

REFERENCE TITLE: **campaign finance; covered transfers; disclosure.**

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

SB 1338

Introduced by
Senators Hobbs: Cajero Bedford, Contreras, Dalessandro, Mendez, Miranda,
Peshlakai, Quezada

AN ACT

AMENDING SECTIONS 16-901, 16-905, 16-906, 16-922 AND 16-926, ARIZONA
REVISED STATUTES; RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 16-901, Arizona Revised Statutes, is amended to
3 read:

4 16-901. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Advertisement" means information or materials, other than
7 nonpaid social media messages, that are mailed, e-mailed, posted,
8 distributed, published, displayed, delivered, broadcasted or placed in a
9 communication medium and that are for the purpose of influencing an
10 election.

11 2. "Affiliate" means any organization that controls, is controlled
12 by or is under common control with a corporation, limited liability
13 company or labor organization.

14 3. "AFFILIATED ENTITY":

15 (a) MEANS AN ENTITY TO WHICH ANY ONE OR MORE OF THE FOLLOWING
16 APPLY:

17 (i) THE GOVERNING INSTRUMENT OF THE ENTITY REQUIRES IT TO BE BOUND
18 BY THE DECISIONS OF THE OTHER ENTITY.

19 (ii) THE GOVERNING BOARD OF THE ENTITY INCLUDES PERSONS WHO ARE
20 SPECIFICALLY DESIGNATED REPRESENTATIVES OF THE OTHER ENTITY OR WHO ARE
21 MEMBERS OF THE GOVERNING BOARD OF OR OFFICERS OR PAID EXECUTIVE STAFF
22 MEMBERS OF THE OTHER ENTITY OR WHOSE SERVICE ON THE GOVERNING BOARD IS
23 CONTINGENT ON THE APPROVAL OF THE OTHER ENTITY.

24 (iii) THE ENTITY IS CHARTERED BY THE OTHER ENTITY.

25 (b) INCLUDES ENTITIES THAT ARE AN AFFILIATE OF THE OTHER ENTITY OR
26 IN WHICH BOTH OF THE ENTITIES ARE AN AFFILIATE OF THE SAME ENTITY.

27 ~~3.~~ 4. "Agent" means any person who has actual authority, either
28 express or implied, to represent or make decisions on behalf of another
29 person.

30 ~~4.~~ 5. "Ballot measure expenditure" means an expenditure made by a
31 person that expressly advocates the support or opposition of a clearly
32 identified ballot measure.

33 ~~5.~~ 6. "Best effort" means that a committee treasurer or
34 treasurer's agent makes at least one written effort, including an attempt
35 by e-mail, text message, private message through social media or other
36 similar communication, or at least one oral effort that is documented in
37 writing to identify the contributor of an incomplete contribution.

38 ~~6.~~ 7. "Calendar quarter" means a period of three consecutive
39 calendar months ending on March 31, June 30, September 30 or December 31.

40 ~~7.~~ 8. "Candidate" means an individual who receives contributions
41 or makes expenditures or who gives consent to another person to receive
42 contributions or make expenditures on behalf of that individual in
43 connection with the candidate's nomination, election or retention for any
44 public office.

45 ~~8.~~ 9. "Candidate committee" includes the candidate.

1 ~~9.~~ 10. "Clearly identified candidate" means that the name or a
2 description, image, photograph or drawing of the candidate appears or the
3 identity of the candidate is otherwise apparent by unambiguous reference.

4 ~~10.~~ 11. "Committee" means a candidate committee, a political
5 action committee or a political party.

6 ~~11.~~ 12. "Contribution" means any money, advance, deposit or other
7 thing of value that is made to a person for the purpose of influencing an
8 election. Contribution includes:

9 (a) A contribution that is made to retire campaign debt from a
10 previous election cycle.

11 (b) Money or the fair market value of anything that is directly or
12 indirectly provided to an elected official for the specific purpose of
13 defraying the expense of communications with constituents.

14 (c) The full purchase price of any item from a committee.

15 (d) A loan that is made to a committee for the purpose of
16 influencing an election, to the extent the loan remains outstanding.

