

1 **State of Arkansas**

2 **79th General Assembly**

3 **Regular Session, 1993**

# **A Bill**

**SENATE BILL 524**

4 **By: Senators Bradford, Malone, Scott, Walters, Gordon, Harriman, Luelf, and Hoofman**

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7

## **For An Act To Be Entitled**

8 "AN ACT TO REVISE VARIOUS SECTIONS OF ARKANSAS CODE TITLE  
9 7, CHAPTER 6, SUBCHAPTER 2 CONCERNING CAMPAIGN FINANCE; TO  
10 AMEND VARIOUS SECTIONS OF ARKANSAS CODE TITLE 21, CHAPTER  
11 8 CONCERNING ETHICS AND CONFLICTS OF INTEREST; AND FOR  
12 OTHER PURPOSES."

13

14

## **Subtitle**

15 "AN ACT CONCERNING CAMPAIGN FINANCE, ETHICS, AND CONFLICTS  
16 OF INTEREST."

17

18

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

20

21 SECTION 1. Arkansas Code 7-6-201 is amended to read as follows:

22 "7-6-201. Definitions.

23 As used in this subchapter, unless the context otherwise requires:

24 (1) Person means any individual, proprietorship, firm, partnership,  
25 joint venture, syndicate, labor union, business trust, company, corporation,  
26 association, committee, or any other organization or group of persons acting  
27 in concert. It shall also include organized political parties as defined in §  
28 7-1-101(1);

29 (2) (A) Contribution means, whether direct or indirect, advances,  
30 deposits, or transfers of funds, contracts, or obligations, whether or not  
31 legally enforceable, payments, gifts, subscriptions, assessments, payment for  
32 services, dues, advancements, forbearance, loans, pledge or promise of money  
33 or anything of value, whether or not legally enforceable, to a candidate,  
34 committee, or holder of elective office, made for the purpose of influencing  
35 the nomination or election of any candidate;

1           (B) Contribution includes the purchase of tickets for events  
2 such as dinners, luncheons, rallies, similar fund raising events; the granting  
3 of discounts or rebates by television and radio stations and newspapers not  
4 extended on an equal basis to all candidates for the same office; and any  
5 payments for the services of any person serving as an agent of a candidate or  
6 committee by a person other than the candidate or committee or persons whose  
7 expenditures the candidates or committee must report under this subchapter.  
8 The term contribution further includes any transfer of anything of value  
9 received by a committee from another committee;

10           (C) Contribution shall not include noncompensated,  
11 nonreimbursed, volunteer personal services or travel;

12           (D) Contribution shall not include the expense or cost incurred  
13 by a person in hosting one (1) or more fund raisers, if the cumulative amount  
14 per candidate does not exceed one thousand dollars (\$1,000).

15           (3) Expenditure means a purchase, payment, distribution, gift, loan,  
16 or advance of money or anything of value, and a contract, promise, or  
17 agreement to make an expenditure, made for the purpose of influencing the  
18 nomination or election of any candidate;

19           (4) Contribution and expenditure shall not include nonpartisan  
20 activity designed to encourage individuals to register to vote, or to vote, or  
21 any communication by any membership organization to its members or  
22 stockholders if the membership organization or corporation is not organized  
23 primarily for the purpose of influencing the nomination for election, or  
24 election, of any candidate;

25           (5) Candidate means any person who has knowingly and willingly taken  
26 affirmative action, including solicitation of funds, for the purpose of  
27 seeking nomination for or election to any public office;

28           (6) Election means each election held to nominate or elect a  
29 candidate to any public office, including school elections. For the purposes  
30 of this subchapter, a preferential primary, a general primary, a special, and  
31 a general election shall each constitute a separate election;

32           (7) Public office means any office created by or under authority of  
33 the laws of the State of Arkansas, or of a subdivision thereof, that is filled  
34 by the voters, except a federal office;

35           (8) Financial institution means any commercial bank, savings and

1 loan, mutual savings bank or savings bank, insurance company brokerage house,  
2 or any corporation that is in the business of lending money that is subject to  
3 state or federal regulation;

