lieutenant Governor.

~~[(49)]~~ (51) "Registered political issues committee" means any political issues committee that is required by this chapter to file a statement of organization with the Office of the Lieutenant Governor.

~~[(50)]~~ (52) "Registered political party" means an organization of voters that:

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

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for any of its candidates for any office; or

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

~~[(51)]~~ (53) (a) "Remuneration" means a payment:

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

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

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

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

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

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

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

~~[(52)]~~ (54) "Reporting entity" means a candidate, a candidate's personal campaign committee, a judge, a judge's personal campaign committee, an officeholder, a party committee, a political action committee, a political issues committee, a political purpose corporation, or a labor organization, as defined in Section 20A-11-1501.

~~[(53)]~~ (55) "School board office" means the office of state school board.

~~[(54)]~~ (56) (a) "Source" means the person or entity that is the legal owner of the tangible or intangible asset that comprises the contribution.

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

~~[(55)]~~ (57) "State office" means the offices of governor, lieutenant governor, attorney general, state auditor, and state treasurer.

~~[(56)]~~ (58) "State office candidate" means a person who:

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

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

~~[(57)]~~ (59) "Summary report" means the year end report containing the summary of a reporting entity's contributions and expenditures.

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~~[(58)]~~ (60) "Supervisory board" means the individual or group of individuals that allocate expenditures from a political issues committee.

Section 2. Section **20A-11-601** is amended to read:

20A-11-601. Political action committees -- Registration -- Criminal penalty for providing false information or accepting unlawful contribution.

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

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

- (i) receiving contributions totaling at least \$750; or
- (ii) distributing expenditures for political purposes totaling at least \$50.

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

(b) A person may not exercise primary decision-making authority for a political action committee who is not designated under Subsection (2)(a).

(3) The statement of organization shall include:

- (a) the name and address of the political action committee;
- (b) the name, street address, phone number, occupation, and title of the two primary officers designated under Subsection (2)(a);
- (c) the name, street address, occupation, and title of all other officers of the political action committee;
- (d) the name and street address of the organization, individual corporation, association, unit of government, or union that the political action committee represents, if any;
- (e) the name and street address of all affiliated or connected organizations and their relationships to the political action committee;
- (f) the name, street address, business address, occupation, and phone number of the committee's treasurer or chief financial officer; and

(g) the name, street address, and occupation of each member of the governing and advisory boards, if any.

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

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

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

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

(i) be filed within 10 days of the date of the change; and

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

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

(b) Each primary officer designated in Subsection (2)(a) is guilty of accepting an unlawful contribution if the political action committee knowingly or recklessly accepts a contribution from a political purpose corporation that:

(i) was organized less than 90 days before the date of the general election; and

(ii) at the time the political action committee accepts the contribution, has failed to file a statement of organization with the lieutenant governor's office as required by Section 20A-11-704.

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

Section 3. Section **20A-11-701** is amended to read:

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

(1) (a) Each political purpose 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;

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- (iii) seven days before the regular primary election date;
- (iv) on August 31; and
- (v) seven days before the regular general election date.
- (b) The political purpose corporation shall report:
 - (i) a detailed listing of all expenditures made since the last financial statement;
 - (ii) for financial statements filed under 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 political purpose corporation, including an officer of the political purpose corporation, director of the political purpose corporation, or person with at least 10% ownership in the political purpose 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 \$100,000; or
 - (C) is a party to a contract, as defined in Section 63G-6a-103, in excess of \$100,000.
- (c) The political purpose corporation need not file a financial statement under this section if the political purpose 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 political purpose corporation, and the amount of each expenditure;
 - (b) the total amount of expenditures disbursed by the political purpose corporation:
 - (i) since the last financial statement; and
 - (ii) during the calendar year;
 - (c) (i) a statement that the political purpose corporation did not receive any money from any donor during the calendar year or the previous calendar year that the political purpose 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 political purpose 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.

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(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 political purpose corporation from each donor; and

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

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

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

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

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

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

(ii) second, divide the difference between the total amount of 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 expenditures made since the last financial statement, the financial statement shall contain a statement that the political purpose corporation has reported all donors that gave money, and all money received by donors, during the calendar year or previous calendar year that the political purpose corporation has not reported in a previous financial statement.

