

DRAFT

**RULES
ON
POLITICAL
COMMITTEES**

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Arkansas
Secretary of State

**ARKANSAS ETHICS COMMISSION
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§ 500 Definitions.

(a) Approved political action committee – As used in these rules, the term “approved political action committee” means any person who:

- (i) Receives contributions from one (1) or more persons in order to make contributions to candidates, campaign committees, ballot question committees, legislative question committees, political parties, county political party committees, or other political action committees;
- (ii) Does not accept any contribution or cumulative contributions in excess of five thousand dollars (\$5,000) from any person in any calendar year; and
- (iii) Registers pursuant to Ark. Code Ann. § 7-6-215 prior to making contributions.

An approved political action committee shall not include an organized political party as defined in Ark. Code Ann. § 7-1-101, a county political party committee, the candidate's own campaign committee, an exploratory committee, a ballot question committee, or a legislative question committee.

(b) Carryover funds – As used in these rules, the term “carryover funds” means the amount of campaign funds retained from the last election by the candidate for future use but not to exceed the annual salary, excluding expense allowances, set by Arkansas law for the office sought. “Carryover funds” does not include campaign signs, campaign literature, and other printed campaign materials that were (i) purchased by the campaign; (ii) reported on the appropriate contribution and expenditure report for the campaign at the time of purchase; and (iii) retained for use in a future campaign by the same candidate.

(c) Contribution – As used in these rules, the term “contribution” means, whether direct or indirect, advances, deposits, or transfers of funds, contracts, or obligations, whether or not legally enforceable, payments, gifts, subscriptions, assessments, payment for services, dues, advancements, forbearance, loans, or pledges or promises of money or anything of value, whether or not legally enforceable, to a candidate, committee, or holder of elective office, made for the purpose of influencing the nomination or election of any candidate or in support of or opposition to a ballot or legislative question. “Contribution” shall include membership dues paid to a committee but not filing fees paid to a committee by candidates.

“Contribution” includes the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events; the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; and any payments for the services of any person serving as an agent of a candidate or committee by a person other than the candidate or committee or persons whose expenditures the candidates or committee must report under subchapter 2 of chapter 6, Title 7 of the Arkansas Code. The term “contribution” further includes any transfer of anything of value received by a committee from another committee.

“Contribution” shall not include noncompensated, nonreimbursed, volunteer personal services or travel.

“Contribution and expenditure” shall not include activity sponsored and funded by a political party that meets the definition of “political party” under Ark. Code Ann. § 7-1-101 or the requirements of Ark. Code Ann. § 7-7-205 to promote its candidates or nominees through events such as dinners, luncheons, rallies, or similar gatherings and shall not include nonpartisan activity designed to encourage individuals to register to vote or to vote or any communication by any membership organization to its members or stockholders if the membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election or election of any candidate.

(d) County political party committee – As used in these rules, the term “county political party committee” means a person that:

- (i) Is organized at the county level for the purpose of supporting its affiliate party and making contributions;
- (ii) Is recognized by an organized political party, as defined in Ark. Code Ann. § 7-1-101, as being affiliated with that political party;
- (iii) Receives contributions from one (1) or more persons in order to make contributions to candidates, campaign committees, ballot question committees, legislative question committees, political parties, political action committees, or other county political party committees;
- (iv) Does not accept any contribution or cumulative contributions in excess of five thousand dollars (\$5,000) from any person in any calendar year; and
- (v) Registers pursuant to Ark. Code Ann. § 7-6-226 prior to making contributions.

(e) Legislative caucus committee – As used in these rules, the term “legislative caucus committee” means a person that:

- (i) Is composed exclusively of members of the General Assembly;
- (ii) Elects or appoints officers and recognizes identified legislators as members of the organization; and
- (iii) Exists for research and other support of policy development and interests that the membership hold in common.

A “legislative caucus committee” includes, but is not limited to, a political party caucus of the General Assembly, the Senate, or the House of Representatives. An organization whose only nonlegislator member is the Lieutenant Governor or the Governor is a “legislative caucus committee” for purposes of these rules.

