

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas *As Engrossed: S1/31/01 S2/22/01 S2/28/01 H3/27/01 H4/5/01 H4/12/01*

2 83rd General Assembly

A Bill

Act 1839 of 2001

3 Regular Session, 2001

SENATE BILL 50

4

5 By: Senators Gwatney, Faris

6

7

8

For An Act To Be Entitled

9 AN ACT TO AMEND VARIOUS ARKANSAS ETHICS AND
10 CAMPAIGN FINANCE STATUTES; AND FOR OTHER
11 PURPOSES.

12

13

Subtitle

14

AN ACT TO AMEND VARIOUS ARKANSAS ETHICS
AND CAMPAIGN FINANCE STATUTES.

15

16

17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

19

20 SECTION 1. Arkansas Code 7-1-103(a)(2)-(6) are amended to read as
21 follows:

22

23

24

25

(2)(A) It shall be unlawful for any public ~~officer, deputy, or assistant~~
servant, as defined in § 21-8-402, to devote any time or labor during usual
office hours toward the campaign of any other candidate for office or for the
nomination to any office;

26

27

28

29

30

31

32

(B) It shall be unlawful for any public ~~officer or public employee~~
~~of the State of Arkansas or of any county or municipality of this state~~
servant, as defined in §21-8-402, to circulate an initiative or referendum
petition or to solicit signatures on an initiative or referendum petition in
any public office of the state, county, or municipal governments of Arkansas
or during the usual office hours or while on duty for any state agency or any
county or municipal government in Arkansas;

33

34

35

36

(3) It shall be unlawful for any public servant, as defined in § 21-8-
402~~(17)~~, to use any office or room furnished at public expense to distribute
any letters, circulars, or other campaign materials, unless such office or
room is regularly used by members of the public for such purposes without

1 regard to political affiliation. It shall further be unlawful for any public
2 servant to use for campaign purposes any item of personal property provided
3 with public funds;

4 (4) It shall be unlawful for any person to assess any ~~state~~ public
5 employee, as defined in § 21-8-402, for any political purpose whatever or to
6 coerce by threats or otherwise any ~~state~~ public employee into making a
7 subscription or contribution for any political purpose;

8 (5) It shall be unlawful for any person employed in any capacity in any
9 department of the State of Arkansas to have membership in any political party
10 or organization which advocates the overthrow of our constitutional form of
11 government;

12 (6) It shall be unlawful for any campaign banners, ~~cards~~ campaign signs,
13 or other campaign literature to be placed on any cars, trucks, ~~or~~ tractors, or
14 other vehicles belonging to the State of Arkansas or any municipality or
15 county in the state;

16
17 SECTION 2. Arkansas Code 7-6-203 is amended to read as follows:

18 7-6-203. Contributions - Limitations - Acceptance or solicitation - Use
19 as personal income - Disposition.

20 (a)(1) It shall be unlawful for any candidate for any public office,
21 except the office of Governor, Lieutenant Governor, Secretary of State,
22 Treasurer of State, Auditor of State, Attorney General, and Commissioner of
23 State Lands, or for any person acting on the candidate's behalf, to accept
24 campaign contributions in excess of ~~one hundred dollars (\$100)~~ one thousand
25 dollars (\$1,000) per election from any person. A candidate may accept a
26 campaign contribution or contributions up to the maximum amount from any
27 prospective contributor for each election in which the candidate's name
28 appears on the ballot, whether opposed or unopposed.

29 (2) It shall be unlawful for any candidate for the office of
30 Governor, Lieutenant Governor, Secretary of State, Treasurer of State, Auditor
31 of State, Attorney General, and Commissioner of State Lands, or for any person
32 acting on the candidate's behalf, to accept campaign contributions in excess
33 of ~~three hundred dollars (\$300)~~ one thousand dollars (\$1,000) per election
34 from any person. A candidate may accept a campaign contribution or
35 contributions up to the maximum amount from any prospective contributor for
36 each election in which the candidate's name appears on the ballot, whether

1 opposed or unopposed.

2 (b)(1) It shall be unlawful for any person to make a contribution to a
3 candidate for any public office, except the office of Governor, Lieutenant
4 Governor, Secretary of State, Treasurer of State, Auditor of State, Attorney
5 General, and Commissioner of State Lands, or to any person acting on the
6 candidate's behalf, which, in the aggregate, exceeds ~~one hundred dollars~~
7 ~~(\$100)~~ one thousand dollars (\$1,000) per election. A person may make a
8 contribution or contributions up to the maximum amount to a candidate for each
9 election in which the candidate's name appears on the ballot, whether opposed
10 or unopposed.

11 (2) It shall be unlawful for any person to make a contribution to
12 a candidate for the office of Governor, Lieutenant Governor, Secretary of
13 State, Treasurer of State, Auditor of State, Attorney General, and
14 Commissioner of State Lands, or to any person acting on the candidate's
15 behalf, which, in the aggregate, exceeds ~~three hundred dollars (\$300)~~ one
16 thousand dollars (\$1,000) per election. A person may make a contribution or
17 contributions up to the maximum amount to a candidate for each election in
18 which the candidate's name appears on the ballot, whether opposed or
19 unopposed.

20 (c) The limitation shall not apply to a candidate's own contribution
21 from his personal funds or to personal loans made by financial institutions to
22 the candidate and applied to his campaign.

23 (d) However, an organized political party as defined in § 7-1-101(16)
24 ~~and a small donor political action committee~~ may contribute up to two thousand
25 five hundred dollars (\$2,500) to each candidate per election.

26 (e) It shall be unlawful for any candidate for any public office or any
27 person acting in the candidate's behalf to accept any contribution from a
28 prohibited political action committee for any election. It shall be unlawful
29 for any prohibited political action committee to make a contribution to a
30 candidate for public office in an election.

31 (f) It shall be unlawful for any candidate for public office, any person
32 acting in the candidate's behalf, or any exploratory committee to solicit or
33 accept campaign contributions more than two (2) years before an election at
34 which the candidate seeks nomination or election. This subsection (f) shall
35 not prohibit the solicitation or acceptance of a contribution for the sole
36 purpose of raising funds to retire a previous campaign debt.

1 ~~(g)(1) It shall be unlawful for the Governor, Lieutenant Governor,~~
2 ~~Secretary of State, Treasurer of State, Auditor of State, Attorney General,~~
3 ~~Commissioner of State Lands, and members of the General Assembly to accept a~~
4 ~~contribution:~~

5 ~~(A) During the period beginning thirty (30) days before and~~
6 ~~ending thirty (30) days after any regular session of the General Assembly.~~
7 ~~However, if there is an extended recess of the General Assembly, the period~~
8 ~~shall end thirty (30) days after the beginning of the recess;~~

9 ~~(B) During any extended session of the General Assembly; or~~

10 ~~(C) During any special session of the General Assembly.~~

11 ~~(2) During such periods of time, it shall be unlawful for any~~
12 ~~person to promise a contribution to the aforementioned elected officials.~~

13 ~~(h) [Repealed].~~

14 ~~(i)-(1)~~ (g)(1) A candidate shall not take any campaign funds as personal
15 income. This subdivision ~~(i)-(1)~~ (g)(1) shall not apply to campaign funds that
16 were:

17 (A) Accumulated prior to the passage of Initiated Act 1 of
18 1990; or

19 (B) Disposed of prior to July 28, 1995.

20 (2) A candidate shall not take any campaign funds as income for
21 his or her spouse or dependent children, except that this subsection ~~(i)-(g)~~
22 shall not prohibit a candidate who has an opponent from employing his or her
23 spouse or dependent children as campaign workers and except that any candidate
24 who has an opponent and who during the campaign and before the election takes
25 a leave of absence without pay from his primary place of employment shall be
26 authorized to take campaign funds during the campaign and before the election
27 as personal income up to the amount of employment income lost as a result of
28 such leave of absence.