(d) The political purpose 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 political purpose corporation may report a single aggregate figure without separate detailed listings.

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(ii) The political purpose 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] A political purpose corporation shall notify a person giving money to the political purpose corporation that:

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

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

Section 4. Section **20A-11-702** is amended to read:

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

(1) (a) Each political purpose 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;

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

(iv) on August 31; and

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

(b) The political purpose corporation shall report:

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

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

(c) The political purpose 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 political purpose

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corporation, and the amount of each political issues expenditure;

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

(i) since the last financial statement; and

(ii) during the calendar year;

(c) (i) a statement that the political purpose 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 political purpose corporation has not reported in a previous financial statement; and

(d) a statement by the political purpose 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 political purpose corporation from each donor; and

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

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

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

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

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

(C) knows that the political purpose 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

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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 political purpose 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 political purpose corporation may report a single aggregate figure without separate detailed listings.

(ii) The political purpose 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 political purpose corporation makes political issues expenditures [~~that total at least \$750~~] during a calendar year, the political purpose corporation shall notify a person giving money to the corporation that:

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

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

Section 5. Section **20A-11-703** is amended to read:

20A-11-703. Criminal penalties -- Fines.

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

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

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

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(2) If it appears that any political purpose corporation has failed to file any statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall:

(a) impose a fine against the political purpose corporation in accordance with Section 20A-11-1005; and

(b) within five days of discovery of a violation or receipt of a written complaint, notify the political purpose corporation of the violation or written complaint and direct the political purpose corporation to file a statement correcting the problem.

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

(b) Each political purpose corporation that violates Subsection (3)(a) is guilty of a class B misdemeanor.

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

(d) In addition to the criminal penalty described in Subsection (3)(b), the lieutenant governor shall impose a civil fine of \$1,000 against a political purpose corporation that violates Subsection (3)(a).

Section 6. Section **20A-11-704** is amended to read:

20A-11-704. Statement of organization required for certain new political purpose corporations.

(1) A political purpose corporation that is incorporated, organized, or otherwise created less than 90 days before the date of a general election shall file a statement of organization with the lieutenant governor's office before making a contribution to a political action committee or a political issues committee in association with the election.

(2) The statement of organization shall include:

(a) the name and street address of the political purpose corporation;

(b) the name, street address, phone number, occupation, and title of one or more individuals that have primary decision-making authority for the political purpose corporation;

(c) the name, street address, phone number, occupation, and title of the political

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purpose corporation's chief financial officer;

(d) the name, street address, occupation, and title of all other officers or managers of the political purpose corporation; and

(e) the name, street address, and occupation of each member of the political purpose corporation's governing and advisory boards, if any.

Section 7. Section **20A-11-705** is enacted to read:

20A-11-705. Notice of in-kind contributions.

(1) A corporation that makes an in-kind contribution to a reporting entity shall, within seven days after the day on which the corporation makes the in-kind contribution, provide the reporting entity a written notice that includes:

(a) the name and address of the corporation;

(b) the date of the in-kind expenditure;

(c) a description of the in-kind expenditure; and

(d) the value, in dollars, of the in-kind expenditure.

(2) A corporation that provides, and a reporting entity that receives, the written notice described in Subsection (1) shall retain a copy of the notice for five years after the day on which the written notice is provided to the reporting entity.

(3) A corporation or reporting entity that fails to comply with the requirements of this section is guilty of a class B misdemeanor.

(4) A person that intentionally or knowingly provides, or conspires to provide, false information on a written notice described in this section is guilty of a class B misdemeanor.

Section 8. Section **20A-11-801** is amended to read:

20A-11-801. Political issues committees -- Registration -- Criminal penalty for providing false information or accepting unlawful contribution.

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

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

(i) receiving political issues contributions totaling at least \$750; or

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(ii) disbursing political issues expenditures totaling at least \$50.