4 (9) Approved political action committee means any person who:

5 (A) Receives contributions from one (1) or more persons in order  
6 to make contributions to candidates;

7 (B) Does not accept any contribution or cumulative contributions  
8 in excess of two hundred dollars (\$200) from any person in any calendar year;  
9 and

10 (C) Has been registered pursuant to § 7-6-215 for at least four  
11 (4) continuous months prior to making contributions to candidates. Approved  
12 political action committee shall not include an organized political party as  
13 defined in § 7-1-101(1), the candidate\_s own campaign committee, or an  
14 exploratory committee;

15 (10) Prohibited political action committee means any person who  
16 receives contributions from one or more persons in order to make contributions  
17 to candidates but who does not meet the requirements of an approved political  
18 action committee. Prohibited political action committee shall not include an  
19 organized political party as defined in § 7-1-101(1), the candidate\_s own  
20 campaign committee, or an exploratory committee;

21 (11) Exploratory committee means a person who receives contributions  
22 which are held to be transferred to the campaign of a single candidate in an  
23 election. Exploratory committee shall not include an organized political  
24 party as defined in § 7-1-101(1) or the candidate\_s own campaign committee;

25 (12) *'Fund raiser'* means an event which has as one of its purposes the  
26 solicitation of contributions and:

27 (A) Ten (10) or more persons attend the event; and

28 (B) The total contributions received at the event are one  
29 thousand dollars (\$1,000) or more."

30

31 SECTION 2. Arkansas Code 7-6-202 is amended to read as follows:

32 "7-6-202. Penalties.

33 (a) Any person who knowingly or willfully fails to comply with any  
34 provisions of this subchapter shall, upon conviction, be fined an amount not  
35 to exceed one thousand dollars (\$1,000) or be imprisoned for not more than one

1 (1) year, or both.

2 (b) The Arkansas Ethics Commission may assess a civil penalty for  
3 failure to file a report within the time required by this subchapter.

4 (1) The civil penalty may be imposed for a second violation, if  
5 the person has been given a written warning of his first violation. The  
6 amount of the civil penalty shall not exceed twenty-five dollars (\$25.00).

7 (2) A person may be assessed a civil penalty if he has been  
8 warned to correct a violation, but fails or refuses to comply with the  
9 reporting requirement within one week. The amount of the civil penalty shall  
10 not exceed twenty-five dollars (\$25.00) per day calculated from the date on  
11 which he received the written warning."

12

13 SECTION 3. Arkansas Code 7-6-203 (j) is amended to read as follows:

14 "(j) (1) Not later than thirty (30) days following a general election, a  
15 candidate shall turn over to either:

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

18 (B) An organized political party as defined in § 7-1-101(1); or

19 (C) The contributors to the candidate\_s campaign

20 any balance of campaign funds over expenses incurred as of the day of the  
21 election except for:

22 (i) An amount equal to the yearly salary, excluding expense  
23 allowances, set by Arkansas law for the office sought; and

24 (ii) Any funds required to reimburse the candidate for  
25 personal funds contributed to the campaign or to repay loans made by financial  
26 institutions to the candidate and applied to the campaign.

27 (2) Nothing in this subsection (j) shall prohibit a candidate from  
28 disposing of campaign funds, in the manner described in this subsection, at  
29 any time prior to the general election; provided he or she raises no further  
30 campaign funds before the end of the general election.

31 (3) The candidate who disposes of campaign funds pursuant to this  
32 subsection shall state on his or her final report the option or options used  
33 and the amount disposed of under the option."

34

35 SECTION 4. Arkansas Code 7-6-203 is amended to add a new subsection to

1 read as follows:

2       "(k) It shall be unlawful for any candidate to accept campaign  
3 contributions for a previous campaign, except for the purpose of retiring a  
4 campaign debt."

5

6       SECTION 5. Arkansas Code 7-6-205 (c) is amended to read as follows:

7       "(c) (1) No person shall make an anonymous contribution in support of or  
8 opposition to a candidate or campaign committee totaling one hundred dollars  
9 (\$100) or more in a calendar year.

