

1 State of Arkansas *As Engrossed: H2/7/17, H2/9/17*
2 91st General Assembly
3 Regular Session, 2017

A Bill

HOUSE BILL 1427

4
5 By: Representatives Della Rosa, *Davis, Eubanks, M. Gray, Hillman, Holcomb, Hollowell, Jett, Lynch, A.*
6 *Mayberry, Penzo, Pilkington, Sabin, Tucker, J. Williams*
7 *By: Senator J. Cooper*
8

For An Act To Be Entitled

9
10 *AN ACT TO EXPAND THE USE OF TECHNOLOGY TO IMPROVE*
11 *CAMPAIGN FINANCE TRANSPARENCY, ACCURACY, AND*
12 *CONVENIENCE; TO AMEND PORTIONS OF LAW RESULTING FROM*
13 *INITIATED ACT 1 OF 1990 AND INITIATED ACT 1 OF 1996;*
14 *AND FOR OTHER PURPOSES.*
15

Subtitle

16
17
18 *TO EXPAND THE USE OF TECHNOLOGY TO*
19 *IMPROVE CAMPAIGN FINANCE TRANSPARENCY,*
20 *ACCURACY, AND CONVENIENCE; AND TO AMEND*
21 *PORTIONS OF LAW RESULTING FROM INITIATED*
22 *ACT 1 OF 1990 AND INITIATED ACT 1 OF*
23 *1996.*
24

25
26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

27
28 SECTION 1. Arkansas Code § 7-6-203(g)(4)(C)(v), concerning carryover
29 fund reports and resulting from Initiated Act 1 of 1990 and Initiated Act 1
30 of 1996, is amended to read as follows:

31 (v)(a) The carryover fund reports of a candidate for
32 state or district office shall be filed with the Secretary of State.

33 (b) The carryover fund reports of a candidate
34 for state or district office filed with the Secretary of State shall be filed
35 in electronic form through the official website of the Secretary of State.

36 The Arkansas Ethics Commission shall approve the format used by the Secretary



1 of State for the filing of carryover fund reports in electronic form under
2 this subdivision (g)(4)(C)(v)(b) to ensure that all required information is
3 requested. The official website of the Secretary of State shall allow for
4 searches of carryover fund report information required to be filed in
5 electronic form under this subdivision (g)(4)(C)(v)(b).
6

7 SECTION 2. Arkansas Code § 7-6-207(a)(2) and (3), concerning reports
8 of contributions filed with the Secretary of State and resulting from
9 Initiated Act 1 of 1990 and Initiated Act 1 of 1996, are amended to read as
10 follows:

11 (2) Upon receiving the first report from any candidate, or upon
12 receipt of the candidate's notice of filing for office, the Secretary of
13 State shall provide the candidate with information on the deadlines for
14 filing remaining quarterly, monthly, and preelection reports and shall
15 furnish each candidate with the appropriate forms and instructions for
16 complying with the deadlines. ~~All reports shall be filed on the forms~~
17 ~~furnished by the Secretary of State, except that computer-generated~~
18 ~~contribution and expenditure reports shall be accepted by the Secretary of~~
19 ~~State and the Arkansas Ethics Commission provided that all of the requisite~~
20 ~~elements are included.~~

21 (3) ~~For any report except a preelection report, a A report is~~
22 ~~timely filed if it is either hand delivered or mailed to the Secretary of~~
23 ~~State, properly addressed, postage prepaid, bearing a postmark indicating~~
24 ~~that it was received by the post office or common carrier filed in electronic~~
25 ~~form through the official website of the Secretary of State on or before the~~
26 ~~date that the report is due. A preelection report is timely filed if it is~~
27 ~~received in the Secretary of State's office no later than seven (7) days~~
28 ~~prior to the election for which it is filed. The Secretary of State shall~~
29 ~~accept via facsimile any report, provided the original is received by the~~
30 ~~Secretary of State within ten (10) days of the date of transmission. The~~
31 ~~Secretary of State may receive reports in a readable electronic format that~~
32 ~~is acceptable to the Secretary of State and approved by the commission.~~
33

34 SECTION 3. Arkansas Code § 7-6-207(d)(1), concerning reports of
35 contributions filed with the Secretary of State and resulting from Initiated
36 Act 1 of 1990 and Initiated Act 1 of 1996, is amended to read as follows:

1 (d) Filings and Public Inspection.

2 (1)(A)(i) The Secretary of State shall establish a filing system
3 for reports filed ~~pursuant to~~ under this section.

4 (ii) The reports shall be kept for eight (8) years
5 from the date of filing, catalogued by candidate in chronological order, and
6 made available for public inspection.

7 (iii) For eight (8) years after the reports are
8 filed under this section, the Secretary of State is the official custodian of
9 those records.

10 (B)(i) After the eight-year period, the Secretary of State
11 shall turn the reports over to the Arkansas State Archives for maintenance
12 and continued public inspection.

13 (ii) After the eight-year period, the Arkansas State
14 Archives is the official custodian of the records of the reports filed under
15 this section.

16 (C)(i) The campaign contribution and expenditure reports
17 filed with the Secretary of State under this section shall be filed in
18 electronic form through the official website of the Secretary of State.