29 (3) A candidate who takes campaign funds during the campaign and
30 before the election under a leave of absence pursuant to the provisions of
31 subdivision ~~(i)-(2)~~ (g)(2) of this subsection may elect to treat the campaign
32 funds as a loan from the campaign fund to the candidate to be paid back to the
33 campaign fund by the candidate.

34 (4) For purposes of this subsection, a candidate who uses campaign
35 funds to fulfill any commitment, obligation or expense that would exist
36 regardless of the candidate's campaign shall be deemed to have taken campaign

1 funds as personal income. The use of campaign funds to purchase a cake or
 2 other perishable item of food at a fundraising event held by a volunteer
 3 agency, as defined in § 16-6-103, shall not be considered a taking of campaign
 4 funds as personal income.

5 ~~(j)-(1)~~ (h)(1) Within thirty (30) days following the end of the month in
 6 which the general election is held, a candidate shall turn over surplus
 7 campaign funds to either:

8 (A) The Treasurer of State for the benefit of the General
 9 Revenue Fund Account of the State Apportionment Fund;

10 (B) An organized political party as defined in § 7-1-101(16)
 11 or a political party caucus of the General Assembly, the Senate, or House of
 12 Representatives;

13 (C) A nonprofit organization which is exempt from taxation
 14 under Section 501(c)(3) of the Internal Revenue Code; or

15 (D) The contributors to the candidate's campaign.

16 (2) If an unopposed candidate agrees not to solicit further
 17 campaign contributions by filing an affidavit ~~with the Secretary of State~~
 18 declaring such agreement, the candidate may dispose of any surplus campaign
 19 funds prior to a general election as soon as the time has passed to declare an
 20 intent to be a write-in candidate pursuant to § 7-5-205. The affidavit shall
 21 be filed with the county clerk in the county where the candidate resides and,
 22 in the event the candidate is seeking a state or district office, also with
 23 the Secretary of State. Unopposed candidates and defeated candidates who file
 24 the affidavit are exempt from further reporting requirements provided that the
 25 affidavit contains a statement that the candidate's campaign fund has a zero
 26 balance.

27 (3)(A) Carryover funds may be expended at any time for any purpose
 28 not prohibited by this chapter and may be used as campaign funds for seeking
 29 any public office. Nothing shall prohibit a person at any time from disposing
 30 of all or any portion of his or her carryover funds in the same manner as for
 31 surplus campaign funds. However, the candidate shall not take the funds as
 32 personal income or as income for his or her spouse or dependent children.

33 (B)(i) When a person having carryover funds files as a
 34 candidate for public office, his or her carryover funds shall be transferred
 35 to the person's active campaign fund. Once transferred, the funds will no
 36 longer be treated as carryover funds.

1 (ii) This subdivision ~~(j)(3)(B)~~ (h)(3)(B) shall not
2 apply to carryover funds from an election held prior to July 1, 1997.

3 (iii) This subdivision ~~(j)(3)(B)~~ (h)(3)(B) shall not
4 apply to a campaign debt.

5 (C)(i) If carryover funds are expended prior to transferring
6 the funds to an active campaign fund, the expenditures shall be reported
7 pursuant to this subdivision ~~(j)(3)(C)~~ (h)(3)(C). A person shall file an
8 expenditure report concerning carryover funds if since the last report
9 concerning the carryover funds, the person has expended in excess of five
10 hundred dollars (\$500). The report shall be filed with the Secretary of State
11 not later than fifteen (15) days after a calendar quarter in which a report
12 becomes required. No report is required in any calendar quarter in which the
13 cumulative expenditure limit has not been exceeded since the person's last
14 report.

15 (ii) The person shall also file an expenditure report
16 for the calendar quarter in which he or she transfers the carryover funds to
17 an active campaign fund ~~unless the person has not expended any carryover funds~~
18 ~~since his or her last report.~~

19 (iii) A person who retains carryover funds shall file
20 an annual report outlining the status of the carryover fund account as of
21 December 31 unless the person has ~~made~~ filed a quarterly report during the
22 calendar year pursuant to subdivisions ~~(j)(3)(C)(i)~~ (h)(3)(C)(i) and (ii) of
23 this section. The annual report shall be filed with the Secretary of State and
24 shall be due by January 31 of each year.

25 (D) Carryover funds may be retained by a person for not more
26 than ten (10) years after the last election at which he or she was a candidate
27 and any remaining carryover funds shall be disposed of in the same manner as
28 for surplus campaign funds. The officer with whom the person last filed a
29 final campaign report shall provide the person timely notice of the
30 requirements of this subdivision ~~(j)(3)(D)~~ (h)(3)(D) prior to the expiration
31 of the ten (10) year period. However, failure to provide the notice does not
32 relieve the person of his or her obligation under this subsection.

33 (4) After the date of an election at which the person is a
34 candidate for nomination or election, the person shall not accept campaign
35 contributions for the past election except for the sole purpose of raising
36 funds to retire a previous campaign debt.

1 (5) Surplus campaign funds or carryover funds given to a political
2 party caucus shall be segregated in an account separated from other caucus
3 funds and shall not be used:

4 (A) By the political party caucus to make a campaign
5 contribution; or

6 (B) To provide any personal income to any candidate who
7 donated surplus campaign funds or carryover funds.

8 ~~(k) An independent expenditure committee may not accept any~~
9 ~~contribution or cumulative contributions in excess of five hundred dollars~~
10 ~~(\$500) in value from any person in any calendar year.~~

11 ~~(l)(i)~~ A candidate may maintain his or her campaign funds in one (1) or
12 more campaign accounts. Campaign funds shall not be placed in an account
13 containing personal or business funds.

14
15 SECTION 3. Arkansas Code 7-6-207(a)(1) is amended to read as follows:

16 (1) Except as provided in subsection (c) of this section, each candidate
17 for office, other than a school district, township, municipal, or county
18 office, or a person acting in the candidate's behalf, shall file with the
19 Secretary of State and the county clerk in the county where the candidate
20 resides:

21 (A) For each quarter during a calendar year in which a candidate
22 is not listed on any ballot for election, a quarterly report of all
23 contributions received and expenditures made during that quarter. The
24 quarterly report shall be filed no later than fifteen (15) days after the end
25 of each quarter;

26 (B) Beginning with the month of January in the calendar year in
27 which a candidate may be listed on any ballot for election, a monthly report
28 of all contributions received and expenditures made during that month.
29 However, for any month in which certain days of that month are included in a
30 preelection report required under subdivision (a)(1)(C) of this section or a
31 final report required under subdivision (a)(1)(D) of this section, no monthly
32 report for that month shall be due, ~~but those days of that month not included~~
33 ~~in the preelection report shall be carried forward and included in the final~~
34 ~~report for that election~~. In the case of a primary or runoff election, those
35 days of the month ~~not covered by the final report~~ occurring after the date of
36 such election shall be carried forward and included in the next monthly

1 report. The monthly report shall be filed no later than fifteen (15) days
2 after the end of each month, except that the final report, covering the month
3 during which an election is held, shall be filed within thirty (30) days after
4 the end of the month in which the last election is held at which the candidate
5 seeks nomination and after the end of the month in which the general election
6 is held. With respect to a special election, the candidate shall file monthly
7 reports under this section beginning with the month in which the special
8 election candidate's total campaign contributions or expenditures exceed five
9 hundred dollars (\$500); ~~and~~

10 (C) No later than seven (7) days prior to a any preferential
11 primary election, a runoff election, a general election, or a special election
12 in which the candidate's name appears on the ballot, a preelection report of
13 all contributions received and expenditures made between the period covered by
14 the previous report and the period ten (10) days before the election. In case
15 of a runoff election, the report shall cover all contributions received and
16 expenditures made during that period of time which begins after the date of
17 the election from which the runoff arose and ends ten (10) days before the
18 runoff election; and

19 (D) No later than thirty (30) days after the end of the month in
20 which the candidate's name has appeared on the ballot in any primary election,
21 runoff election, or general election, a final report of all contributions
22 received and expenditures made which have not been disclosed on reports
23 previously required to be filed. A final report is required regardless of
24 whether a candidate has received contributions or made expenditures in excess
25 of five hundred dollars (\$500).