10           (2) An anonymous contribution of more than one hundred dollars  
11 (\$100) or more shall not be kept by the intended recipient but shall be  
12 promptly paid by the recipient to the Arkansas Ethics Commission for deposit  
13 in the State Treasury as general revenues."

14

15       SECTION 6. Arkansas Code 7-6-207 is amended to read as follows:

16       "7-6-207. Reports of contributions - Candidates for office other than  
17 school district, township, municipal, or county office, etc.

18       (a) REPORTS REQUIRED. Except as provided in subsection (c) of this  
19 section, each candidate for office, other than a school district, township,  
20 municipal, or county office, or a person acting in the candidate's behalf,  
21 shall:

22           (1) No later than fifteen (15) days after the end of each month,  
23 file a report of all contributions received and expenditures made during the  
24 month for which the report is filed. The first report shall be filed for the  
25 month in which the candidate's cumulative contributions or expenditures exceed  
26 five hundred dollars (\$500). If a candidate has not received a cumulative  
27 amount of five hundred dollars (\$500) in contributions nor expended a  
28 cumulative amount of five hundred dollars (\$500) since the candidate's last  
29 monthly report, the candidate shall not be required to file a monthly report.  
30 However, all candidates shall file the final monthly report. The final  
31 monthly report shall be filed within fifteen (15) days after the end of the  
32 month in which the last election is held at which the candidate seeks  
33 nomination or election.

34           (2) No later than seven (7) days prior to preferential primary  
35 elections, runoff elections, general elections, and special elections, file a

1 preelection report of all contributions received and expenditures made between  
2 the period covered by the previous monthly report and ten (10) days before the  
3 election.

4           (3) File quarterly supplemental reports of all contributions  
5 received and expenditures made after the time period covered by the final  
6 monthly report after the general election, such supplemental reports to be  
7 filed within fifteen (15) days of the end of each quarter. If a candidate has  
8 not received a cumulative amount of five hundred dollars (\$500) in  
9 contributions nor expended a cumulative amount of five hundred dollars (\$500)  
10 since the candidate's last filed quarterly report, the candidate shall not be  
11 required to file a quarterly report.

12           (4) Upon receiving the first monthly report from any candidate,  
13 the Arkansas Ethics Commission shall notify the candidate by mail of the  
14 deadlines for filing remaining monthly reports, preelection reports, and  
15 supplemental reports and furnish each candidate with the appropriate forms and  
16 instructions for complying with the deadlines. All reports shall be filed on  
17 the forms furnished by the Arkansas Ethics Commission.

18           (b) CONTENTS OF REPORTS.

19           (1) The campaign reports required by subsection (a) of this  
20 section shall indicate:

21                   (A) The total amount of contributions received and the  
22 total amount of expenditures made during the filing periods;

23                   (B) The name and address of each person, including the  
24 candidate, who made a contribution which, in the aggregate, exceeds one  
25 hundred dollars (\$100);

26                   (C) The contributor's principal place of business,  
27 employer, occupation, and the amount contributed;

28                   (D) A description of non-money items contributed, not  
29 including volunteer service by individuals;

30                   (E) An itemization of all single expenditures made which  
31 exceed one hundred dollars (\$100), including the amount of the expenditure and  
32 the name and address of any person, including the candidate, to whom the  
33 expenditure was made;

34                   (F) A list of all paid campaign workers and the amount the  
35 workers were paid;

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

4 (H) The current surplus or debt of campaign funds; and

5 (I) *The name of the person or persons sponsoring a fund*  
6 *raiser at whose home or establishment the fund raiser was held, the date of*  
7 *the fund raiser, the gross and net amount of funds raised, and the name of*  
8 *each person who donated more than one hundred dollars (\$100) at the event.*

9 (2) The reports shall be filed with the Arkansas Ethics  
10 Commission and the county clerk in the county where the candidate resides.

