

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.

Act 473 of the Regular Session

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: S2/23/09

A Bill

SENATE BILL 317

5 By: Senator Faris
6 By: Representative Saunders
7
8

9 **For An Act To Be Entitled**

10 AN ACT TO AMEND PROVISIONS OF THE ARKANSAS CODE
11 RELATING TO ETHICS; AMENDING PORTIONS OF ARKANSAS
12 LAW RESULTING FROM INITIATED ACT 1 OF 1988,
13 INITIATED ACT 1 OF 1990, AND INITIATED ACT 1 OF
14 1996; AND FOR OTHER PURPOSES.
15

16 **Subtitle**

17 AN ACT TO AMEND PROVISIONS OF THE
18 ARKANSAS CODE RELATING TO ETHICS.
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 7-1-103(a)(2)(A), concerning miscellaneous
24 misdemeanor offenses, is amended to read as follows:

25 (2)(A)(i) It shall be unlawful for any public servant, as
26 defined in § 21-8-402, to devote any time or labor during usual office hours
27 toward the campaign of any other candidate for office or for the nomination
28 to any office.

29 (ii) Devoting any time or labor during usual office
30 hours toward the campaign of any other candidate for office or for the
31 nomination to any office includes without limitation the gathering of
32 signatures for a nominating petition.
33

34 SECTION 2. Arkansas Code § 7-6-201(12), concerning the definition of
35 "independent expenditure committee" and resulting from Initiated Act 1 of



1 1990 and Initiated Act 1 of 1996, is amended to read as follows:

2 (12) "Independent expenditure committee" means any person
3 that receives contributions from one (1) or more persons in order to make an
4 independent expenditure and is registered pursuant to ~~§ 7-6-215~~ § 7-6-227
5 prior to making expenditures;

6
7 SECTION 3. Arkansas Code § 7-6-203(e), concerning contributions from
8 prohibited political action committees and resulting from Initiated Act 1 of
9 1990 and Initiated Act 1 of 1996, is amended to read as follows:

10 (e)(1) It shall be unlawful for any candidate for any public office or
11 any person acting in the candidate's behalf to accept any contribution from a
12 prohibited political action committee for any election.

13 (2) It shall be unlawful for any prohibited political action
14 committee to make a contribution to a candidate for public office in an
15 election.

16 (3) It shall be unlawful for any ballot question committee,
17 legislative question committee, political party, county political party
18 committee, or political action committee to accept any contribution from a
19 prohibited political action committee.

20 (4) It shall be unlawful for any prohibited political action
21 committee to make a contribution to a:

22 (A) Ballot question committee;

23 (B) Legislative question committee;

24 (C) Political party;

25 (D) County political party committee; or

26 (E) Political action committee.

27
28 SECTION 4. Arkansas Code § 7-6-203(h)(2)(D), concerning the
29 solicitation of campaign contributions and resulting from Initiated Act 1 of
30 1990 and Initiated Act 1 of 1996, is amended to read as follows:

31 (D) Unopposed candidates and defeated candidates who file
32 the affidavit are exempt from further reporting requirements provided that
33 the affidavit contains:

34 (i) All campaign activity not previously reported;

35 and

36 (ii) a A statement that the candidate's campaign

1 fund has a zero (\$0.00) balance.

2

3 SECTION 5. Arkansas Code § 7-6-215(a)(3), concerning registration and
4 reporting by approved political action committees and resulting from
5 Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to read as
6 follows:

7 (3)(A) The political action committee shall designate a resident
8 agent who shall be an individual who resides in this state.

9 (B) No contribution shall be accepted from a political
10 action committee and no expenditure shall be made by a political action
11 committee that has not registered and does not have a ~~treasurer~~ resident
12 agent.

13 (C) It shall be unlawful for a prohibited political action
14 committee as defined in § 7-6-201 to make a contribution to a:

- 15 (i) Ballot question committee;
16 (ii) Legislative question committee;
17 (iii) Political party;
18 (iv) Political party committee; or
19 (v) Political action committee.

20

21 SECTION 6. Arkansas Code § 7-6-216(a), concerning registration and
22 reports by exploratory committees and resulting from Initiated Act 1 of 1990,
23 is amended to read as follows:

24 (a)(1) An exploratory committee shall register with the Secretary of
25 State within fifteen (15) days after receiving contributions during a
26 calendar year which, in the aggregate, exceed five hundred dollars (\$500).