(f) Person – As used in these rules, the term “person” means any individual, proprietorship, firm, partnership, joint venture, syndicate, labor union, business trust, company, corporation, association, committee, or any other organization or group of persons acting in concert. It shall also include a political party that meets the definition of “political party” under Ark. Code Ann. § 7-1-101 or the requirements of Ark. Code Ann. § 7-7-205, county political party committees, and legislative caucus committees.

(g) Prohibited political action committee – As used in these rules, the term “prohibited political action committee” means any person who receives contributions from one (1) or more persons in order to make contributions to candidates, ballot question committees, legislative question committees, political parties, county political party committees, or other political action committees, but that does not meet the requirements of an approved political action committee. A prohibited political action committee shall not include a political party that meets the definition of “political party” under Ark. Code Ann. § 7-1-101 or the requirements of Ark. Code Ann. § 7-7-205, the candidate's own campaign committee, a county political party committee, an exploratory committee, or a ballot or legislative question committee.

(h) Surplus campaign funds – As used in these rules, the term “surplus campaign funds” means any balance of campaign funds over expenses incurred as of the day of the election except for carryover funds and any funds required to repay loans made by the candidate from his or her personal funds to the campaign or to repay loans made by financial institutions to the candidate and applied to the campaign. “Surplus campaign funds” does not include campaign signs, campaign literature, and other printed campaign materials that were (i) purchased by the campaign; (ii) reported on the appropriate contribution and expenditure report for the campaign at the time of the purchase; and (iii) retained for use in a future campaign by the same candidate.

§ 501 Registration by Political Action Committees

(a)(1)(A) To qualify as an approved political action committee, the committee is required to register with the Secretary of State within fifteen (15) days after accepting contributions during a calendar year that exceed five hundred dollars (\$500) in the aggregate.

(B) Registration shall be annually renewed by January 15, unless the committee ceased to exist.

(C) Except as provided in § 501(a)(1)(D) of these rules, registration shall be on forms provided by the Secretary of State, and the contents therein shall be verified by an affidavit of an officer of the committee.

(D) (i) Registration with the Secretary of State under these rules may be filed in electronic form through the official website of the Secretary of State if electronic filing is offered by the Secretary of State. An electronic registration shall be verified by an officer of the committee. The Arkansas Ethics Commission shall approve a format used by the Secretary of State for registering as a committee to ensure that all required information is requested.

(ii) A format used by the Secretary of State for registering as a committee in electronic form shall provide that a registration filed in electronic form be rejected by that office if it omits the name, street address, or telephone number of an individual designated as the resident agent for the committee.

(iii) The official website of the Secretary of State shall allow for searches of committee registration information filed in electronic form.

(2)(A) The committee shall designate a resident agent who shall be an individual who resides in the State of Arkansas.

(B) No contribution shall be accepted from a committee and no expenditure shall be made by a committee that has not registered and does not have a resident agent.

(3)(A) No approved political action committee shall accept a contribution from a prohibited political action committee as defined in § 500(g) of these rules.

(B) It shall be unlawful for a prohibited political action committee as defined in § 500(g) of these rules to make a contribution to an approved political action committee.

(4)(A) An out-of-state committee, including a federal committee, shall be required to comply with the registration and reporting provisions of these rules if the committee contributes more than five hundred dollars (\$500) in a calendar year to candidates, campaign committees, ballot question committees, legislative question committees, political parties, county political party committees, or other political action committees within the State of Arkansas.

(B) Section § 501(a)(4)(A) of these rules shall not apply to: (i) the national committee of any political party that is registered with the Federal Election Commission; (ii) any federal candidate committee that is registered with the Federal Election Commission; (iii) funds which a subordinate committee of the national committee of any political party that is registered with the Federal Election Commission transfers to the federal account of an organized political party as defined in Ark. Code Ann. § 7-1-101; or (iv) funds which a political action committee that is registered with the Federal Election Commission transfers to the federal account of an organized political party as defined in Ark. Code Ann. § 7-1-101.