17 ~~12.~~ 13. "Control" means to possess, directly or indirectly, the
18 power to direct or to cause the direction of the management or policies of
19 another organization, whether through voting power, ownership, contract or
20 otherwise.

21 ~~13.~~ 14. "Coordinate", "coordinated" or "coordination" means the
22 coordination of an expenditure as prescribed by section 16-922.

23 ~~14.~~ 15. "Coordinated party expenditures" means expenditures that
24 are made by a political party to directly pay for goods or services on
25 behalf of its nominee.

26 16. "COVERED TRANSFER" MEANS A DONATION, TRANSFER OR PAYMENT OF
27 MONIES BY A PERSON TO ANOTHER PERSON IF THE PERSON RECEIVING THE MONIES
28 MAKES AN INDEPENDENT EXPENDITURE OR TRANSFERS MONIES TO ANOTHER PERSON WHO
29 MAKES AN INDEPENDENT EXPENDITURE. COVERED TRANSFER DOES NOT INCLUDE ANY
30 OF THE FOLLOWING:

31 (a) A DONATION, TRANSFER OR PAYMENT MADE BY A PERSON IN THE
32 ORDINARY COURSE OF A TRADE OR BUSINESS.

33 (b) A DONATION, TRANSFER OR PAYMENT OF MONIES MADE BY A PERSON IF
34 THE PERSON MAKING THE DONATION, TRANSFER OR PAYMENT PROHIBITED THE USE OF
35 THOSE MONIES FOR AN INDEPENDENT EXPENDITURE OR A COVERED TRANSFER AND THE
36 RECIPIENT OF THE MONIES AGREED WITH THE TERMS OF THE PROHIBITION AND
37 DEPOSITED THE MONIES IN AN ACCOUNT THAT IS SEGREGATED FROM ANY ACCOUNT
38 USED TO MAKE INDEPENDENT EXPENDITURES OR COVERED TRANSFERS.

39 (c) DUES, FEES OR ASSESSMENTS THAT ARE TRANSFERRED BETWEEN
40 AFFILIATED ENTITIES AND THAT ARE PAID BY INDIVIDUALS ON A REGULAR PERIODIC
41 BASIS IN ACCORDANCE WITH A PER INDIVIDUAL CALCULATION THAT IS MADE ON A
42 REGULAR BASIS.

43 ~~15.~~ 17. "District office" means an elected office established or
44 organized pursuant to title 15 or 48.

1 ~~16.~~ 18. "Earmarked" means a designation, instruction or
2 encumbrance between the transferor of a contribution and a transferee that
3 requires the transferee to make a contribution to a clearly identified
4 candidate.

5 ~~17.~~ 19. "Election" means any election for any ballot measure in
6 this state or any candidate election during a primary, general, recall,
7 special or runoff election for any office in this state other than a
8 federal office and a political party office prescribed by chapter 5,
9 article 2 of this title.

10 ~~18.~~ 20. "Election cycle" means the two-year period beginning on
11 January 1 in the year after a statewide general election and ending on
12 December 31 in the year of a statewide general election or, for cities and
13 towns, the two-year period beginning on the first day of the calendar
14 quarter after the calendar quarter in which the city's or town's second,
15 runoff or general election is scheduled and ending on the last day of the
16 calendar quarter in which the city's or town's immediately following
17 second, runoff or general election is scheduled, however that election is
18 designated by the city or town. For the purposes of a:

19 (a) Recall election, "election cycle" means the period between
20 issuance of a recall petition serial number and the latest of the
21 following:

22 (i) The date of the recall election that is called pursuant to
23 section 19-209.

24 (ii) The date that a resignation is accepted pursuant to section
25 19-208.

26 (iii) The date that the receiving officer provides notice pursuant
27 to section 19-208.01 that the number of signatures is insufficient.

28 (b) Special election, "election cycle" means the period between the
29 date of issuance of a proclamation or order calling the special election
30 and the last day of the calendar quarter in which the special election is
31 held.