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

(3) The statement of organization shall include:

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

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

(c) the name, street address, occupation, and title of all other officers of the political issues committee;

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

(e) the name and street address of all affiliated or connected organizations and their relationships to the political issues committee;

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

(g) the name, street address, and occupation of each member of the supervisory and advisory boards, if any; and

(h) the ballot proposition whose outcome they wish to affect, and whether they support or oppose it.

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

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

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

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

(i) be filed within 10 days of the date of the change; and

(ii) contain the name and title of the officer being replaced and the name, street

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address, occupation, and title of the new officer.

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

(b) Each primary officer designated in Subsection (2) is guilty of accepting an unlawful contribution if the political issues committee knowingly or recklessly accepts a contribution from a political purpose corporation that:

(i) was organized less than 90 days before the date of the general election; and

(ii) at the time the political issues committee accepts the contribution, has failed to file a statement of organization with the lieutenant governor's office as required by Section 20A-11-704.

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

Section 9. Section **20A-11-1004** is amended to read:

20A-11-1004. Summary of financial reports of political action committees and political purpose corporations.

(1) The lieutenant governor's office shall prepare a summary of each financial report submitted by each political purpose corporation, political action committee, and political issues committee.

(2) Each summary shall include the following information:

(a) for each candidate:

(i) the name of each political action committee and political purpose corporation that made expenditures to the candidate; and

(ii) the aggregate total of expenditures made by each political action committee and political purpose corporation to the candidate;

(b) for each political action committee:

(i) the name of each individual or organization listed on the financial report that made contributions to the political action committee and the aggregate total of contributions made by each individual or organization listed on the financial report to the political action committee; and

(ii) the name of each candidate, personal campaign committee, and political action committee that received expenditures from a political action committee and the aggregate total

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of expenditures made to each candidate, personal campaign committee, and political action committee;

(c) for each political purpose corporation:

(i) the name of each candidate, personal campaign committee, and political action committee that received expenditures from the political purpose corporation, and the aggregate total of expenditures made by the political purpose corporation to each candidate, personal campaign committee, and political action committee; and

(ii) the name of each individual, entity, or group of individuals or entities that received disbursements from the political purpose corporation, and the aggregate total of disbursements made by the political purpose corporation to each individual, entity, or group of individuals or entities;

(d) for each political issues committee:

(i) the name of each individual or organization listed on the financial report that made political issues contributions to the political issues committee and the aggregate total of political issues contributions made by each individual or organization listed on the financial report to the political issues committee; and

(ii) the name of each individual, entity, or group of individuals or entities that received political issues expenditures from a political issues committee and the aggregate total of political issues expenditures made to each individual, entity, or group of individuals or entities.

Section 10. Section **36-11-201** is amended to read:

36-11-201. Lobbyist, principal, and government officer financial reporting requirements -- Prohibition for related person to make expenditures.

(1) (a) (i) [~~A~~] Except as provided in Subsection (1)(a)(ii), a lobbyist shall file financial reports with the lieutenant governor on or before the due dates specified in Subsection (2).

(ii) [~~If a~~] A lobbyist who has not made an expenditure during [the] a quarterly reporting period[~~, the lobbyist shall file a financial report listing the amount of expenditures as "none."~~] is not required to file a quarterly financial report for that quarterly reporting period.

(iii) A lobbyist who is not required to file any quarterly reports under this section for a calendar year shall, on or before January 10 of the following year, file a financial report listing the amount of the expenditures for the entire preceding year as "none."

(b) A government officer or principal that makes an expenditure during any of the

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quarterly reporting periods under Subsection (2)(a) shall file a financial report with the lieutenant governor on or before the date that a report for that quarter is due.

(2) (a) A financial report is due quarterly on the following dates:

(i) April 10, for the period of January 1 through March 31;

(ii) July 10, for the period of April 1 through June 30;

(iii) October 10, for the period of July 1 through September 30; and

(iv) January 10, for the period of October 1 through December 31 of the previous year.

(b) If the due date for a financial report falls on a Saturday, Sunday, or legal holiday, the report is due on the next succeeding business day.

(c) A financial report is timely filed if it is filed electronically before the close of regular office hours on or before the due date.