26
27 SECTION 4. Arkansas Code 7-6-207(b)(2), pertaining to the final
28 campaign contribution report, is amended to read as follows:

29 (2) The final report shall also indicate which option under § 7-6-203(~~j~~)
30 (h) was used to dispose of any surplus of campaign funds, the amount of funds
31 disposed of by the candidate, and the amount of funds retained by the
32 candidate in accordance with § 7-6-203(~~j~~)(h).

33
34 SECTION 5. Arkansas Code 7-6-208 is amended to read as follows:

35 7-6-208. Reports of contributions - Candidates for school district,
36 township, or municipal office.

1 (a) Reports Required. Except as provided in subsection (d) of this
2 section, each candidate for school district, township, or municipal office, or
3 a person acting in the candidate's behalf, shall:

4 (1) No later than seven (7) days prior to any preferential primary
5 elections election, runoff elections election, general elections election,
6 school elections election, and or special elections election in which the
7 candidate's name appears on the ballot, file a preelection report of all
8 contributions received and expenditures made between the period covered by the
9 previous report, if any, and the period ten (10) days before the election;
10 In case of a runoff election, the report shall cover all contributions
11 received and expenditures made during that period of time which begins after
12 the date of the election from which the runoff arose and ends ten (10) days
13 before the runoff election;

14 (2) No later than thirty (30) days after any preferential primary
15 elections election, runoff elections election, general elections election,
16 school elections election, and or special elections election in which the
17 candidate's name has appeared on the ballot, file a final report of all
18 contributions received and expenditures made ~~no earlier than nine (9) days~~
19 ~~prior to the election~~ which have not been disclosed on reports previously
20 required to be filed. A final report is required regardless of whether a
21 candidate has received contributions or made expenditures in excess of five
22 hundred dollars (\$500); and

23 (3) File supplemental reports of all contributions received and
24 expenditures made after the date of preparation of the final report. The
25 supplemental reports shall be filed within thirty (30) days after ~~receipt of~~
26 ~~the contributions~~ the receipt of a contribution or the making of an
27 expenditure.

28 (b) Contents of Reports.

29 (1) The contribution and expenditure reports required by
30 subsection (a) of this section shall indicate:

31 (A) The total amount of contributions received and the total
32 amount of expenditures made during the filing periods and the cumulative
33 amount of those totals;

34 (B) The name and address of each person, including the
35 candidate, who made a contribution or contributions which, in the aggregate,
36 exceeded fifty dollars (\$50.00), the contributor's place of business,

1 employer, occupation, and date of the contribution and the amount contributed;

2 (C) The contributor's principal place of business, employer,
3 occupation, the amount contributed, the date the contribution was accepted by
4 the candidate and the aggregate contributed for each election;

5 (D) The name and address of each person, including the
6 candidate, who contributed a nonmoney item, together with a description of the
7 item, the date of receipt, and the value, not including volunteer service by
8 individuals;

9 (E) An itemization of all single expenditures made which
10 exceed one hundred dollars (\$100), including the amount of the expenditure,
11 the name and address of any person, including the candidate, to whom the
12 expenditure was made, and the date the expenditure was made;

13 (F) A list of all paid campaign workers and the amount the
14 workers were paid;

15 (G) A list of all expenditures by categories, including, but
16 not limited to, television, radio, print, and other advertising, direct mail,
17 office supplies, rent, travel, expenses, entertainment, and telephone;

18 (H) The total amount of all nonitemized expenditures made
19 during the filing period; and

20 (I) The current balance of campaign funds.

21 (2) The final report shall also indicate which option under § 7-6-
22 203~~(j)~~ (h) was used to dispose of any surplus of campaign funds, the amount of
23 funds disposed of by the candidate, and the amount of funds retained by the
24 candidate in accordance with § 7-6-203~~(j)~~(h).

25 (3) The county clerk shall notify each candidate by mail
26 postmarked within fourteen (14) days after the deadline for filing for office
27 of the deadlines for filing the ten-day preelection and final reports required
28 by subsection (a) of this section and, at that time, furnish each candidate
29 with the appropriate forms and instructions for complying with the deadlines.

30 (c) Filing of Reports. The reports required by this section shall be
31 filed with the county clerk in the county in which the election is held.
32 Reports shall be filed on the appropriate forms furnished by the Secretary of
33 State.

34 (d) Reports Not Required.

35 (1) A candidate who has not received contributions or made
36 expenditures in excess of five hundred dollars (\$500) shall not be required to

1 file any preelection reports required under subdivision (a)(1) of this
 2 section. In calculating the amount of contributions received or expenditures
 3 made for purposes of this exception, the payment of the filing fee from the
 4 candidate's personal funds shall not be considered as either a contribution or
 5 an expenditure.

6 ~~(2) In the event of a runoff election following a preferential~~
 7 ~~primary election, a general election, a school election, or a special~~
 8 ~~election, the final report for that particular election may be included in the~~
 9 ~~final report due for the runoff election.~~

10 (2) The preelection reports referenced in subdivision (a)(1) of
 11 this section are only required for candidates with opponents in those
 12 elections.

13
 14 SECTION 6. Arkansas Code 7-6-209 is amended to read as follows:

15 7-6-209. Reports of contributions - Candidates for county office.

16 (a) Reports Required. Except as provided in subsection (d) of this
 17 section, each candidate for county office or a person acting in the
 18 candidate's behalf shall:

19 (1) No later than seven (7) days prior to any preferential primary
 20 elections election, runoff elections election, general elections election, and
 21 or special elections election in which the candidate's name appears on the
 22 ballot, file a preelection report of all contributions received and
 23 expenditures made between the period covered by the previous report, if any,
 24 and the period ten (10) days before the election; In case of a runoff
 25 election, the report shall cover all contributions received and expenditures
 26 made during that period of time which begins after the date of the election
 27 from which the runoff arose and ends ten (10) days before the runoff election;

28 (2) No later than thirty (30) days after any preferential primary
 29 elections election, runoff elections election, general elections election, and
 30 or special elections election in which the candidate's name has appeared on
 31 the ballot, file a final report of all contributions received and expenditures
 32 made no earlier than nine (9) days prior to the election which have not been
 33 disclosed on reports previously required to be filed. A final report is
 34 required regardless of whether a candidate has received contributions or made
 35 expenditures in excess of five hundred dollars (\$500); and

36 (3) File supplemental reports of all contributions received and

1 expenditures made after the date of preparation of the final report, and the
2 supplemental reports shall be filed within thirty (30) days after receipt of
3 ~~the contributions~~ the receipt of a contribution or the making of an
4 expenditure.

5 (b) Contents of Reports.