32 ~~19.~~ 21. "Employee" means an individual who is entitled to
33 compensation for labor or services performed for the individual's
34 employer.

35 ~~20.~~ 22. "Employer" means any person that pays compensation to and
36 directs the labor or services of any individual in the course of
37 employment.

38 ~~21.~~ 23. "Enforcement officer" means the attorney general or the
39 county, city or town attorney with authority to collect fines or issue
40 penalties with respect to a given election pursuant to section 16-938.

41 ~~22.~~ 24. "Entity" means a corporation, limited liability company,
42 labor organization, partnership, trust, association, organization, joint
43 venture, cooperative, unincorporated organization or association or other
44 organized group that consists of more than one individual.

1 ~~23.~~ 25. "Excess contribution" means a contribution that exceeds
2 the applicable contribution limits for a particular election.

3 ~~24.~~ 26. "Exclusive insurance contract" means an insurance
4 producer's contract with an insurer that does either of the following:

5 (a) Prohibits the producer from soliciting insurance business for
6 any other insurer.

7 (b) Requires a right of first refusal on all lines of insurance
8 business written by the insurer and solicited by the producer.

9 ~~25.~~ 27. "Expenditure" means any purchase, payment or other thing
10 of value that is made by a person for the purpose of influencing an
11 election.

12 ~~26.~~ 28. "Family contribution" means any contribution that is
13 provided to a candidate's committee by the parent, grandparent, aunt,
14 uncle, child or sibling of the candidate or the candidate's spouse,
15 including the spouse of any of the listed family members, regardless of
16 whether the relation is established by marriage or adoption.

17 ~~27.~~ 29. "Filing officer" means the secretary of state or the
18 county, city or town officer in charge of elections for that jurisdiction
19 who accepts statements and reports for those elections pursuant to section
20 16-928.

21 ~~28.~~ 30. "Firewall" means a written policy that precludes one
22 person from sharing information with another person.

23 ~~29.~~ 31. "Identification" or "identify" means:

24 (a) For an individual, the individual's first and last name,
25 residence location or street address and occupation and the name of the
26 individual's primary employer.

27 (b) For any other person, the person's full name and physical
28 location or street address.

29 ~~30.~~ 32. "Incomplete contribution" means any contribution that is
30 received by a committee for which the contributor's complete
31 identification has not been obtained.

32 ~~31.~~ 33. "Independent expenditure" means an expenditure by a
33 person, other than a candidate committee, that complies with both of the
34 following:

35 (a) Expressly advocates the election or defeat of a clearly
36 identified candidate.

37 (b) Is not made in cooperation or consultation with or at the
38 request or suggestion of the candidate or the candidate's agent.

39 ~~32.~~ 34. "In-kind contribution" means a contribution of goods,
40 services or anything of value that is provided without charge or at less
41 than the usual and normal charge.

42 ~~33.~~ 35. "Insurance producer" means a person that:

43 (a) Is required to be licensed to sell, solicit or negotiate
44 insurance.

45 (b) Has an exclusive insurance contract with an insurer.

1 ~~34.~~ 36. "Itemized" means that each contribution received or
2 expenditure made is set forth separately.

3 ~~35.~~ 37. "Labor organization" means any employee representation
4 organization that exists for the purpose of dealing with employers
5 concerning grievances, labor disputes, wages, rates of pay, hours of
6 employment or other conditions of employment.

7 ~~36.~~ 38. "Legislative office" means the office of representative in
8 the state house of representatives or senator in the state senate.

9 ~~37.~~ 39. "Mega PAC status" means official recognition that a
10 political action committee has received contributions from five hundred or
11 more individuals in amounts of ten dollars or more in the four-year period
12 immediately before application to the secretary of state.

13 ~~38.~~ 40. "Nominee" means a candidate who prevails in a primary
14 election for partisan office and includes the nominee's candidate
15 committee.

16 ~~39.~~ 41. "Person" means an individual or a candidate, nominee,
17 committee, corporation, limited liability company, labor organization,
18 partnership, trust, association, organization, joint venture, cooperative
19 or unincorporated organization or association.