(3) A financial report shall contain:

(a) the total amount of expenditures made to benefit any public official during the quarterly reporting period;

(b) the total amount of expenditures made, by the type of public official, during the quarterly reporting period;

(c) for the financial report due on January 10:

(i) the total amount of expenditures made to benefit any public official during the last calendar year; and

(ii) the total amount of expenditures made, by the type of public official, during the last calendar year;

(d) a disclosure of each expenditure made during the quarterly reporting period to reimburse or pay for travel or lodging for a public official, including:

(i) each travel destination and each lodging location;

(ii) the name of each public official who benefitted from the expenditure on travel or lodging;

(iii) the public official type of each public official named;

(iv) for each public official named, a listing of the amount and purpose of each expenditure made for travel or lodging; and

(v) the total amount of expenditures listed under Subsection (3)(d)(iv);

(e) a disclosure of aggregate daily expenditures greater than \$10 made during the

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quarterly reporting period including:

- (i) the date and purpose of the expenditure;
- (ii) the location of the expenditure;
- (iii) the name of any public official benefitted by the expenditure;
- (iv) the type of the public official benefitted by the expenditure; and
- (v) the total monetary worth of the benefit that the expenditure conferred on any public

official;

(f) for each public official who was employed by the lobbyist, principal, or government officer, a list that provides:

- (i) the name of the public official; and
- (ii) the nature of the employment with the public official;
- (g) each bill or resolution, by number and short title, on behalf of which the lobbyist,

principal, or government officer made an expenditure to a public official;

(h) a description of each executive action on behalf of which the lobbyist, principal, or government officer made an expenditure to a public official;

(i) the general purposes, interests, and nature of the entities that the lobbyist, principal, or government officer filing the report represents; and

(j) for a lobbyist, a certification that the information provided in the report is true, accurate, and complete to the lobbyist's best knowledge and belief.

(4) A related person may not, while assisting a lobbyist, principal, or government officer in lobbying, make an expenditure that benefits a public official under circumstances that would otherwise fall within the disclosure requirements of this chapter if the expenditure was made by the lobbyist, principal, or government officer.

(5) The lieutenant governor shall:

- (a) (i) develop a preprinted form for a financial report required by this section; and
- (ii) make copies of the form available to a lobbyist, principal, or government officer

who requests a form; and

(b) provide a reporting system that allows a lobbyist, principal, or government officer to submit a financial report required by this chapter via the Internet.

(6) (a) A lobbyist and a principal shall continue to file a financial report required by this section until the lobbyist or principal files a statement with the lieutenant governor that:

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(i) states:

(A) for a lobbyist, that the lobbyist has ceased lobbying activities; or

(B) for a principal, that the principal no longer employs an individual as a lobbyist;

(ii) in the case of a lobbyist, states that the lobbyist is surrendering the lobbyist's license;

(iii) contains a listing, as required by this section, of all previously unreported expenditures that have been made through the date of the statement; and

(iv) states that the lobbyist or principal will not make any additional expenditure that is not disclosed on the statement unless the lobbyist or principal complies with the disclosure and licensing requirements of this chapter.

(b) ~~[A]~~ Except as provided in Subsection (1)(a)(ii), a person that fails to renew the lobbyist's license or otherwise ceases to be licensed is required to file a financial report quarterly until the person files the statement required by Subsection (6)(a).

Section 11. Section **36-11-305.5** is amended to read:

36-11-305.5. Lobbyist requirements.

~~[(1) The lieutenant governor shall issue to each lobbyist a name tag that includes:]~~

~~[(a) the word "Lobbyist" in at least 18-point type; and]~~

~~[(b) the first and last name of the lobbyist, in at least 18-point type.]~~

~~[(2) Beginning on August 1, 2014, a lobbyist may not lobby a public official while the lobbyist is at the capitol hill complex unless the lobbyist is wearing the name tag described in Subsection (1) in plain view.]~~

~~[(3)]~~ A lobbyist shall, at the beginning of making a communication to a public official that constitutes lobbying, inform the public official of the identity of the principal on whose behalf the lobbyist is lobbying.