6 (1) The contribution and expenditure reports required by
7 subsection (a) of this section shall indicate:

8 (A) The total amount of contributions received and the total
9 amount of expenditures made during the filing periods, and the cumulative
10 amount of those totals;

11 (B) The name and address of each person, including the
12 candidate, who made a contribution or contributions which, in the aggregate,
13 exceed fifty dollars (\$50.00), the contributor's place of business, employer,
14 occupation, and date of the contribution and the amount contributed;

15 (C) The contributor's principal place of business, employer,
16 occupation, the amount contributed, the date the contribution was accepted by
17 the candidate, and the aggregate contributed for each election;

18 (D) The name and address of each person, including the
19 candidate, who contributed a nonmoney item, together with a description of the
20 item, the date of receipt, and the value, not including volunteer service by
21 individuals;

22 (E) An itemization of all single expenditures made which
23 exceeded one hundred dollars (\$100), including the amount of the expenditure,
24 the name and address of any person, including the candidate, to whom the
25 expenditure was made, and the date the expenditure was made;

26 (F) A list of all paid campaign workers and the amount the
27 workers were paid;

28 (G) A list of all expenditures by categories, including, but
29 not limited to, television, radio, print, and other advertising, direct mail,
30 office supplies, rent, travel, expenses, entertainment, and telephone;

31 (H) The total amount of all nonitemized expenditures made
32 during the filing period; and

33 (I) The current balance of campaign funds.

34 (2) The final report shall also indicate which option under § 7-6-
35 203~~(j)~~(h) was used to dispose of any surplus of campaign funds, the amount of
36 funds disposed of by the candidate, and the amount of funds retained by the

1 candidate in accordance with § 7-6-203(j)(h).

2 (3) The county clerk shall notify each candidate by mail
3 postmarked within fourteen (14) days after the deadline for filing for office
4 of the deadlines for filing the ten-day preelection and final reports required
5 by subsection (a) of this section and, at that time, furnish each candidate
6 with the appropriate forms and instructions for complying with the deadlines.

7 (c) Filing of Reports. The reports required by this section shall be
8 filed with the county clerk in the county in which the election is held.
9 Reports shall be filed on the appropriate forms furnished by the Secretary of
10 State.

11 (d) Reports Not Required.

12 (1) A candidate who has not received contributions or made
13 expenditures in excess of five hundred dollars (\$500) shall not be required to
14 file any preelection reports required under subdivision (a)(1) of this
15 section. In calculating the amount of contributions received or expenditures
16 made for purposes of this exception, the payment of the filing fee from the
17 candidate's personal funds shall not be considered as either a contribution or
18 an expenditure.

19 ~~(2) In the event of a runoff election following a preferential~~
20 ~~primary election, a general election, or a special election, the final report~~
21 ~~for that particular election may be included in the final report due for the~~
22 ~~runoff election.~~

23 (2) The preelection reports referenced in subdivision (a)(1) of
24 this section are only required for candidates with opponents in those
25 elections.

26
27 SECTION 7. Arkansas Code 7-6-215(d)(1) is amended to read as follows:

28 (d)(1) Within fifteen (15) calendar days after the end of each calendar
29 quarter, political action committees shall file a quarterly report with the
30 Secretary of State, including the following information:

31 (A) The total amount of contributions received and the total
32 amount of contributions made during the filing period and the cumulative
33 amount of those totals;

34 (B) The current balance of committee funds;

35 (C) The name and address of each person who made a contribution,
36 or contributions, to the committee which, in the aggregate, exceeded five

1 hundred dollars (\$500), the contributor's place of business, employer,
2 occupation, the date of the contribution, the amount contributed and the total
3 contributed for the year;

4 (D) The name and address of each candidate, if any, to whom the
5 committee made a contribution or contributions which, in the aggregate,
6 exceeded fifty dollars (\$50.00) during the filing period, with the amount
7 contributed and the office sought for each candidate; ~~and~~

8 (E) The total amount of expenditures made for administrative
9 expenses and, for each single expenditure which exceeds one hundred dollars
10 (\$100), an itemization including the amount of the expenditure, the name and
11 address of the person to whom the expenditure was made, and the date the
12 expenditure was made; and

13 ~~(E)~~(F) Any change in information required in subsection (b).
14

15 SECTION 8. Arkansas Code 7-6-216(c) is amended to read as follows:

16 (c) Within ~~fifteen (15)~~ thirty (30) days of the end of each month, an
17 exploratory committee shall file a ~~contribution~~ report with the Secretary of
18 State indicating:

19 (1) the The total amount of contributions received during the
20 filing period;

21 (2) and the The name and address of each person who has made a
22 contribution which, in the aggregate, exceeds fifty dollars (\$50.00), along
23 with the contributor's principal place of business, employer, occupation, and
24 the amount contributed; and

25 (3) The total amount of expenditures made and, for each single
26 expenditure which exceeds one hundred dollars (\$100), an itemization including
27 the amount of the expenditure, the name and address of the person to whom the
28 expenditure was made, and the date the expenditure was made.

29 (d) The first report shall be filed for the month in which the committee
30 files its registration. The final report shall be filed within ~~fifteen (15)~~
31 thirty (30) days after the end of the month in which the committee either
32 transfers its contributions to a candidate's campaign or no longer accepts
33 contributions.
34

35 SECTION 9. Arkansas Code 7-6-217(b)(1), pertaining to the Arkansas
36 Ethics Commission, is amended to read as follows:

1 (b)(1) In making appointments to the commission, the appointing
 2 officials shall ensure that at least one (1) member of a minority race, one
 3 (1) woman, and one (1) member of the minority political party, as defined in §
 4 7-1-101~~(13)~~, serves on the commission.

5
 6 SECTION 10. Arkansas Code 7-6-217(g), pertaining to the Arkansas Ethics
 7 Commission, is amended to read as follows:

8 (g) The commission shall have the authority to:

9 (1) Pursuant to the Arkansas Administrative Procedure Act, § 25-
 10 15-201 et seq., promulgate reasonable rules and regulations to implement and
 11 administer the requirements of this subchapter, as well as subchapter 4 of
 12 title 7, chapter 9 and subchapters 4-9 3-10 of title 21, chapter 8, as
 13 amended, and to govern procedures before the commission, matters of commission
 14 operations, and all investigative and disciplinary procedures and proceedings;

15 (2) Issue advisory opinions and guidelines on the requirements of
 16 § 7-1-103(a)(1)-(4), (6) and (7), this subchapter ~~and the requirements of~~
 17 subchapter 4 of title 7, chapter 9 and subchapters 4-9 3-10 of title 21,
 18 chapter 8, all as amended;

19 (3) After a citizen complaint has been submitted to the
 20 commission, investigate ~~investigate~~ alleged violations of § 7-1-103(a)(1)-(4),
 21 (6) and (7), this subchapter, ~~and of~~ subchapter 4 of title 7, chapter 9,
 22 subchapter 4 of title 21, chapter 1, and subchapters 4-9 3-10 of title 21,
 23 chapter 8, all as amended, and render findings and disciplinary action
 24 thereon;

25 (4) Pursuant to commission investigations, subpoena any person or
 26 the books, records, or other documents being held by any person and take sworn
 27 statements;

28 (5) Administer oaths for the purpose of taking sworn testimony of
 29 witnesses and conduct hearings;

30 (6) Hire a staff and retain legal counsel;

31 (7) Approve forms prepared by the Secretary of State pursuant to
 32 this subchapter, subchapter 4 of title 7, chapter 9, and subchapters 4-9 3-10
 33 of title 21, chapter 8, all as amended; and

34 (8)(A) File suit in the Circuit Court of Pulaski County or in the
 35 circuit court of the county wherein the debtor resides, or, pursuant to the
 36 Small Claims Procedure Act, § 16-17-601 et seq., in the small claims division

1 of any municipal court in the State of Arkansas, to obtain a judgment for the
2 amount of any fine imposed pursuant to § 7-6-218(b)(4)(B)(i)-(iii).

3 (B) Said action by the court shall not involve further
4 judicial review of the commission's actions.

5 (C) The fee normally charged for the filing of a suit in any
6 of the circuit courts in the State of Arkansas shall be waived on behalf of
7 the commission.