20 ~~40.~~ 42. "Personal monies" means any of the following:

21 (a) Assets to which the individual or individual's spouse has
22 either legal title or an equitable interest.

23 (b) Salary and other earned income from bona fide employment of the
24 individual or individual's spouse.

25 (c) Dividends and proceeds from the sale of investments of the
26 individual or individual's spouse.

27 (d) Bequests to the individual or individual's spouse.

28 (e) Income to the individual or individual's spouse from revocable
29 trusts for which the individual or individual's spouse is a beneficiary.

30 (f) Gifts of a personal nature to the individual or individual's
31 spouse that would have been given regardless of whether the individual
32 became a candidate or accepted a contribution.

33 (g) The proceeds of loans obtained by the individual or
34 individual's spouse that are secured by collateral or security provided by
35 the individual or individual's spouse.

36 (h) Family contributions.

37 ~~41.~~ 43. "Political action committee" means an entity that is
38 required to register as a political action committee pursuant to section
39 16-905.

40 ~~42.~~ 44. "Political party" means a committee that meets the
41 requirements for recognition as a political party pursuant to chapter 5 of
42 this title.

43 ~~43. "Primary purpose" means an entity's predominant purpose.
44 Notwithstanding any other law or rule, an entity is not organized for the~~

1 ~~primary purpose of influencing an election if all of the following apply~~
2 ~~at the time the contribution or expenditure is made:~~

3 ~~(a) The entity has tax exempt status under section 501(a) of the~~
4 ~~internal revenue code.~~

5 ~~(b) Except for a religious organization, assembly or institution,~~
6 ~~the entity has properly filed a form 1023 or form 1024 with the internal~~
7 ~~revenue service or the equivalent successor form designated by the~~
8 ~~internal revenue service.~~

9 ~~(c) The entity's tax exempt status has not been denied or revoked~~
10 ~~by the internal revenue service.~~

11 ~~(d) The entity remains in good standing with the corporation~~
12 ~~commission.~~

13 ~~(e) The entity has properly filed a form 990 with the internal~~
14 ~~revenue service or the equivalent successor form designated by the~~
15 ~~internal revenue service in compliance with the most recent filing~~
16 ~~deadline established by internal revenue service regulations or policies.~~

17 ~~44.~~ 45. "Retention" means the election process by which a superior
18 court judge, appellate court judge or supreme court justice is retained in
19 office as prescribed by article VI, section 38 or 40, Constitution of
20 Arizona.

21 ~~45.~~ 46. "Separate segregated fund" means a fund established by a
22 corporation, limited liability company, labor organization or partnership
23 that is required to register as a political action committee.

24 ~~46.~~ 47. "Social media messages" means forms of communication,
25 including internet sites for social networking or blogging, through which
26 users create a personal profile and participate in online communities to
27 share information, ideas and personal messages.

28 ~~47.~~ 48. "Sponsor" means any person that establishes, administers
29 or contributes financial support to the administration of a political
30 action committee or that has common or overlapping membership or officers
31 with that political action committee.

32 ~~48.~~ 49. "Standing committee" means a political action committee or
33 political party that is active in more than one reporting jurisdiction in
34 this state and that files a statement of organization in a format
35 prescribed by the secretary of state.

36 ~~49.~~ 50. "Statewide office" means the office of governor, secretary
37 of state, state treasurer, attorney general, superintendent of public
38 instruction, corporation commissioner or mine inspector.

39 ~~50.~~ 51. "Surplus monies" means those monies of a terminating
40 committee that remain after all of the committee's expenditures have been
41 made, all debts have been extinguished and the committee ceases accepting
42 contributions.

1 Sec. 2. Section 16-905, Arizona Revised Statutes, is amended to
2 read:

3 16-905. Committee qualification; requirements; exemption;
4 adjustments

5 A. A candidate for election or retention shall register as a
6 candidate committee if the candidate receives contributions or makes
7 expenditures, in any combination, of at least one thousand dollars in
8 connection with that candidacy.