(b) The registration form of an approved political action committee shall contain the following information:

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

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

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

(4) The name, street address, and telephone number of the individual designated as the resident agent for the committee and, if the registration form is filed in paper form, a written acceptance of designation as a resident agent;

(5) A certification by a committee officer, under penalty of false swearing, that the information provided on the registration is true and correct; and

(6) A clause submitting the committee to the jurisdiction of the State of Arkansas for all purposes related to compliance with the provisions of subchapter 2 of chapter 6, Title 7 of the Arkansas Code.

(c)(1) When a committee makes a change to any of the information required in § 501(b) of these rules, an amendment is required to be filed within ten (10) days to reflect the change.

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

§ 502 Reporting by Political Action Committees

(a)(1) Within fifteen (15) calendar days after the end of each calendar quarter, approved political action committees are required to file a quarterly report with the Secretary of State, including the following information:

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

(B) The current balance of committee funds;

(C) The name and address of each person that made a contribution or contributions to the committee that exceeded five hundred dollars (\$500) in the aggregate during the calendar year, the contributor's place of business, employer, occupation, the date of the contribution, the amount contributed, and the total contributed for the year;

(D) The name and address of each candidate, campaign committee, ballot question committee, legislative question committee, political party, county political party committee, or other political action committee, if any, to whom or which the committee made a contribution or contributions that exceeded fifty dollars (\$50.00) in the aggregate during the filing period, with the amount contributed and the election for which the contribution was made;

(E) The name and address of each candidate, campaign committee, ballot question committee, legislative question committee, political party, county political party committee, or other political action committee, if any, to whom or which the committee contributed a nonmoney item, together with a description of the item, the date the item was contributed, and the value of the item; and

(F) The total amount of expenditures made for administrative expenses and for each single expenditure that exceeds one hundred dollars (\$100), an itemization including the amount of the expenditure, the name and address of the person to which the expenditure was made, and the date the expenditure was made.

(2) The reports may be filed in electronic form through the official website of the Secretary of State if electronic filing is offered by the Secretary of State.

(3) The information required in § 502(a)(1)(C)-(F) of these rules may be provided in the form of schedules attached to a report filed in paper form.

(4) The reports shall be verified by an affidavit of an officer of the committee stating that to the best of his or her knowledge and belief the information so disclosed is a complete, true, and accurate financial statement of the committee's contributions received and made.

(5)(A) A report is timely filed if it is: ~~(i) delivered by hand or mailed to the Secretary of State, properly addressed, postage prepaid, and bearing a postmark indicating that it was received by the post office or common carrier on or before the date that the report is due if the report is filed in paper form; or (ii) filed in electronic form through the official website of the Secretary of State on or before the date that the report is due if the Secretary of State offers electronic filing of committee reports.~~

~~(B) The Secretary of State shall accept via facsimile any report if the original is received by the Secretary of State within ten (10) days of the date of transmission.~~

~~(C)~~ (B)(i) The Secretary of State ~~may~~ shall receive reports in a readable electronic format that is acceptable to the Secretary of State and approved by the Arkansas Ethics Commission.

~~(D) If the Secretary of State offers electronic filing of committee reports: (i) the Arkansas Ethics Commission shall approve a format used by the Secretary of State for the filing of committee reports in electronic form to ensure that all required information is requested; and (ii)~~

(ii) The Arkansas Ethics Commission shall approve the format used by the Secretary of State for the filing of political action committee reports in electronic form to ensure that all required information is requested.

(iii) The official website of the Secretary of State shall allow for searches of committee report information filed in electronic form.

(iv) A political action committee under this section may file reports in paper form under this section if:

(a) The political action committee does not have access to the technology necessary to submit reports in electronic form; and

(b) Submitting reports in electronic form would constitute a substantial hardship for the political action committee.

(v) A report submitted in paper form in accordance with §502(B)(iv) is timely filed if it is delivered by hand or mailed to the Secretary of State, properly addressed, postage prepaid, and bearing a postmark indicating that it was received by the post office or common carrier on or before the date that the report is due.