27 (2)(A) For a state or district office, the place of filing shall
28 be the Secretary of State's office.

29 (B) For a county, municipal, township, or school district
30 office, the place of filing shall be the county clerk's office.

31 (3) Registration shall be on forms provided by the Secretary of
32 State and the contents therein shall be verified by an affidavit of an
33 officer of the committee.

34

35 SECTION 7. Arkansas Code § 7-6-223(a), concerning reports of
36 contributions by political parties and resulting from Initiated Act 1 of

1 1996, is amended to read as follows:

2 (a) Within fifteen (15) calendar days after the end of each calendar
3 quarter, each ~~organized~~ political party ~~as defined~~ that meets the definition
4 of political party stated in § 7-1-101 or that has met the petition
5 requirements of § 7-7-205 shall file a quarterly report with the Secretary of
6 State.

7

8 SECTION 8. Arkansas Code § 7-6-226(a), concerning registration and
9 reporting by county political party committees, is amended to read as
10 follows:

11 (a)(1)(A) To qualify as a county political party committee, the
12 committee shall register with the Secretary of State within fifteen (15) days
13 after accepting contributions during a calendar year that exceed five
14 thousand dollars (\$5,000) in the aggregate.

15 (B) The registration shall be renewed annually by January
16 15, unless the committee has ceased to exist.

17 (C) Registration shall be on forms provided by the
18 Secretary of State, and the contents of the form shall be verified by an
19 affidavit of an officer of the committee.

20 (2)(A) The committee shall maintain for a period of four (4)
21 years records evidencing the name, address, and place of employment of each
22 person that contributed to the committee, along with the amount contributed.

23 (B) Furthermore, the committee shall maintain for a period
24 of four (4) years records evidencing the name and address of each candidate
25 who received a contribution from the committee, along with the amount
26 contributed.

27 (3)(A) The committee shall appoint a treasurer who is a
28 qualified elector of the State of Arkansas.

29 (B) No contribution shall be accepted from a committee and
30 no expenditure shall be made by a committee that has not registered and which
31 does not have a treasurer.

32 (4) No county political party committee shall accept a
33 contribution from a prohibited political action committee as defined in § 7-
34 6-201.

35

36 SECTION 9. Arkansas Code Title 7, Chapter 6, Subchapter 2 is amended

1 to add an additional section to read as follows:

2 7-6-227. Registration by independent expenditure committee.

3 (a)(1)(A) An independent expenditure committee shall register with the
4 Secretary of State within fifteen (15) days after accepting contributions
5 that exceed five hundred dollars (\$500) in the aggregate during a calendar
6 year.

7 (B) Registration shall be annually renewed by January 15
8 unless the independent expenditure committee has ceased to exist.

9 (C) Registration shall be on a form provided by the
10 Secretary of State, and the contents of the form shall be verified by an
11 affidavit of an officer of the independent expenditure committee.

12 (2)(A) The independent expenditure committee shall maintain for
13 a period of four (4) years records evidencing the name, address, and place of
14 employment of each person that contributed to the political action committee,
15 along with the amount contributed.

16 (B) The independent expenditure committee shall maintain
17 for a period of four (4) years records evidencing each independent
18 expenditure made by the committee, along with the amount of each expenditure.

19 (3)(A) The political action committee shall designate a resident
20 agent who shall be an individual who resides in this state.

21 (B) A contribution shall not be accepted from an
22 independent expenditure committee and an expenditure shall not be made by an
23 independent expenditure committee that has not registered and does not have a
24 resident agent.

25 (4) An out-of-state independent expenditure committee shall
26 comply with the registration and reporting provisions of this section if the
27 committee makes an independent expenditure or independent expenditures within
28 the State of Arkansas that in the aggregate exceed more than five hundred
29 dollars (\$500) during a calendar year.

30 (b) The registration form of an independent expenditure committee
31 shall contain the following information:

32 (1)(A) The name, address, and, when available, phone number of
33 the independent expenditure committee and the name, address, phone number,
34 and place of employment of each of its officers.