11 (c) (1) REPORTS NOT REQUIRED. A candidate or any person acting in the  
12 candidate's behalf who has not received contributions in excess of five  
13 hundred dollars (\$500) nor expended in excess of five hundred dollars (\$500)  
14 shall not be required to file any reports required under this section, other  
15 than the final monthly report. That candidate or person shall comply with the  
16 filings required by this section beginning with the first reporting period in  
17 which his total contributions exceed five hundred dollars (\$500).

18 (2) A candidate or any person acting in the candidate's behalf as  
19 covered by this subdivision (c) shall not be required to file the expenditure  
20 or supplemental reports identified in § 7-6-212, except for the final monthly  
21 report.

22 (d) FILINGS - PUBLIC INSPECTION. The Arkansas Ethics Commission shall  
23 establish a filing system for reports filed pursuant to this section. The  
24 reports shall be kept for eight (8) years from the date of filing and  
25 catalogued by candidate in chronological order and made available for public  
26 inspection. After the eight-year period, the Arkansas Ethics Commission shall  
27 turn the reports over to the Arkansas History Commission for maintenance and  
28 continued public inspection.

29 "

30

31 SECTION 7. Arkansas Code 7-6-208 (c) is amended to read as follows:

32 "(c) SUPPLEMENTAL REPORTS. Any contributions received after the final  
33 report is filed shall be reported in a supplemental report within thirty (30)  
34 days after the receipt of the contributions. Reports shall be filed on forms  
35 prepared by the Arkansas Ethics Commission and provided by the county clerk

1 for this purpose and shall include the name and address of each person who has  
2 made a contribution which in the aggregate exceeds one hundred dollars (\$100),  
3 the contributor\_s principal place of business, employer, and occupation, and  
4 the amount contributed."

5

6 SECTION 8. Arkansas Code 7-6-209(c) is amended to read as follows:

7 "(c) SUPPLEMENTAL REPORTS REQUIRED. Any contributions received after  
8 the final report is filed shall be reported in a supplemental report within  
9 thirty (30) days after receipt of the contributions. Reports shall be filed on  
10 forms prepared by the Arkansas Ethics Commission and furnished by the county  
11 clerk for this purpose and shall include the name and address of each person  
12 who has made a contribution which in the aggregate exceeds two hundred fifty  
13 dollars (\$250), the contributor's principal place of business, employer, and  
14 occupation, and the amount contributed."

15

16 SECTION 9. Arkansas Code 7-6-212 is amended to read as follows:

17 "7-6-212. Reports of expenditures.

18 (a) A candidate or person acting in the candidate's behalf shall file,  
19 along with the final report required in §§ 7-6-207 - 7-6-209 of this  
20 subchapter, with the Arkansas Ethics Commission and the county clerk in the  
21 county in which the candidate resides, or, if it is a school district,  
22 township, municipal, or county office, with the county clerk in the county in  
23 which the election is to be held, a list of all expenditures by categories  
24 including, but not limited to, television, radio, print, and other  
25 advertising, direct mail, office supplies, rent, travel, expenses,  
26 entertainment, and telephone.

27 (b) The expenditure report shall include the names of all paid campaign  
28 workers and the amount the workers were paid.

29 (c) Each candidate or person acting in the candidate's behalf shall  
30 also file a supplemental report, including the same information as required  
31 herein, to disclose any subsequent expenditures after the compilation date of  
32 the final report.

33 (d) Supplemental expenditure reports shall be filed no later than  
34 thirty (30) days after the expenditure.

35 (e) Candidates for other than a school district, township, municipal,



1 or county office shall file supplemental expenditure reports with the Arkansas  
2 Ethics Commission and the county clerk in the county in which the candidate  
3 resides.

4 (f) Candidates for a school district, township, municipal, or county  
5 office shall file supplemental expenditure reports with the county clerk of  
6 the county in which the election is held."

7

8 SECTION 10. Arkansas Code 7-6-215 is amended to read as follows:

9 "7-6-215. Registration by approved political action committees.