(6)(A) A committee shall indicate on its quarterly report for the fourth quarter of each calendar year whether or not it intends to renew its registration for the next calendar year.

(B) (i) If a fourth quarter report is filed in paper form, the form utilized by the Secretary of State for filing shall require the committee to indicate whether or not it intends to renew its registration for the next calendar year.

(ii) A committee indicating that it will renew its registration for the next calendar year shall submit its registration form for the next calendar year at the same time as the quarterly report for the fourth quarter.

(iii) The Secretary of State shall not accept a quarterly report for the fourth quarter if the committee indicates that it intends to renew its registration for the next calendar year and the registration form for the next calendar year is not submitted at the same time as the quarterly report for the fourth quarter.

(C) If the Secretary of State offers electronic filing of committee reports, the format used by the Secretary of State for the filing of committee reports in electronic format shall require a committee indicating that it intends to renew its registration for the next calendar year to renew its registration for the next calendar year before submitting its quarterly report for the fourth quarter.

§ 503 Penalties for Political Action Committees

(a) If the Arkansas Ethics Commission finds that a person or political action committee has committed a violation of Ark. Code Ann. § 7-6-215, then it may impose a fine of not less than fifty dollars (\$50.00) and not more than two thousand dollars (\$2,000) and/or issue a public letter of caution, warning, or reprimand.

(b) In addition, the Arkansas Ethics Commission may impose a late filing fee not exceeding ten dollars (\$10.00) for each day a required amendment of the information contained in a registration form remains unfiled by a political action committee.

§ 504 Legislative Caucus Committees

A legislative caucus committee is required to comply with the registration and reporting provisions of §§ 501-502 of these rules, including the designation of a resident agent who is an individual who resides in the State of Arkansas and the establishment of an account in a financial institution, if the committee contributes more than five hundred dollars (\$500) in a calendar year to candidates, campaign committees, ballot question committees, legislative question committees, political parties, county political party committees, or political action committees.

§ 505 Out-of-State Political Action Committees

An out-of-state political action committee, including a federal committee, is required to comply with the registration and reporting provisions of §§ 501-502 and is subject to the jurisdiction of the State of Arkansas for all purposes related to compliance with the provisions of subchapter 2 of chapter 6, Title 7 of the Arkansas Code, if the committee contributes more than five hundred dollars (\$500) in a calendar year to candidates, campaign committees, ballot question committees,

legislative question committees, political parties, county political party committees, or other political action committees within the State of Arkansas.

Section 505 of these rules shall not apply to: (i) the national committee of any political party that is registered with the Federal Election Commission; (ii) any federal candidate committee that is registered with the Federal Election Commission; (iii) funds which a subordinate committee of the national committee of any political party that is registered with the Federal Election Commission transfers to the federal account of an organized political party as defined in Ark. Code Ann. § 7-1-101; or (iv) funds which a political action committee that is registered with the Federal Election Commission transfers to the federal account of an organized political party as defined in Ark. Code Ann. § 7-1-101.

§ 506 Registration by County Political Party Committees

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

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

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

(2)(A) The committee is required to appoint a treasurer who is a qualified elector of the State of Arkansas.

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

(3)(A) No county political party committee shall accept a contribution from a prohibited political action committee as defined in § 500(f) of these rules.

(B) It shall be unlawful for a prohibited political action committee as defined in § 500(f) of these rules to make a contribution to a county political party committee.

(b) The committee is required to disclose on the registration form the following information:

(1) The name, address, and, when available, phone number of the committee and the name, address, phone number, and place of employment of each of its officers, provided if the committee's name is an acronym, then both the acronym and the words forming the acronym shall be disclosed;

(2) The political party with which the county political party committee is affiliated;

(3) The full name and street address, city, state, and zip code of the financial institution in the State of Arkansas that the committee designates as its official depository for the purposes of

depositing all money contributions that it receives in this state and making all expenditures in this state; and

- (4) A written acceptance of appointment by the treasurer.