35 (B) However, if the independent expenditure committee's
36 name is an acronym, then both it and the words forming the acronym shall be

1 disclosed;

2 (2) The full name and street address, city, state, and zip code
3 of each financial institution the independent expenditure committee uses for
4 purposes of receiving contributions or making expenditures within this state;

5 (3) A written acceptance of designation as a resident agent;

6 (4) A certification by an independent expenditure committee
7 officer, under penalty of false swearing, that the information provided on
8 the registration is correct; and

9 (5) A clause submitting the independent expenditure committee to
10 the jurisdiction of the State of Arkansas for all purposes related to
11 compliance with this subchapter.

12 (c)(1) When a committee makes a change to any information required in
13 subsection (b) of this section, an amendment shall be filed within ten (10)
14 days to reflect the change.

15 (2) A committee failing to file an amendment shall be subject to
16 a late filing fee of ten dollars (\$10.00) for each day the change is not
17 filed.

18
19 SECTION 10. Arkansas Code § 7-9-402(2), concerning the definition of
20 ballot question committee, is amended to read as follows:

21 (2)(A) "Ballot question committee" means any person, located
22 within or outside Arkansas, that receives contributions for the purpose of
23 expressly advocating the qualification, disqualification, passage, or defeat
24 of any ballot question, or any person, other than an individual, located
25 within or outside Arkansas, that makes expenditures for the purpose of
26 expressly advocating the qualification, disqualification, passage, or defeat
27 of any ballot question.

28 (B) ~~Provided further, a~~ A person other than an individual
29 or an approved political action committee as defined in § 7-6-201, located
30 within or outside Arkansas, also qualifies as a ballot question committee if
31 two percent (2%) or more of its annual revenues, operating expenses, or funds
32 are used to make a contribution or contributions to another ballot question
33 committee and if ~~such~~ the contribution or contributions exceed ten thousand
34 dollars (\$10,000) in value;

35
36 SECTION 11. Arkansas Code § 7-9-402(8), concerning the definition of

1 legislative question committee, is amended to read as follows:

2 (8)(A) "Legislative question committee" means any person,
3 located within or outside Arkansas, that receives contributions for the
4 purpose of expressly advocating the passage or defeat of any legislative
5 question or any person, other than an individual, located within or outside
6 Arkansas, that makes expenditures for the purpose of expressly advocating the
7 passage or defeat of any legislative question.

8 (B) ~~Provided further, a~~ A person other than an individual
9 or an approved political action committee as defined in § 7-6-201, located
10 within or outside Arkansas, also qualifies as a legislative question
11 committee if two percent (2%) or more of its annual revenues, operating
12 expenses, or funds are used to make a contribution or contributions to
13 another legislative question committee and if ~~such~~ the contribution or
14 contributions exceed ten thousand dollars (\$10,000) in value;

15
16 SECTION 12. Arkansas Code § 7-9-405 is amended to read as follows:

17 7-9-405. Contributions and expenditures limited.

18 (a) No ballot question committee or legislative question committee
19 shall accept any contribution in cash, meaning currency or coin, that exceeds
20 one hundred dollars (\$100).

21 (b) No ballot question committee or legislative question committee
22 shall accept any contribution from a prohibited political action committee as
23 defined in § 7-6-201.

24 ~~(b)(c)~~ (c) No ballot question committee, legislative question committee,
25 or individual shall make an expenditure in cash that exceeds fifty dollars
26 (\$50.00) to influence the qualification, disqualification, passage, or defeat
27 of a ballot question or the passage or defeat of a legislative question.

28 ~~(e)(d)~~ (d) No contributions shall be made, directly or indirectly, by any
29 person in a name other than the name by which the person is identified for
30 legal purposes.

31 ~~(d)(e)~~ (1) No person shall make an anonymous contribution totaling
32 fifty dollars (\$50.00) or more to a ballot question committee or legislative
33 question committee.

34 (2) Any such anonymous contribution actually received by any
35 ballot question committee or legislative question committee shall be promptly
36 paid by the recipient to the Arkansas Ethics Commission for deposit into the

1 State Treasury as general revenues.

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SECTION 13. Arkansas Code § 21-8-701(d)(4)(A), concerning information included in a statement of financial interest and resulting from Initiated Act 1 of 1988, is amended to read as follows:

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

/s/ Faris

APPROVED: 3/19/2009