8
9 SECTION 11. Arkansas Code 7-6-218(a)(1) is amended to read as follows:

10 (a)(1) Any citizen ~~wishing to file a complaint~~ may file a complaint with
11 the Arkansas Ethics Commission against a person covered by this subchapter, by
12 § 7-1-103(a)(1)-(4), (6), or (7), by title 7, chapter 9, subchapter 4, by
13 title 21, chapter 1, subchapter 4, or by title 21, chapter 8, subchapters 3-10
14 for an alleged violation of such subchapters. ~~may file a complaint with the~~
15 ~~Arkansas Ethics Commission.~~ For purposes of this subdivision, the Arkansas
16 Ethics Commission shall be considered a citizen.

17
18 SECTION 12. Arkansas Code 7-6-218(b)(1)(A) is amended to read as
19 follows:

20 (b)(1)(A) Upon a complaint stating facts constituting an alleged
21 violation signed under penalty of perjury by any person, the commission shall
22 investigate the alleged violation of this subchapter or § 7-1-103(a)(1)-(4),
23 (6), or (7), of title 7, chapter 9, subchapter 4, of title 21, chapter 1,
24 subchapter 4, or of title 21, chapter 8, subchapters 3-10.

25
26 SECTION 13. Arkansas Code 7-6-218(b)(4) is amended to read as follows:

27 (4) If the commission finds a violation of this subchapter, § 7-1-
28 103(a)(1)-(4), (6), or (7), of title 21, chapter 1, subchapter 4, or of title
29 21, chapter 8, subchapters 3-~~9~~ 10, then the commission shall do one (1) or
30 more of the following, unless good cause be shown for the violation:

31 (A) Issue a public letter of caution or warning or reprimand;

32 (B)(i) Notwithstanding the provisions of §§ 7-6-202, 7-9-409, 21-
33 8-403, and 21-8-903, impose a fine of not less than twenty-five dollars
34 (\$25.00) nor more than one thousand dollars (\$1,000) for negligent or
35 intentional violation of this subchapter, or of Title 21, Chapter 8,
36 Subchapters 3-9.

1 (ii) The commission shall adopt rules governing the
2 imposition of such fines in accordance with the provisions of the Arkansas
3 Administrative Procedure Act, § 25-15-201 et seq.

4 (iii) All moneys received by the commission in payment of
5 fines shall be deposited in the State Treasury as general revenues; or

6 (C) Report its finding, along with such information and documents
7 as it deems appropriate, and make recommendations to the proper law
8 enforcement authorities. When exercising the authority provided in this
9 subsection, the commission is not required to make a finding of a violation of
10 the laws under its jurisdiction.

11
12 SECTION 14. Arkansas Code 7-6-220(b)(4), pertaining to independent
13 expenditures reports, is amended to read as follows:

14 (4) The same information required of candidates for office other than
15 school district, township, municipal, or county office as set forth in § 7-6-
16 207(b)(1)(A) through ~~(E)~~(L).

17
18 SECTION 15. Arkansas Code 7-6-221 is repealed:

19 ~~7-6-221. Independent expenditure disclosure.~~

20 ~~Any person making an independent expenditure shall name and identify~~
21 ~~itself using a name or phrase that clearly identifies the person in all of its~~
22 ~~communications with the public concerning any candidate. Such communications~~
23 ~~must include in a prominent manner the following notice: "This communication~~
24 ~~is not authorized by any candidate or candidate committee".~~

25
26 SECTION 16. Arkansas Code 7-6-225 is amended to read as follows:

27 7-6-225. Filing deadlines.

28 Whenever a report becomes due on a day which is a Saturday, Sunday, or
29 ~~state~~ legal holiday, the report shall be due the next day which is not a
30 Saturday, Sunday, or ~~state~~ legal holiday.

31
32 SECTION 17. Arkansas Code 7-9-402 is amended to read as follows:

33 7-9-402. Definitions.

34 As used in this subchapter:

35 (1) "Ballot question" means a question in the form of a
36 statewide, county, municipal, or school district initiative or referendum

1 which is submitted or intended to be submitted to a popular vote at an
2 election whether or not it qualifies for the ballot;

3 (2) "Ballot question committee" means any person, ~~other than an~~
4 ~~individual~~, located within or outside Arkansas, who receives contributions ~~or~~
5 ~~makes expenditures~~ for the purpose of ~~attempting to influence~~ expressly
6 advocating the qualification, passage, or defeat of any ballot question or any
7 person, other than an individual, located within or outside Arkansas, who
8 makes expenditures for the purpose of expressly advocating the qualification,
9 passage, or defeat of any ballot question. Provided further, a person other
10 than an individual, located within or outside Arkansas, also qualifies as a
11 ballot question committee if two percent (2%) or more of its annual revenues,
12 operating expenses, or funds are used to make a contribution or contributions
13 to another ballot question committee and if such contribution or contributions
14 exceed ten thousand dollars (\$10,000) in value;

15 (3)(A) "Contribution" means, whether direct or indirect,
16 advances, deposits, transfers of funds, contracts, or obligations, whether or
17 not legally enforceable, payments, gifts, subscriptions, assessments, payment
18 for services, dues, advancements, forbearance, loans, pledges, or promises of
19 money or anything of value, whether or not legally enforceable, to a person
20 for the purpose of influencing expressly advocating the qualification,
21 passage, or defeat of a ballot question or the passage or defeat of a
22 legislative question;

23 (B) "Contribution" includes the purchase of tickets for
24 events, such as dinners, luncheons, rallies, and similar fundraising events,
25 and the granting of discounts or rebates by television and radio stations and
26 newspapers, not extended on an equal basis to all persons seeking to ~~influence~~
27 expressly advocate the qualification, passage, or defeat of a ballot question
28 or the passage or defeat of a legislative question; and

29 (C) "Contribution" shall not include noncompensated,
30 nonreimbursed volunteer personal services or travel;

31 (4) "Contribution and expenditure" shall not include activities
32 designed solely to encourage individuals to register to vote or to vote, or
33 any communication by a bona fide church or religious denomination to its own
34 members or adherents for the sole purpose of protecting the right to practice
35 the religious tenets of such church or religious denomination, and
36 "expenditure" shall not include one (1) made for communication by a person

1 strictly with the person's paid members or shareholders;

2 (5) "Expenditure" means a purchase, payment, distribution, gift,
3 loan, or advance of money or anything of value, and a contract, promise, or
4 agreement to make an expenditure, for goods, services, materials, or
5 facilities for the purpose of ~~influencing~~ expressly advocating the
6 qualification, passage, or defeat of a ballot question or the passage or
7 defeat of a legislative question;

8 (6) "Legislative question" means a question in the form of a
9 measure referred by the General Assembly, a quorum court, a municipality, or a
10 school district to a popular vote at an election;

11 (7) "Legislative question committee" means any person, ~~other than~~
12 ~~an individual~~, located within or outside Arkansas, who receives contributions
13 ~~or makes expenditures~~ for the purpose of ~~attempting to influence~~ expressly
14 advocating the passage or defeat of any legislative question or any person,
15 other than an individual, located within or outside Arkansas, who makes
16 expenditures for the purpose of expressly advocating the qualification,
17 passage, or defeat of any legislative question. Provided further, a person
18 other than an individual, located within or outside Arkansas, also qualifies
19 as a legislative question committee if two percent (2%) or more of its annual
20 revenues, operating expenses, or funds are used to make a contribution or
21 contributions to another legislative question committee and if such
22 contribution or contributions exceed ten thousand dollars (\$10,000) in value;

23 (8) "Person" means any individual, business, proprietorship,
24 firm, partnership, joint venture, syndicate, business trust, labor
25 organization, company, corporation, association, committee, or any other
26 organization or group of persons acting in concert; and

27 (9) "Qualification of a ballot question" means any action or
28 process, legal or otherwise, through which a ballot question obtains
29 certification to be on the ballot at an election.