10 (a) To qualify as an approved political action committee, the committee  
11 shall register with the Arkansas Ethics Commission within fifteen (15) days  
12 after accepting contributions during a calendar year which, in the aggregate,  
13 exceed five hundred dollars (\$500). Each such committee shall annually renew  
14 its registration by January 15, unless it has ceased to exist. Registration  
15 shall be on forms provided by the Arkansas Ethics Commission and the contents  
16 therein shall be verified by an affidavit of an officer of the committee. The  
17 committee shall verify that it will maintain for a period of two (2) years the  
18 name, address, and place of employment of each person who contributed to the  
19 committee, along with the amount contributed.

20 (b) The approved political action committee shall disclose on the  
21 registration form the following information:

22 (1) The name, address, and, where available, phone number of the  
23 committee and the name, address, phone number, and place of employment of each  
24 of its officers, provided that if the committee's name is an acronym then both  
25 it and the words forming the acronym shall be disclosed.

26 (2) The professional, business, trade, labor, or other interests  
27 represented by the committee, including any individual business, organization,  
28 association, corporation, labor organization, or other group or firm whose  
29 interests will be represented by the committee.

30 (3) The name of each candidate, if any, to whom the committee  
31 contributed during the previous calendar year, with the amount contributed and  
32 the office sought for each candidate.

33 (c) The approved political action committee shall file an activity  
34 report seven (7) days prior to each election for which the political action  
35 committee has accepted contributions or made expenditures. The activity

1 report shall include the same categories of information required in subsection  
2 (b) and shall cover the period from the beginning January 1 to fifteen (15)  
3 days before the election. The approved political action committee shall also  
4 file an activity report within thirty (30) days after the election which shall  
5 cover the period beginning January 1 through the date of the election."  
6

7 SECTION 11. Arkansas Code 7-6-216 is amended to read as follows:

8 "7-6-216. Registration and reports by exploratory committees.

9 (a) An exploratory committee shall register with the Arkansas Ethics  
10 Commission within fifteen (15) days after receiving contributions during a  
11 calendar year which, in the aggregate, exceed five hundred dollars (\$500).  
12 Registration shall be on forms provided by the Arkansas Ethics Commission and  
13 the contents therein shall be verified by an affidavit of an officer of the  
14 committee.

15 (b) An exploratory committee shall disclose on the registration form  
16 the name, address, and, where available, phone number of the committee and  
17 each of its officers. It shall also disclose the individual person who, upon  
18 becoming a candidate, is intended to receive campaign contributions from the  
19 committee.

20 (c) Within fifteen (15) days of the end of each month, an exploratory  
21 committee shall file a contribution report with the Arkansas Ethics Commission  
22 indicating the total amount of contributions received during the filing period  
23 and the name and address of each person who has made a contribution which, in  
24 the aggregate, exceeds one hundred dollars (\$100), along with the  
25 contributor's principal place of business, employer, occupation, and the  
26 amount contributed. The first report shall be filed for the month in which the  
27 committee files its registration. The final report shall be filed within  
28 fifteen (15) days after the end of the month in which the committee either  
29 transfers its contributions to a candidate's campaign or no longer accepts  
30 contributions.

31 (d) An exploratory committee may transfer its accumulated funds to the  
32 candidate it was created to support, provided that the committee ceases to  
33 exist after the funds are transferred."  
34

35 SECTION 12. Arkansas Code 7-6-217 (h) is amended to read as follows:

1           "(h) The commission shall have the authority to:

2                   (1) Issue advisory opinions and guidelines on the requirements of  
3 this subchapter and the requirements of subchapters four-eight of Title 21,  
4 chapter 8, as amended;

5                   (2) Investigate alleged violations of this subchapter and of  
6 subchapters four-eight of Title 21, chapter 8, as amended, and render findings  
7 and disciplinary action thereon;

8                   (3) Pursuant to commission investigations, subpoena any person or  
9 the books, records, or other documents being held by any person and take sworn  
10 depositions;

11                   (4) Administer oaths and conduct hearings for the purpose of  
12 taking sworn testimony of witnesses appearing before the commission;

13                   (5) Hire a staff and retain legal counsel; and

14                   (6) Prepare forms pursuant to this act and subchapters four-eight  
15 of Title 21, chapter 8, as amended."