§ 507 Reporting by County Political Party Committees

(a)(1) Within fifteen (15) calendar days after the end of each calendar quarter, county political party committees are required to file a quarterly report with the Secretary of State, including the following information:

- (A) The total amount of contributions received and the total amount of contributions made during the filing period and the cumulative amount of these totals;

- (B) The current balance of committee funds;

- (C) The name and address of each person that made a contribution or contributions to the committee that exceeded five hundred dollars (\$500) in the aggregate, the contributor's place of business, employer, or occupation, the date of the contribution, the amount contributed, and the total contributed for the year;

- (D) The name and address of each candidate, campaign committee, ballot question committee, legislative question committee, political party, political action committee, or other county political party committee, if any, to whom or which the committee made a contribution or contributions that exceeded fifty dollars (\$50.00) in the aggregate during the filing period, with the amount contributed and the election for which the contribution was made;

- (E) The name and address of each candidate, campaign committee, ballot question committee, legislative question committee, political party, political action committee, or other county political party committee, if any, to whom or which the committee contributed a nonmoney item, together with a description of the item, the date the item was contributed, and the value of the item;

- (F) The total amount of expenditures made for administrative expenses and for each single expenditure that exceeds one hundred dollars (\$100) an itemization including the amount of the expenditure, the name and address of the person to which the expenditure was made, and the date the expenditure was made; and

- (G) Any change in information required by these rules.

(2) The reports shall be verified by an affidavit of an officer of the committee stating that to the best of his or her knowledge and belief the information disclosed is a complete, true, and accurate financial statement of the committee's contributions received and made.

(3)(A) A report is timely filed if it is either hand delivered or mailed to the Secretary of State, properly addressed, postage prepaid, bearing a postmark indicating that it was received by the post office or common carrier on the date that the report is due.

(B) The Secretary of State shall accept via facsimile any report if the original is received by the Secretary of State within ten (10) days of the date of transmission.

(C) The Secretary of State may receive reports in a readable electronic format acceptable to the Secretary of State and approved by the Arkansas Ethics Commission.

§ 508 Penalties for County Political Party Committees

If the Arkansas Ethics Commission finds that a person or county political party committee has committed a violation of Ark. Code Ann. § 7-6-226, then it may impose a fine of not less than fifty dollars (\$50.00) and not more than two thousand dollars (\$2,000) and/or issue a public letter of caution, warning, or reprimand.

§ 509 Records Retention by PACs and County Political Party Committees

Each committee is required to maintain for a period of four (4) years records evidencing the name, address, and place of employment of each person who contributed to the committee, along with the amount contributed. Furthermore, each committee shall maintain for a period of four (4) years records evidencing the name and address of each candidate, campaign committee, ballot question committee, legislative question committee, political party, county political party committee, or political action committee who or which received a contribution from the committee, along with the amount contributed.

§ 510 Contribution Limits

(a) No political action committee or county political party committee shall accept any contribution or cumulative contributions in excess of five thousand dollars (\$5,000) from any person in any calendar year.

(b) For purposes of making contributions to candidates, each political action committee and county political party committee may contribute up to the maximum amount to a candidate's campaign for each election, whether the candidate is opposed or unopposed. Pursuant to Ark. Code Ann. § 7-6-203, the contribution limit for each election cycle shall be adjusted at the beginning of each odd-numbered year in an amount equal to the percentage certified to the Federal Election Commission by the Bureau of Labor Statistics of the Department of Labor under 52 U.S.C. § 30116(c) as existing on January 1, 2015. In accordance with the Arkansas Ethics Commission's Rules on Campaign Finance & Disclosure, the Arkansas Ethics Commission shall announce the contribution limit in effect for each election cycle.

§ 511 Administrative Expenses of PACs and County Political Party Committees

It is permissible for a PAC or a county political party committee to pay reasonable administrative expenses out of the contributions it has received.

§ 512 Receipt of Surplus Campaign Funds or Carryover Funds by Political Party Caucus

Surplus campaign funds or carryover funds given to a political party caucus shall be segregated in an account separated from other caucus funds and shall not be used by the political party caucus to make a campaign contribution or to provide any personal income to any candidate who donated surplus campaign funds or carryover funds.