9 B. An entity shall register as a political action committee ~~if both~~
10 ~~of the following apply:~~

11 ~~1. The entity is organized for the primary purpose of influencing~~
12 ~~the result of an election.~~

13 ~~2. The entity knowingly receives contributions or makes~~
14 ~~expenditures, in any combination, of at least one thousand dollars in~~
15 ~~connection with any election during a calendar year BEFORE MAKING A~~
16 ~~CONTRIBUTION OR EXPENDITURE. THE POLITICAL ACTION COMMITTEE MAY ONLY~~
17 ~~RECEIVE MONIES FROM EITHER THE ENTITY'S TREASURY OR VOLUNTARY~~
18 ~~CONTRIBUTIONS MADE BY ITS MEMBERS, BUT NOT BOTH, OR MAY RECEIVE MONIES~~
19 ~~FROM ANOTHER POLITICAL ACTION COMMITTEE. THE POLITICAL ACTION COMMITTEE~~
20 ~~IS DEEMED TO HAVE BEEN ESTABLISHED BY AN ENTITY IF THE INITIAL~~
21 ~~CONTRIBUTION TO THE POLITICAL ACTION COMMITTEE IS MADE BY THE ENTITY'S~~
22 ~~TREASURY OR AN OFFICER OR DIRECTOR OF THE ENTITY. AN ENTITY MAY NOT FORM~~
23 ~~MORE THAN ONE POLITICAL ACTION COMMITTEE.~~

24 C. A filing officer or enforcement officer shall make a rebuttable
25 presumption that an entity is ~~organized for the primary purpose of~~
26 influencing the result of an election if the entity meets any of the
27 following:

28 1. Except for a religious organization, assembly or institution,
29 claims tax exempt status but had not filed form 1023 or form 1024 with the
30 internal revenue service, or the equivalent successor form designated by
31 the internal revenue service, before making a contribution or expenditure.

32 2. Made a contribution or expenditure and at that time had its tax
33 exempt status revoked by the internal revenue service.

34 3. Made a contribution or expenditure and at that time failed to
35 file form 990 with the internal revenue service, or the equivalent
36 successor form designated by the internal revenue service, if required by
37 law.

38 4. At the time of making a contribution or expenditure was not
39 registered with the corporation commission if required by law.

40 5. At the time of making a contribution or expenditure was
41 registered with the corporation commission but was not in good standing.

42 D. A fund that is established by a corporation, limited liability
43 company, labor organization or partnership for the purpose of influencing
44 the result of an election shall register as a political action committee.

1 E. An entity may register as a political party committee only as
2 prescribed in chapter 5 of this title.

3 F. A committee is not subject to state income tax and is not
4 required to file a state income tax return.

5 G. The dollar ~~amounts~~ AMOUNT prescribed by this section shall be
6 increased every two years pursuant to section 16-931.

7 Sec. 3. Section 16-906, Arizona Revised Statutes, is amended to
8 read:

9 16-906. Committee statement of organization; amendment;
10 committee limitation

11 A. A committee shall file a statement of organization with the
12 filing officer within ten days after qualifying as a committee EXCEPT THAT
13 IF THE COMMITTEE IS FORMED WITHIN TEN DAYS BEFORE THE START OF EARLY
14 VOTING, THAT COMMITTEE SHALL FILE ITS STATEMENT OF ORGANIZATION WITHIN
15 TWENTY-FOUR HOURS AFTER QUALIFYING AS A COMMITTEE.

16 B. A statement of organization shall include the following
17 committee information:

18 1. The committee name, mailing address, e-mail address, website, if
19 any, and telephone number, if any, and the type of committee. The
20 committee name shall include:

21 (a) For a candidate committee, the candidate's first or last name
22 and, if the candidate has a candidate committee open for more than one
23 office, the office sought.

24 (b) For a political action committee that is sponsored, the
25 sponsor's name or commonly known nickname.

26 2. The name, mailing address, e-mail address, website, if any, and
27 telephone number of any sponsor.

28 3. The name, physical location or street address, e-mail address,
29 telephone number, occupation and employer of the committee's chairperson
30 and treasurer. For a candidate committee, the candidate may serve as both
31 chairperson and treasurer.