16

17           SECTION 13. Arkansas Code Title 7, Chapter 6, Subchapter 2 is amended  
18 to add an additional section to read as follows:

19           "7-6-219. (a) For the purpose of this subchapter:

20                   (1) The beginning of a candidate's campaign shall be the date the  
21 candidate first accepts campaign contributions of five hundred dollars (\$500)  
22 or more or makes campaign expenditures of five hundred dollars (\$500) or more  
23 or files as a candidate for nomination or election, whichever occurs first.

24                   (2) The end of the candidate's campaign shall be the time of the  
25 closing of the polls for the election at which the candidate is a candidate  
26 for nomination or election.

27                   (b) This section shall not be construed to alter the dates for filing  
28 reports of campaign contributions or expenditures."

29

30           SECTION 14. Arkansas Code 21-8-402 (11) is amended to read as follows:

31           "(11) Lobbyist means a person who:

32                   (A) Receives income or reimbursement in a combined amount of two  
33 hundred fifty dollars (\$250) or more in a calendar quarter for lobbying one  
34 (1) or more governmental bodies; or

35                   (B) Expends two hundred fifty dollars (\$250) or more in a

1 calendar quarter for lobbying one (1) or more governmental bodies, excluding  
2 the cost of personal travel, lodging, meals, or dues; or

3 (C) Expends two hundred fifty dollars (\$250) or more in a  
4 calendar quarter, including postage, for the express purpose of soliciting  
5 others to communicate with any public servant to influence any legislative  
6 action or administrative action of one (1) or more governmental bodies unless  
7 the communication has been filed with the Arkansas Ethics Commission or the  
8 communication has been published in the news media. If the communication is  
9 filed with the Arkansas Ethics Commission, the filing shall include the  
10 approximate number of recipients;"

11

12 SECTION 15. Arkansas Code 21-8-403 is amended to read as follows:

13 "21-8-403. Penalty.

14 (a) Any person who violates any provision of subchapters 4-8 of this  
15 chapter shall be deemed guilty of a Class A misdemeanor. The culpable mental  
16 state required shall be a purposeful violation.

17 (b) The Arkansas Ethics Commission may assess a civil penalty for  
18 failure to file a report within the time required by subchapters 4-8 of this  
19 chapter.

20 (1) The civil penalty may be imposed for second violation, if the  
21 person has been given a written warning of his first violation. The amount of  
22 the civil penalty shall not exceed twenty-five dollars (\$25.00).

23 (2) A person may be assessed a civil penalty if he has been  
24 warned to correct a violation, but fails or refuses to comply with the  
25 reporting requirement within one week. The amount of the civil penalty shall  
26 not exceed twenty-five dollars (\$25.00) per day calculated from the date on  
27 which he received the written warning."

28

29 SECTION 16. Arkansas Code 21-8-601 (c) is amended to read as follows:

30 "(c) Any registered lobbyist who has not filed a written termination  
31 shall be deemed to continue as a registered lobbyist from one year to the next  
32 and shall be responsible for complying with all reporting requirements."

33

34 SECTION 17. Arkansas Code 21-8-602 is amended to read as follows:

35 "21-8-602. Other filings required.

1 (a) A lobbyist who lobbies public servants of state government shall  
2 register and make other filings with the Arkansas Ethics Commission.

3 (b) A lobbyist who lobbies public servants of municipal government  
4 shall register and make other filings with the city clerk or recorder of the  
5 municipality, as the case may be.

6 (c) A lobbyist who lobbies public servants of county government or any  
7 government body not otherwise covered by this section shall register and make  
8 other filings with the county clerk of the county.

9 (d) A lobbyist who lobbies public servants of a governmental body  
10 covering a district which includes all or part of more than one (1) county  
11 shall file with the Arkansas Ethics Commission and the county clerk of his or  
12 her principal place of business or residence within the state; and

13 (e) A lobbyist who would be required to register and file with more  
14 than one (1) public official under this section may, in lieu of registering  
15 with each public official, register and make other filings with the Arkansas  
16 Ethics Commission and the county clerk of his or her principal place of  
17 business or residence within the state."