30
31 SECTION 18. Arkansas Code 7-9-404(d) is amended to read as follows:

32 (d) Upon dissolution, a ballot question committee or a legislative
33 question committee shall so notify the commission in writing. Any remaining
34 funds on hand at the time of dissolution shall be turned over to either:

35 (1) The Treasurer of State for the benefit of the General Revenue
36 Fund Account of the State Apportionment Fund;

1 (2) An organized political party as defined in § 7-1-101, or a
2 political party caucus of the General Assembly, the Senate, or House of
3 Representatives;

4 (3) A nonprofit organization which is exempt from taxation under
5 Section 501(c)(3) of the Internal Revenue Code; or

6 (4) The contributors to the ballot or legislative question
7 committee.

8
9 SECTION 19. Arkansas Code 7-9-406 is amended to read as follows:

10 7-9-406. Financial reports - Requirement.

11 (a) A ballot question committee or legislative question committee which
12 either receives contributions or makes expenditures in excess of five hundred
13 dollars (\$500) for the purpose of ~~influencing~~ expressly advocating the
14 qualification, passage, or defeat of a ballot question or the passage or
15 defeat of a legislative question shall file with the Arkansas Ethics
16 Commission financial reports as required by § 7-9-407.

17 (b) An individual person who on his or her own behalf expends in excess
18 of five hundred dollars (\$500), excluding contributions, for the purpose of
19 ~~influencing~~ expressly advocating the qualification, passage, or defeat of a
20 ballot question or the passage or defeat of a legislative question shall file
21 with the commission financial reports as required by § 7-9-407.

22 (c) Any report required by this subchapter shall be deemed timely filed
23 if it is:

24 (1) Hand-delivered to the commission on or before the date due;

25 (2) Mailed to the commission, properly addressed, postage
26 prepaid, bearing a postmark indicating that it was received by the post office
27 or common carrier on or before the date due;

28 (3) Received via facsimile by the commission on or before the
29 date due provided that the original is received by the commission within ten
30 (10) days of the transmission; or

31 (4) Received by the commission in a readable electronic format
32 which is approved by the commission.

33 (d) Whenever a report under this subchapter becomes due on a day which
34 is a Saturday, Sunday, or ~~state~~ legal holiday, the report shall be due the
35 next day which is not a Saturday, Sunday, or ~~state~~ legal holiday.

36

1 SECTION 20. Arkansas Code 7-9-407(2)(A)(vii), pertaining to financial
2 reports by ballot question committees, legislative question committees, and
3 individuals, is amended to read as follows:

4 (vii) The name and street address of each person ~~from whom a~~
5 ~~contribution(s) exceeding one hundred dollars (\$100) was received~~ who
6 contributed one hundred dollars (\$100) or more during the period covered by
7 the financial report, together with the amount contributed, the date of
8 receipt, and the cumulative amount contributed by that person for each ballot
9 question or legislative question;

10
11 SECTION 21. Arkansas Code 7-9-407(3), pertaining to financial reports
12 by ballot question committees, legislative question committees, and
13 individuals, is amended to read as follows:

14 (3) The name and street address of each person to whom expenditures
15 totaling one hundred dollars (\$100) or more were made, together with the date
16 and amount of each separate expenditure to each person during the period
17 covered by the financial report and the purpose of the expenditure.

18
19 SECTION 22. Arkansas Code 21-8-304 is amended to read as follows:
20 21-8-304. Prohibited activities.

21 (a) No public official or state employee shall use or attempt to use his
22 or her official position to secure *special* privileges or exemption for
23 himself ~~or herself~~ or herself or his or her spouse, child, parents, or other persons
24 standing in the first degree of relationship, or for those with whom he or she
25 has a substantial *financial* relationship that is not available to others
26 except as may be otherwise provided by law.

27 (b) No public official or state employee shall accept employment or
28 engage in any public or professional activity while serving as a public
29 official which he or she might reasonably expect would require or induce him
30 or her to disclose any information acquired by him or her by reason of his or
31 her official position which is declared by law or regulation to be
32 confidential.

33 (c) No public official or state employee shall disclose any such
34 information gained by reason of his or her position, nor shall he or she
35 otherwise use such information for his or her personal gain or benefit.

36

1 SECTION 23. Arkansas Code 21-8-402(5)(B), a part of the Disclosure Act
2 for Lobbyists and State and Local Officials, is amended to read as follows:

3 (B) The term "gift" does not include:

4 (i)(a) Informational material such as books, reports, pamphlets,
5 calendars, or periodicals informing a public servant regarding his or her
6 official duties.

7 (b) Payments for travel or reimbursement for any expenses
8 are not informational material;

9 (ii) The giving or receiving of food, lodging, or travel which
10 bears a relationship to the public servant's office and when appearing in an
11 official capacity;

12 (iii) Gifts which are not used and which, within thirty (30) days
13 after receipt, are returned to the donor;

14 (iv) Gifts from an individual's spouse, child, parent,
15 grandparent, grandchild, brother, sister, parent-in-law, brother-in-law,
16 sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of
17 any of these persons, unless the person is acting as an agent or intermediary
18 for any person not covered by this paragraph;

19 (v) Campaign contributions;

20 (vi) Any devise or inheritance;

21 (vii)(a) *Anything with a value of one hundred dollars (\$100) or*
22 *less.*

23 *(b) The value of an item shall be considered to be less*
24 *than one hundred dollars (\$100) if the public servant reimburses the person*
25 *from whom the item was received any amount over one hundred dollars (\$100) and*
26 *the reimbursement occurs within ten (10) days from the date the item was*
27 *received; ~~or~~*

28 *(viii) Wedding presents and engagement gifts;*

29 *(ix) A monetary or other award presented to an employee of a*
30 *public school district, the Arkansas School for the Blind, the Arkansas School*
31 *for the Deaf, the Arkansas School for Mathematics and Science, a university, a*
32 *college, a technical college, a technical institute, a comprehensive life-long*
33 *learning center, or a community college in recognition of the employee's*
34 *contribution to education;*

35 *(x) Tickets to charitable fundraising events held within this*
36 *state by a non-profit organization which is exempt from taxation under Section*

1 501(c)(3) of the Internal Revenue Code;

2 (xi) A personalized award, plaque, or trophy with a value of one
3 hundred and fifty dollars (\$150) or less;

4 (xii) An item which appointed or elected members of a specific
5 governmental body purchase with their own personal funds and present to a
6 fellow member of that governmental body in recognition of public service;

7 (xiii) Food or beverages provided at a conference scheduled event
8 that is part of the program of the conference;

9 (xiv) Food or beverages provided in return for participation in a
10 bona fide panel, seminar, speaking engagement at which the audience is a
11 civic, social, or cultural organization or group;

12 (xv)(a) A monetary or other award publicly presented to an
13 employee of state government in recognition of his or her contributions to the
14 community and State of Arkansas when the presentation is made by the
15 employee's supervisor or peers, individually or through a non-profit
16 organization which is exempt from taxation under Section 501(c) of the
17 Internal Revenue Code, and the employee's receipt of the award would not
18 result in or create the appearance of the employee using his or her position
19 for private gain, giving preferential treatment to any person, or losing
20 independence or impartiality.

21 (b) This exception shall not apply to an award presented to
22 an employee of state government by a person having economic interests which
23 may be affected by the performance or nonperformance of the employee's duties
24 or responsibilities.