32 4. For a candidate committee for a partisan office, the candidate's
33 party affiliation.

34 5. A listing of all banks or other financial institutions used by
35 the committee.

36 6. A statement that the committee chairperson and committee
37 treasurer have read the filing officer's campaign finance and reporting
38 guide, agree to comply with this article and articles 1, 1.2, 1.3, 1.4,
39 1.5, 1.6 and 1.7 of this chapter, and agree to accept all notifications
40 and service of process via the e-mail address provided by the committee.

41 C. A committee shall file an amended statement of organization
42 within ten days after any change in committee information.

43 D. On filing a statement of organization, the filing officer shall
44 issue an identification number to the committee.

1 E. A standing committee shall file a statement of organization with
2 the secretary of state and a copy of the statement in each jurisdiction in
3 which the committee is active. Only the secretary of state shall issue an
4 identification number.

5 F. A candidate may have only one committee in existence for the
6 same office during the same election cycle.

7 G. On filing a statement of organization, a political action
8 committee or political party may perform any lawful activity, including
9 making contributions, making expenditures or conducting issue advocacy,
10 without establishing a separate committee for each activity or specifying
11 each activity in its statement of organization.

12 Sec. 4. Section 16-922, Arizona Revised Statutes, is amended to
13 read:

14 16-922. Independent and coordinated expenditures

15 A. Any person may make independent expenditures.

16 B. An expenditure is not an independent expenditure if either of
17 the following applies:

18 1. There is actual coordination with respect to an expenditure
19 between a candidate or candidate's agent and the person making the
20 expenditure or that person's agent.

21 2. Both of the following apply:

22 (a) The expenditure is based on nonpublic information about a
23 candidate's or candidate committee's plans or needs that the candidate or
24 candidate's agent provides to the person making the expenditure or that
25 person's agent.

26 (b) The candidate or candidate's agent provides the nonpublic
27 information with an intent toward having the expenditure made.

28 C. In evaluating whether an expenditure is an independent
29 expenditure, a filing officer or enforcement officer may consider the
30 following to be rebuttable evidence of coordination:

31 1. Any agent of the person making the expenditure is also an agent
32 of the candidate whose election or whose opponent's defeat is being
33 advocated by the expenditure.

34 2. In the same election cycle, the person making the expenditure or
35 that person's agent is or has been authorized to raise or spend monies on
36 the candidate's behalf.

37 3. In the same election cycle, the candidate is or has been
38 authorized to raise money or solicit contributions on behalf of the person
39 making the expenditure.

40 D. Notwithstanding subsection C of this section, coordination does
41 not exist under either of the following:

42 1. If the person making the expenditure maintains a firewall
43 between the person and that person's agent in compliance with all of the
44 following:

1 (a) The person's agent did not participate in deciding to make the
2 expenditure or in deciding the content, timing or targeting of the
3 expenditure.

4 (b) The person making the expenditure has a written policy
5 establishing the firewall and its requirements.

6 (c) The person making the expenditure and the person's agent
7 followed the written policy regarding the firewall.

8 2. Solely because an agent of a person making the expenditure
9 serves or has served on a candidate's host committee for a fund-raising
10 event.

11 E. An expenditure that is coordinated with a candidate, other than
12 a coordinated party expenditure, is deemed an in-kind contribution to the
13 candidate.

14 F. An entity that makes an independent expenditure, other than an
15 individual or a committee, shall file independent expenditure reports
16 pursuant to section 16-926, subsection ~~G~~ H.

17 Sec. 5. Section 16-926, Arizona Revised Statutes, is amended to
18 read:

19 16-926. Campaign finance reports; contents

20 A. A committee shall file campaign finance reports with the filing
21 officer. The secretary of state's instructions and procedures manual
22 adopted pursuant to section 16-452 shall prescribe the format for all
23 reports and statements.

24 B. A campaign finance report shall set forth:

25 1. The amount of cash on hand at the beginning of the reporting
26 period.