§ 513 Amendment of Reports – Affirmative Defense of Unintentional Error

(a) It is an affirmative defense to prosecution or disciplinary action if a person required to file a report under these rules amends the report within thirty (30) days of discovering or learning of an unintentional error in the report.

(b) The Arkansas Ethics Commission shall not proceed with an investigation of an alleged error in a report filed under these rules if the Arkansas Ethics Commission determines that a person would be eligible to raise the aforementioned affirmative defense. If the Arkansas Ethics Commission does not proceed with an investigation of an alleged error, the person shall not be considered to have committed a violation of the applicable statute.

(c) This section shall not be construed to remove the duty to file a report under these rules or authorize a person to knowingly fail to file a report under these rules.

1 State of Arkansas *As Engrossed: H1/11/17 H2/22/17 S3/8/17*
2 91st General Assembly
3 Regular Session, 2017

A Bill

HOUSE BILL 1010

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By: Representatives Sabin, Tucker, V. Flowers, D. Ferguson, Leding, D. Whitaker, *Della Rosa*
By: Senators Elliott, L. Chesterfield, U. Lindsey, Maloch, E. Cheatham, S. Flowers

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For An Act To Be Entitled

*AN ACT TO AMEND THE LAW CONCERNING THE FILING AND
PUBLICATION OF CERTAIN CAMPAIGN FINANCE REPORTS; TO
AMEND PORTIONS OF LAW RESULTING FROM INITIATED ACT 1
OF 1990 AND INITIATED ACT 1 OF 1996; AND FOR OTHER
PURPOSES.*

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Subtitle

*TO AMEND THE LAW CONCERNING THE FILING
AND PUBLICATION OF CERTAIN CAMPAIGN
FINANCE REPORTS; AND TO AMEND PORTIONS OF
LAW RESULTING FROM INITIATED ACT 1 OF
1990 AND INITIATED ACT 1 OF 1996.*

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

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*SECTION 1. Arkansas Code § 7-6-214 is amended to read as follows:
7-6-214. Publication of reports.*

*(a)(1) Upon proper filing, the information required in §§ 7-6-203 ~~and~~
7-6-207 - 7-6-210, 7-6-215, 7-6-216, and 7-6-220 shall constitute a public
record and shall be available within twenty-four (24) hours of the reporting
deadline to all interested persons and the news media.*

*(2) The Secretary of State is the official custodian of the
records that are required to be:*

(A) Filed with the Secretary of State; and

*(B) Maintained under §§ 7-6-203 ~~and~~, 7-6-207 - 7-6-210, 7-
6-215, 7-6-216, and 7-6-220.*



1 (b) The Secretary of State shall post on his or her official website
2 reports of contributions required in under §§ 7-6-203 and, 7-6-207 – 7-6-210
3 on his or her official website, 7-6-215, 7-6-216, and 7-6-220.
4

5 SECTION 2. Arkansas Code § 7-6-215(d)(5), concerning registration and
6 reporting by approved political action committees and resulting from
7 Initiated Act 1 of 1990, is amended to read as follows:

8 (5)(A) A report is timely filed if it is:

9 ~~(i) Delivered by hand or mailed to the Secretary of~~
10 ~~State, properly addressed, postage prepaid, and bearing a postmark indicating~~
11 ~~that it was received by the post office or common carrier on or before the~~
12 ~~date that the report is due if the report is filed in paper form; or~~

13 ~~(ii) Filed~~ filed in electronic form through the
14 official website of the Secretary of State on or before the date that the
15 report is due if the Secretary of State offers electronic filing of political
16 action committee reports.

17 ~~(B) The Secretary of State shall accept via facsimile any~~
18 ~~report filed in paper form if the original is received by the Secretary of~~
19 ~~State within ten (10) days of the date of transmission.~~

20 ~~(C)~~ (B)(i) The Secretary of State ~~may~~ shall receive reports
21 in a readable electronic format that is acceptable to the Secretary of State
22 and approved by the Arkansas Ethics Commission.