18

19 SECTION 18. Arkansas Code 21-8-606 is amended to read as follows:

20 "21-8-606. Duties of public officials.

21 The Arkansas Ethics Commission, each county clerk, and each city clerk  
22 or recorder shall:

23 (1) Provide forms approved by the Arkansas Ethics Commission for  
24 registration and for statements required by subchapters 4-8 of this chapter to  
25 all persons required to file;

26 (2) Issue a certificate of registration to a lobbyist registered under  
27 the provisions of subchapters 4-8 of this chapter; and

28 (3) Make all statements and reports filed available for public  
29 inspection and copying, at a reasonable cost, during regular office hours."

30

31 SECTION 19. Arkansas Code 21-8-703 is amended to read as follows:

32 "21-8-703. Place of filing.

33 The statement of financial interest shall be filed as follows:

34 (1) State or district public servants required to file shall file with  
35 the Arkansas Ethics Commission;

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

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

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

8

9           SECTION 20. Arkansas Code 21-8-902 (a) is amended to read as follows:

10          "(a) This disclosure shall be filed with the Arkansas Ethics Commission  
11 at the same time as the filing of the statement of financial interest required  
12 under § 21-8-701 et seq."

13

14          SECTION 21. Arkansas Code 21-8-903 is amended to read as follows:

15          "21-8-903. Penalty.

16          (a) Any person who purposely violates the provisions of this subchapter  
17 shall be deemed guilty of a Class A misdemeanor.

18          (b) The Arkansas Ethics Commission may assess a civil penalty for  
19 failure to file a report within the time required by this subchapter.

20               (1) The civil penalty may be imposed for second violation, if the  
21 person has been given a written warning of his first violation. The amount of  
22 the civil penalty shall not exceed twenty-five dollars (\$25.00).

23               (2) A person may be assessed a civil penalty if he has been  
24 warned to correct a violation, but fails or refuses to comply with the  
25 reporting requirement within one week. The amount of the civil penalty shall  
26 not exceed twenty-five dollars (\$25.00) per day calculated from the date on  
27 which he received the written warning."

28

29          SECTION 22. Arkansas Code 21-8-204 (b) (1) is amended to read as follows:

30          "(b) (1) All state employees who are employed by any state office,  
31 agency, department, board, or commission, other than employees of institutions  
32 of higher learning, shall file the statement required herein with the Arkansas  
33 Ethics Commission."

34

35          SECTION 23. Arkansas Code 21-8-306 (a) is amended to read as follows:

1           (a) On or before the last day of January of each year, all persons  
2 required to file a statement under § 21-8-305 shall file the written statement  
3 required pursuant to this subchapter as follows:

4                   (1) County appointees, school board members, and candidates for a  
5 position on a school board shall file with the county clerks; and

6                   (2) Municipal appointees shall file with the city clerk or  
7 recorder, as the case may be.

8           (b) Any candidate for a position on a school board shall not be required  
9 to file such information on or before January 31 of each year, but shall file  
10 such information within thirty (30) days after the deadline for filing for  
11 office for which he seeks election.

12           (c) Any incumbent member of a school board who filed such information on  
13 or before the last day of January of the year in which an election shall be  
14 held shall not be required to file an additional statement upon becoming a  
15 candidate for reelection."

16

17           SECTION 24. Arkansas Code 21-8-308 is amended to read as follows:

18           "21-8-308. Financial disclosure statements - Contents.