27 2. Total receipts during the reporting period, including:

28 (a) An itemized list of receipts in the following categories,
29 including the source, amount and date of receipt, together with the total
30 of all receipts in each category:

31 (i) Contributions from individuals whose contributions exceed fifty
32 dollars for that election cycle, including identification of the
33 contributor's occupation and employer.

34 (ii) Contributions from candidate committees.

35 (iii) Contributions from political action committees.

36 (iv) Contributions from political parties.

37 (v) Contributions from partnerships.

38 (vi) COVERED TRANSFERS.

39 ~~(vii)~~ (vii) For a political action committee or political party,
40 contributions from corporations and limited liability companies, including
41 identification of the corporation's or limited liability company's file
42 number issued by the corporation commission.

43 ~~(viii)~~ (viii) For a political action committee or political party,
44 contributions from labor organizations, including identification of the
45 labor organization's file number issued by the corporation commission.

- 1 ~~(viii)~~ (ix) For a candidate committee, a candidate's contribution
2 of personal monies.
- 3 ~~(ix)~~ (x) All loans, including identification of any endorser or
4 guarantor other than a candidate's spouse, and the contribution amount
5 endorsed or guaranteed by each.
- 6 ~~(x)~~ (xi) Rebates and refunds.
- 7 ~~(xi)~~ (xii) Interest on committee monies.
- 8 ~~(xii)~~ (xiii) The fair market value of in-kind contributions
9 received.
- 10 ~~(xiii)~~ (xiv) Extensions of credit that remain outstanding,
11 including identification of the creditor and the purpose of the extension.
- 12 (b) The aggregate amount of contributions from all individuals
13 whose contributions do not exceed fifty dollars for the election cycle.
- 14 3. An itemized list of all disbursements in excess of two hundred
15 fifty dollars during the reporting period in the following categories,
16 including the recipient, the recipient's address, a description of the
17 disbursement and the amount and date of the disbursement, together with
18 the total of all disbursements in each category:
- 19 (a) Disbursements for operating expenses.
- 20 (b) Contributions to candidate committees.
- 21 (c) Contributions to political action committees.
- 22 (d) Contributions to political parties.
- 23 (e) Contributions to partnerships.
- 24 (f) COVERED TRANSFERS.
- 25 ~~(f)~~ (g) For a political action committee or political party,
26 contributions to corporations and limited liability companies, including
27 identification of the corporation's or limited liability company's file
28 number issued by the corporation commission.
- 29 ~~(g)~~ (h) For a political action committee or political party,
30 contributions to labor organizations, including identification of the
31 labor organization's file number issued by the corporation commission.
- 32 ~~(h)~~ (i) Repayment of loans.
- 33 ~~(i)~~ (j) Refunds of contributions.
- 34 ~~(j)~~ (k) Loans made.
- 35 ~~(k)~~ (l) The value of in-kind contributions provided.
- 36 ~~(l)~~ (m) Independent expenditures that are made to advocate the
37 election or defeat of a candidate, including identification of the
38 candidate, office sought by the candidate, election date, mode of
39 advertising and distribution or publication date.
- 40 ~~(m)~~ (n) Expenditures to advocate the passage or defeat of a ballot
41 measure, including identification of the ballot measure, ballot measure
42 serial number, election date, mode of advertising and distribution or
43 publication date.
- 44 ~~(n)~~ (o) Expenditures to advocate for or against the issuance of a
45 recall election order or for the election or defeat of a candidate in a

1 recall election, including identification of the officer to be recalled or
2 candidate supported or opposed, mode of advertising and distribution or
3 publication date.

4 ~~(o)~~ (p) Any other disbursements or expenditures.

5 4. The total sum of all receipts and disbursements for the
6 reporting period.

7 5. A certification by the committee treasurer, issued under penalty
8 of perjury, that the contents of the report are true and correct.

9 C. For the purposes of reporting under subsection B of this
10 section:

11 1. A contribution is deemed to be received either on the date the
12 committee knowingly takes possession of the contribution or the date of
13 the check or credit card payment. For an in-kind contribution of
14 services, the contribution is deemed made either on the date the services
15 are performed or the date the committee receives the services.