23 (ii) The Arkansas Ethics Commission shall approve
24 the format used by the Secretary of State for the filing of political action
25 committee reports in electronic form to ensure that all required information
26 is requested.

27 ~~(D) If the Secretary of State chooses to offer electronic~~
28 ~~filing of political action committee reports;~~

29 ~~(i) The Arkansas Ethics Commission shall approve a~~
30 ~~format used by the Secretary of State for the filing of political action~~
31 ~~committee reports in electronic form under this section to ensure that all~~
32 ~~required information is requested; and~~

33 ~~(ii)~~ (iii) The official website of the Secretary of
34 State shall allow for searches of political action committee report
35 information filed in electronic form.

36 (iv) A political action committee under this section

1 may file reports in paper form under this section if:

2 (a) The political action committee does not
3 have access to the technology necessary to submit reports in electronic form;
4 and

5 (b) Submitting reports in electronic form
6 would constitute a substantial hardship for the political action committee.

7
8 SECTION 3. Arkansas Code § 7-6-216(d), concerning registration and
9 reporting by exploratory committees and resulting from Initiated Act 1 of
10 1990, is amended to read as follows:

11 (d)(1)(A) The first report shall be filed for the month in which the
12 committee files its registration. The final report shall be filed within
13 thirty (30) days after the end of the month in which the committee either
14 transfers its contributions to a candidate's campaign or no longer accepts
15 contributions.

16 (B) The reports required by this section shall be filed in
17 electronic form through the official website of the Secretary of State.

18 (C) The Arkansas Ethics Commission shall approve the
19 format used by the Secretary of State for the filing of exploratory reports
20 in electronic form to ensure that all required information is requested.

21 (D) The official website of the Secretary of State shall
22 allow for searches of exploratory committee report information filed in
23 electronic form.

24 (2) An exploratory committee under this section may file reports
25 in paper form under this section if:

26 (A) The exploratory committee does not have access to the
27 technology necessary to submit reports in electronic form; and

28 (B) Submitting reports in electronic form would constitute
29 a substantial hardship for the exploratory committee.

30 ~~(2)(3)~~ (3) The committee shall not accept contributions after the
31 filing of a final report.

32
33 SECTION 4. Arkansas Code § 7-6-220(e), concerning reporting of
34 independent expenditures and resulting from Initiated Act 1 of 1996, is
35 amended to read as follows:

36 (e)(1) A report is timely filed if it is ~~either delivered by hand or~~

1 ~~mailed to the Secretary of State, properly addressed, postage prepaid,~~
2 ~~bearing a postmark indicating that it was received by the post office or~~
3 ~~common carrier filed in electronic form through the official website of the~~
4 ~~Secretary of State on or before the date that the report is due.~~

5 ~~(2) The Secretary of State shall accept via facsimile any~~
6 ~~report if the original is received by the Secretary of State within ten (10)~~
7 ~~days of the date of transmission.~~

8 ~~(3)(2)(A) The Secretary of State may shall receive reports~~
9 ~~in a readable electronic format that is acceptable to the Secretary of State~~
10 ~~and approved by the Arkansas Ethics Commission.~~

11 ~~(B) The Arkansas Ethics Commission shall approve the~~
12 ~~format used by the Secretary of State for the filing of independent~~
13 ~~expenditure reports in electronic form to ensure that all required~~
14 ~~information is requested.~~

15 ~~(C) The official website of the Secretary of State~~
16 ~~shall allow for searches of independent expenditure report information filed~~
17 ~~in electronic form.~~

18 ~~(3) A person or independent expenditure committee under this~~
19 ~~section may file reports in paper form under this section if:~~

20 ~~(A) The person or independent expenditure committee does~~
21 ~~not have access to the technology necessary to submit reports in electronic~~
22 ~~form; and~~

23 ~~(B) Submitting reports in electronic form would constitute~~
24 ~~a substantial hardship for the person or independent expenditure.~~

25
26 ~~SECTION 5. EFFECTIVE DATE. This act shall become effective on and~~
27 ~~after January 1, 2018.~~

28
29 /s/Sabin

30
31
32 APPROVED: 03/24/2017