25
26 SECTION 24. Arkansas Code 21-8-402(7), a part of the Disclosure Act for
27 Lobbyists and State and Local Officials, is amended to read as follows:

28 (7) "Income" or "compensation" means any money or anything of value
29 received, or to be received as a claim for future services, whether in the
30 form of a retainer, fee, salary, expense, allowance, forbearance, forgiveness,
31 interest, dividend, royalty, rent, or any other form of recompense or any
32 combination thereof. It includes a payment made under obligation for
33 services or other value received;

34
35 SECTION 25. Arkansas Code 21-8-402(11), a part of the Disclosure Act
36 for Lobbyists and State and Local Officials, is amended to read as follows:

1 (11) "Lobbyist" means a person who:

2 (A) Receives income or reimbursement in a combined amount of ~~two~~
3 ~~hundred fifty dollars (\$250)~~ four hundred dollars (\$400) or more in a calendar
4 quarter for lobbying one (1) or more governmental bodies; or

5 (B) Expends ~~two hundred fifty dollars (\$250)~~ four hundred dollars
6 (\$400) or more in a calendar quarter for lobbying one (1) or more governmental
7 bodies, excluding the cost of personal travel, lodging, meals, or dues; or

8 (C) Expends ~~two hundred fifty dollars (\$250)~~ four hundred dollars
9 (\$400) or more in a calendar quarter, including postage, for the express
10 purpose of soliciting others to communicate with any public servant to
11 influence any legislative action or administrative action of one (1) or more
12 governmental bodies unless the communication has been filed with the Secretary
13 of State or the communication has been published in the news media. If the
14 communication is filed with the Secretary of State, the filing shall include
15 the approximate number of recipients;

16
17 SECTION 26. Arkansas Code 21-8-402(18) and (19), a part of the
18 Disclosure Act for Lobbyists and State and Local Officials, are amended to
19 read as follows:

20 (18) "Registered lobbyist" means a lobbyist registered pursuant to the
21 provisions of subchapters 4, ~~5 [repealed]~~, and 6-8 of this chapter; ~~and~~

22 (19) "Special Event" means a planned activity to which a specific
23 governmental body or identifiable group of public servants is invited; and

24 ~~(19)~~ (20) "State government" means any office, department, commission,
25 council, board, bureau, committee, legislative body, agency, or other
26 establishment of the State of Arkansas.

27
28 SECTION 27. Arkansas Code 21-8-601 is amended to read as follows:

29 21-8-601. Registration required - Exceptions - Termination.

30 (a)(1) A lobbyist shall register within five (5) days after beginning
31 lobbying. Such registration shall be on forms provided by the Secretary of
32 State containing the following information:

33 (i) The name, address, and telephone number of the lobbyist;

34 (ii) The calendar year for which the lobbyist is
35 registering;

36 (iii) The name, address, and telephone number of the

1 Lobbyist's client or employer;

2 (iv) A description of the nature of the lobbyist's client or
3 employer; and

4 (v) Certification by the lobbyist that the information
5 contained on the lobbyist registration form is true and correct.

6 (2) A lobbyist shall not be required to register if he or she
7 engages in no lobbying other than the following activities:

8 (A) The publishing or broadcasting, by news media executives
9 or their employees or agents, in the ordinary course of business, of news
10 items, editorials, or other comments or paid advertisements which directly or
11 indirectly urge legislative action or administrative action;

12 (B) Engaging in lobbying exclusively on behalf of an
13 Arkansas church which qualifies as a tax exempt organization under section
14 501(c)(3) of the Internal Revenue Code when lobbying solely for the purpose of
15 protecting the rights of members or adherents to practice the religious
16 doctrines of the church;

17 (C)(i) Action in a person's official capacity as a public
18 servant.

19 (ii) However, a public servant shall be required to
20 register as a lobbyist if he or she:

21 (a) Receives income from a nongovernmental
22 person in excess of ~~two hundred fifty dollars (\$250)~~ four hundred dollars
23 \$(400) in a quarter for lobbying; or

24 (b) Expends or is reimbursed in excess of ~~two~~
25 ~~hundred fifty dollars (\$250)~~ four hundred dollars (\$400), regardless of the
26 source, in a quarter for lobbying, excluding the cost of informational
27 material and personal travel, lodging, meals, and dues;

28 (D) Drafting legislation;

29 (E) Appearing in:

30 (i) A judicial proceeding;

31 (ii) A proceeding or hearing if the appearance is a
32 matter of public record; or

33 (iii) Any hearing or appeal proceeding conducted
34 pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq;

35 (F) Assisting an executive agency, at the written request of
36 the agency, in drafting administrative regulations or in publicizing or

1 assisting in the implementation of final administrative actions;

2 (G) Testifying as an individual at a public hearing in
3 support of or in opposition to legislation or administrative action,
4 testifying on behalf of a corporation, partnership, association, or other
5 organization with which the person is regularly associated as an employee,
6 officer, member, or partner, or testifying at the request of a legislative
7 committee; or

8 (H) Actions by contractors or employees of contractors while
9 engaged in selling to a governmental body by demonstrating or describing
10 commodities or services or inquiring as to specifications or terms and
11 conditions of a particular purchase unless such contractor or its employees
12 expend in excess of ~~two hundred fifty dollars (\$250)~~ four hundred dollars
13 (\$400) in a calendar quarter for food, lodging, travel, or gifts to benefit
14 public servants who purchase commodities or services on behalf of a
15 governmental body.

16 (3) A person whose only act of lobbying is to compensate or
17 reimburse a registered lobbyist in the person's behalf shall not be required
18 to register as a lobbyist.

19 (b) Upon the termination of a registered lobbyist's employment or
20 designation as a lobbyist, the termination shall be conveyed by the registered
21 lobbyist in writing to the public official with whom the lobbyist is
22 registered. The written notice of termination shall:

23 (1) State the registered lobbyist's name;

24 (2) State the date the registered lobbyist's employment is
25 terminated or his or her designation as a lobbyist terminated; and

26 (3) Report any activity to be reported during the period in which
27 the registration was in effect that has not already been reported.

28 (c) Each registered lobbyist whose employment or designation as a
29 lobbyist has not terminated shall reregister by January 15 of each year.

30
31 SECTION 28. Arkansas Code 21-8-604(b)(2)(C), a part of the Disclosure
32 Act for Lobbyists and State and Local Officials, is amended to read as
33 follows:

34 (C) In the case of special events, including parties, dinners,
35 athletic events, entertainment, and other functions, expenses need not be
36 allocated by individual s₇, ~~but the date of the event, location, name of the~~

1 ~~governmental body or groups of public servants invited, and total expense~~
 2 ~~shall be stated;~~ The information reported for a special event shall include:
 3 (i) The date of the event;
 4 (ii) The name of the event;
 5 (iii) The location of the event;
 6 (iv) The name of the governmental body or group of public
 7 servants invited;
 8 (v) The exact amount paid by the lobbyist towards the total
 9 expenditure; and
 10 (vi) The name of the lobbyist's employer or client making
 11 the expenditure and the names of all other lobbyists sharing in the cost of
 12 the payment.

14 SECTION 29. Arkansas Code 21-8-606 is amended to read as follows:

15 21-8-606. Duties of public officials.

16 The Secretary of State, each county clerk, and each city clerk or
17 recorder shall:

18 (1) Provide forms approved by the Arkansas Ethics Commission for
19 registration and for statements required by subchapters 4, ~~5 [repealed],~~ and
20 6-8 of this chapter to all persons required to file; and

21 ~~(2) Issue a certificate of registration to a lobbyist registered under~~
22 ~~the provisions of subchapters 4, 5 [repealed], and 6-8 of this chapter; and~~

23 ~~(3)~~ (2) Make all statements and reports filed available for public
24 inspection and copying, at a reasonable cost, during regular office hours.