19           (a) The statements required by this subchapter shall be filed on forms  
20 provided by the county clerk, city clerk, or recorder, as the case may be, and  
21 shall include the following:

22                   (1) The name and address of any corporation, firm, or enterprise  
23 in which the person has a direct financial interest of a value in excess of  
24 one thousand dollars (\$1,000). Policies of insurance issued to himself or his  
25 spouse are not to be considered a financial interest;

26                   (2) A list of every office or directorship held by himself or his  
27 spouse, in any corporation, firm, or enterprise subject to jurisdiction of a  
28 regulatory agency of this state or any of its political subdivisions;

29                   (3) A list showing the name and address of any person,  
30 corporation, firm, or enterprise from which the person received compensation  
31 in excess of one thousand five hundred dollars (\$1,500) during the preceding  
32 year;

33                   (4) A list showing the name and address of any person,  
34 corporation, firm, or enterprise from which the persons received compensation  
35 in excess of twelve thousand five hundred dollars (\$12,500) during the

1 preceding year; and

2 (5) A list showing the name of each regulatory agency before  
3 which the person has appeared in a compensated capacity during the preceding  
4 twelve-month period as an attorney, accountant, or otherwise, and the name of  
5 the person, partnership, corporation, or association of which he is a member,  
6 partner, or employee.

7 (b) The Arkansas Ethics Commission shall promulgate forms to be used by  
8 persons in filing statements as required in this subchapter. Each form shall  
9 provide for the signature of such person, under penalty of perjury, with  
10 respect to the truth and accuracy of the statements made on the form."

11

12 SECTION 25. Arkansas Code 21-8-309 is amended to read as follows:

13 "21-8-309. Financial disclosure statements - Notification of failure to  
14 file.

15 (a) Within ten (10) days after January 31 of each year, each county  
16 clerk, and each city clerk or recorder shall prepare a list of the names of  
17 all elected officials, public officers, or public employees who have not filed  
18 a statement with their office in accordance with the provisions of this  
19 subchapter, including the names of persons who have filed statements which  
20 have not been signed or are not filed in complete form.

21 (b)(1) Such official shall forthwith mail a notice to each person who has  
22 failed to file such statement, or who filed an incomplete or unsigned  
23 statement, by ordinary mail, addressed to the last known address of such  
24 person.

25 (2) The notice shall be substantially as follows:

26 \_Notice is hereby given that you have failed to file with the undersigned a  
27 statement of information required to be filed with this office  
28 under the provisions of §§ 21-8-301 - 21-8-309, or that you have  
29 filed a statement which is incomplete or unsigned. You are further  
30 notified that according to law, unless you file the statement  
31 required by §§ 21-8-301 - 21-8-309 with this office within ten  
32 (10) days from the date of this notice, it is the duty of the  
33 undersigned to file a report with the prosecuting attorney listing  
34 the names of all persons who are required to file a statement with  
35 this office under §§ 21-8-301 - 21-8-309 and who have failed to



1                   comply therewith.

2

3 ..... County Clerk/or City Clerk or Recorder

4                   as it may be .....

5

(DATE)\_"

6

7                   SECTION 26. Arkansas Code 7-6-203 (f) is amended to read as follows:

8                   "(f) (1) For any office having a term of less than four (4) years, it  
9 shall be unlawful for any candidate for public office, any person acting in  
10 the candidate's behalf, or any exploratory committee to solicit or accept  
11 campaign contributions more than two (2) years before an election at which the  
12 candidate seeks nomination or election.

13                   (2) For any office having a term of four (4) or more, it shall be  
14 unlawful for any candidate for public office, any person acting in the  
15 candidate's behalf, or any exploratory committee to solicit or accept campaign  
16 contributions more than four (4) years before an election at which the  
17 candidate seeks nomination or election.

18                   (3) This subsection shall not prohibit the solicitation or  
19 acceptance of a contribution for the sole purpose of raising funds to retire a  
20 previous campaign debt."

21

22                   SECTION 27. All provisions of this act of a general and permanent  
23 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
24 Code Revision Commission shall incorporate the same in the Code.

25

26                   SECTION 28. If any provision of this act or the application thereof to  
27 any person or circumstance is held invalid, such invalidity shall not affect  
28 other provisions or applications of the act which can be given effect without  
29 the invalid provision or application, and to this end the provisions of this  
30 act are declared to be severable.

31

32                   SECTION 29. All laws and parts of laws in conflict with this act are  
33 hereby repealed.

34

/s/ Senator Bradford

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