16 2. An expenditure or disbursement is deemed made either on the date
17 the committee authorizes the monies to be spent or the date the monies are
18 withdrawn from the committee's account. For a transaction by check, the
19 expenditure or disbursement is deemed made on the date the committee signs
20 the check. For a credit card transaction on paper, the expenditure or
21 disbursement is deemed made on the date the committee signs the
22 authorization to charge the credit card. For an electronic transaction,
23 an expenditure or disbursement is deemed made on the date the committee
24 electronically authorizes the charge. For an agreement to purchase goods
25 or services, the expenditure or disbursement is deemed made either on the
26 date the parties enter into the agreement or the date the purchase order
27 is issued.

28 3. A committee may record its transactions using any of the methods
29 authorized by this subsection but for each type of contribution,
30 expenditure or disbursement made or received, the committee shall use a
31 consistent method of recording transactions throughout the election cycle.

32 D. The amount of an in-kind contribution of services shall be equal
33 to the usual and normal charges for the services on the date performed.

34 E. If any receipt or disbursement is earmarked, the committee shall
35 report the identity of the person to whom the receipt or disbursement is
36 earmarked.

37 F. Candidate committee reports shall be cumulative for the election
38 cycle to which they relate. Political action committee and political
39 party reports shall be cumulative for a two-year election cycle ending in
40 the year of a statewide general election. If there has been no change
41 during the reporting period in an item listed in the immediately preceding
42 report, only the amount need be carried forward.

43 G. For a political action committee that receives individual
44 contributions through a payroll deduction plan, that committee is not
45 required to separately itemize each contribution received from the

1 contributor during the reporting period. In lieu of itemization, the
2 committee may report all of the following:

3 1. The aggregate amount of contributions received from the
4 contributor through the payroll deduction plan during the reporting
5 period.

6 2. The individual's identity.

7 3. The amount deducted per pay period.

8 H. An entity that makes OR OBLIGATES ITSELF TO MAKE independent
9 expenditures or ballot measure expenditures in excess of one thousand
10 dollars IN ANY COMBINATION during a reporting period shall file an
11 expenditure report with the filing officer for the applicable reporting
12 period. Expenditure reports shall identify ALL OF THE FOLLOWING:

13 1. THE NAME OF THE PERSON MAKING OR OBLIGATING THE ENTITY TO MAKE
14 THE EXPENDITURE.

15 2. THE TAX EXEMPT STATUS OF THAT PERSON OR ENTITY, IF APPLICABLE.

16 3. THE MAILING ADDRESS OF THE PERSON OR ENTITY.

17 4. THE PRINCIPAL BUSINESS ADDRESS OF THE PERSON OR ENTITY, IF
18 DIFFERENT FROM THE MAILING ADDRESS.

19 5. THE ADDRESS, TELEPHONE NUMBER AND EMAIL ADDRESS OF THE PERSON'S
20 OR ENTITY'S AGENT FOR SERVICE OF PROCESS IN THIS STATE.

21 6. The candidate or ballot measure supported or opposed. ;

22 7. THE office sought by the candidate, if any. ;

23 8. THE election date. ;

24 9. THE mode of advertising and first date of publication, display,
25 delivery or broadcast of the advertisement.

26 10. THE NAME, TELEPHONE NUMBER AND E-MAIL ADDRESS OF THE INDIVIDUAL
27 FILING THE REPORT.

28 I. AN ENTITY THAT MAKES OR OBLIGATES ITSELF TO MAKE INDEPENDENT
29 EXPENDITURES OR BALLOT MEASURE EXPENDITURES IN EXCESS OF FIVE THOUSAND
30 DOLLARS IN ANY COMBINATION DURING THE THIRTY DAYS BEFORE THE START OF
31 EARLY VOTING SHALL FILE ITS EXPENDITURE REPORT WITHIN TWENTY-FOUR HOURS
32 AFTER MAKING OR OBLIGATING ITSELF TO MAKE THE EXPENDITURE.