26 SECTION 30. Arkansas Code 21-8-701(d), a part of the Disclosure Act for
27 Lobbyists and State and Local Officials, is amended to read as follows:

28 (d) The statement of financial interest shall include the following:

29 (1) The name of the public servant and his or her spouse and all
30 names under which they do business;

31 (2) The reasons for filing the statement of financial interest;

32 (3)(A) Identification of each employer and of each other source of
33 gross income amounting to more than one thousand dollars (\$1,000) annually
34 received by the person or his or her spouse in their own names, or by any
35 other person for the use or benefit of the public servant or his or her
36 spouse, and a brief description of the nature of the services for which the

1 compensation was received, except that this subdivision (d)(3) shall not be
2 construed to require the disclosure of individual items of income that
3 constitute a portion of the gross income of the business or profession from
4 which the public servant or his or her spouse derives income; and

5 (B) In addition thereto, identification of each source of
6 gross income as described above of more than twelve thousand five hundred
7 dollars (\$12,500), except that this shall not be construed to require the
8 disclosure of individual items of income that constitute a portion of the
9 gross income of the business or profession from which the public servant or
10 his or her spouse derives income;

11 (4)(A) The name of every business in which the public servant and
12 his or her spouse, or any other person for the use or benefit of the public
13 servant or his or her spouse, have an investment or holdings of over one
14 thousand dollars (\$1,000) at fair market value as of the last day of the
15 previous calendar year; and

16 (B) In addition thereto, identification of each source as
17 described above which has a fair market value of over twelve thousand five
18 hundred dollars (\$12,500) as of the last day of the previous calendar year;

19 (5) Every office or directorship held by the public servant or his
20 or her spouse in any business, corporation, firm, or enterprise subject to
21 jurisdiction of a regulatory agency of this state or of any of its political
22 subdivisions;

23 (6)(A) The name and address of each creditor to whom the value of
24 five thousand dollars (\$5,000) or more was personally owed or personally
25 obligated and is still outstanding by the public servant.

26 (B)(i) Loans made in the ordinary course of business by
27 either a financial institution or a person who regularly and customarily
28 extends credit shall not be required to be disclosed.

29 (ii) Debts owed to the members of the public servant's
30 family need not be included;

31 (7)(A) The name and address of each guarantor or co-maker, other
32 than a member of the public servant's family, who has guaranteed a debt of the
33 public servant that is still outstanding.

34 (B)(i) This requirement shall be applicable only to debt
35 guaranties for debts assumed or arising after January 1, 1989.

36 (ii) Guaranteed debts existing prior to January 1, 1989,

1 which are extended or refinanced shall become subject to disclosure in the
 2 annual financing statement due to be filed after the conclusion of the year in
 3 which such extension or refinancing occurred;

4 (8) The source, date, ~~reasonable fair market value,~~ and
 5 description, and a reasonable estimate of the fair market value of each gift
 6 of more than one hundred dollars (\$100) received by the public servant or his
 7 or her spouse or more than two hundred fifty dollars (\$250) received by his or
 8 her dependent children;

9 (9) Each monetary or other award of more than one hundred dollars
 10 (\$100) received by the public servant in his or her capacity as an employee of
 11 a public school district, the Arkansas School for the Blind, the Arkansas
 12 School for the Deaf, the Arkansas School for Mathematics and Science, a
 13 university, a college, a technical college, a technical institute, a
 14 comprehensive life-long learning center, or a community college in recognition
 15 of his or her contribution to education;

16 ~~(9)~~ (10) Each nongovernmental source of payment of the public
 17 servant's expenses for food, lodging, or travel which bears a relationship to
 18 the public servant's office when the public servant is appearing in his or her
 19 official capacity when the expenses incurred exceed one hundred fifty dollars
 20 (\$150). The public servant shall identify the name and business address of the
 21 person or organization paying the public servant's expenses and the date and
 22 nature of that expenditure if not compensated by the entity for which the
 23 public servant serves;

24 ~~(10)~~ (11) Any public servant who is employed by any business which
 25 is under direct regulation or subject to direct control by the governmental
 26 body which he serves shall set out this employment and the fact that the
 27 business is regulated by or subject to control of the governmental body on the
 28 statement of financial interest; and

29 ~~(11)~~ (12) If a public servant or any business in which he or she
 30 or his or her spouse is an officer, director, ~~or~~ stockholder owning more than
 31 ten percent (10%) of the stock of the company, ~~the~~ owner, trustee, or partner
 32 shall sell any goods or services having a total annual value in excess of one
 33 thousand dollars (\$1,000) to the governmental body in which the public servant
 34 serves or is employed, ~~Then~~ then the public servant shall set out in detail
 35 the goods or services sold, the governmental body to which they were sold, and
 36 the compensation paid for each category of goods or services sold.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

SECTION 31. Arkansas Code 21-8-703 is amended to read as follows:
21-8-703. Place and manner of filing.

(a) The statement of financial interest shall be filed as follows:

(1) State or district public servants and candidates for state or district public office required to file shall file with the Secretary of State;

(2) County, township, or school district public servants and candidates for county, township, or school district public office required to file shall file with the county clerks;

(3) Municipal public servants and candidates for municipal office required to file shall file with the city clerk or recorder, as the case may be;

(4) All municipal judges or city attorneys, whether elected or appointed, shall file with the city clerk of the municipality within which they serve.

(5) Members of regional boards or commissions shall file with the county clerk of the county in which they reside.

(b) Any report required by this subchapter shall be deemed timely filed if it is:

(1) Hand delivered to the ~~Secretary of State~~ appropriate public official on or before the date due;

(2) Mailed to the ~~Secretary of State~~ appropriate public official, properly addressed, postage prepaid, bearing a postmark indicating that it was received by the post office or common carrier on or before the date due;

(3) Received via facsimile by the ~~Secretary of State~~ appropriate public official on or before the date due, provided the original is received by the ~~Secretary of State~~ appropriate public official within ten (10) days of the transmission; or

(4) Received by the ~~Secretary of State~~ appropriate public official in a readable electronic format which is acceptable to ~~the Secretary of State~~ such public official and approved by the Arkansas Ethics Commission.

SECTION 32. Arkansas Code 21-8-801 is amended to read as follows:
21-8-801. Prohibited acts generally.

(a) No public servant shall:

1 (1) Receive a gift or compensation as defined in subchapter 4 of this
2 chapter, other than income and benefits from the governmental body to which he
3 or she is duly entitled, for the performance of the duties and
4 responsibilities of his or her office or position;

5 (2) Purposely use or disclose to any other person or entity confidential
6 government information acquired by him or her in the course of and by reason
7 of the public servant's official duties, to secure anything of material value
8 or benefit for himself or herself or his or her family.

9 (b)(1) No person shall confer a gift or compensation as defined in
10 subchapter 4 of this chapter to any public servant, the receipt of which is
11 prohibited by subdivision (a)(1) of this section.

12 (2)(A) The first violation of this subsection (b) by any person
13 other than a registered lobbyist shall result in a written warning.

14 (B) Upon a second and subsequent violations by persons
15 other than registered lobbyists and upon a first violation by registered
16 lobbyists, the penalties provided for in § 7-6-218 shall apply.

17
18 SECTION 33. Any work of art contracted for prior to January 1, 1998 for
19 public service recognition for members of the Arkansas General Assembly shall
20 not be a gift under Arkansas Code 21-8-402 nor shall it be deemed an unlawful
21 gift under any other statute or regulation.

22
23 SECTION 34. Arkansas Code 21-8-604(b)(2)(A) is amended to read as
24 follows:

25 (2)(A) An itemized listing of each:

26 (i) Gift given to a public servant or on behalf of
27 the public servant;

28 (ii) Payment for food, lodging, or travel in excess
29 of forty dollars (\$40.00) on behalf of a public servant; and

30 (iii) Any other item paid or given to a public
31 servant or on behalf of the public servant, except for campaign contributions,
32 having a value in excess of forty dollars (\$40.00) unless consideration of
33 equal or greater value has been given therefor. If the person receiving or to
34 be benefiting by the item is a public employee, the person's governmental body
35 shall be identified.

36