19 (ii) The Arkansas Ethics Commission shall approve
20 the format used by the Secretary of State for the filing of campaign
21 contribution and expenditure reports in electronic form under subdivision
22 (d)(1)(C)(i) of this section to ensure that all required information is
23 requested.

24 (iii) The official website of the Secretary of State
25 shall allow for searches of campaign contribution and expenditure report
26 information filed in electronic form under subdivision (d)(1)(C)(i) of this
27 section.

28
29 SECTION 4. Arkansas Code § 7-6-214(b), concerning the publication of
30 campaign finance reports, is amended to read as follows:

31 (b)(1) The Secretary of State shall post reports of contributions
32 required in §§ 7-6-203 and 7-6-207 on his or her official website.

33 (2) The official website of the Secretary of State shall allow
34 for searches of campaign contribution and expenditure report information
35 required to be filed in electronic form under § 7-6-207(d)(1)(C)(i).

36

1 SECTION 5. Arkansas Code Title 7, Chapter 6, Subchapter 2, is amended
2 to add an additional section to read as follows:

3 7-6-230. Alternative to electronic filing of reports.

4 (a)(1) A candidate required to file carryover fund reports in
5 electronic form under § 7-6-203 and campaign contribution and expenditure
6 reports in electronic form under § 7-6-207 may file reports in paper form
7 under this section if:

8 (A) The candidate does not have access to the technology
9 necessary to submit reports in electronic form; and

10 (B) Submitting reports in electronic form would constitute
11 a substantial hardship for the candidate.

12 (2)(A) A candidate filing reports in paper form under
13 subdivision (a)(1) of this section shall submit with his or her first paper
14 report in an election cycle a notarized affidavit on a form prepared by the
15 Secretary of State declaring that:

16 (i) The candidate does not have access to the
17 technology necessary to submit reports in electronic form;

18 (ii) Submitting reports in electronic form would
19 constitute a substantial hardship for the candidate; and

20 (iii) The candidate agrees to file all other reports
21 in paper form for the duration of the election cycle.

22 (B) The Secretary of State shall not accept a report in
23 paper form under subdivision (a)(1) of this section if a notarized affidavit
24 was not submitted with the first paper report in the election cycle.

25 (b)(1) The Secretary of State shall make available to candidates
26 wishing to file reports in paper form under this section:

27 (A) Information on the deadlines for filing required
28 reports; and

29 (B)(i) Appropriate forms and instructions for complying
30 with the deadlines.

31 (ii) The Arkansas Ethics Commission shall approve
32 the forms and instructions used by the Secretary of State to ensure that all
33 required information is requested.

34 (2) Reports shall be filed on the forms furnished by the
35 Secretary of State, except that computer-generated contribution and
36 expenditure reports shall be accepted by the Secretary of State and the

1 Arkansas Ethics Commission provided that all of the requisite elements are
2 included.

3 (c)(1)(A) A report submitted in paper form under this section other
4 than a preelection report is timely filed if it is either hand delivered or
5 mailed to the Secretary of State, properly addressed, and postage prepaid,
6 bearing a postmark indicating that it was received by the post office or
7 common carrier on the date that the report is due.

8 (B) A preelection report submitted in paper form under
9 this section is timely filed if it is received by the Secretary of State no
10 later than seven (7) days before the election for which it is filed.

11 (2) The Secretary of State shall accept a report via facsimile,
12 provided the original is received by the Secretary of State within ten (10)
13 days of the date of facsimile transmission.

14 (d) The Secretary of State shall make available campaign contribution
15 and expenditure reports submitted in paper form, carryover fund reports
16 submitted in paper form, and affidavits accompanying reports filed in paper
17 form, on a portion of the official website of the Secretary of State.

18
19 SECTION 6. EFFECTIVE DATE. Sections 1 - 5 of this act shall become
20 effective October 1, 2017.

21
22 SECTION 7. TEMPORARY LANGUAGE - DO NOT CODIFY. (a) The Secretary of
23 State shall provide that the website utilized for the submission of campaign
24 contribution and expenditure reports and carryover fund reports in electronic
25 form allows candidates to electronically upload campaign contribution and
26 expenditure information in lieu of manual entry of each contribution and
27 expenditure.

28 (b) The Secretary of State shall obtain the approval of the Arkansas
29 Ethics Commission before implementing the feature required by subsection (a)
30 of this section to ensure that all required information is requested through
31 the website.

32 (c) This section expires on June 30, 2018.

33
34 */s/Della Rosa*

35
36 **APPROVED: 03/02/2017**

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

As Engrossed: S3/13/17

A Bill

SENATE BILL 426

5 By: Senator D. Sanders
6 By: Representative Davis
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE DISCLOSURE ACT FOR PUBLIC
10 INITIATIVES, REFERENDA, AND MEASURES REFERRED TO
11 VOTERS; CONCERNING REGISTRATION AND REPORTING
12 REQUIREMENTS; CONCERNING FILING DEADLINES; AND FOR
13 OTHER PURPOSES.
14
15

Subtitle

17 TO AMEND THE DISCLOSURE ACT FOR PUBLIC
18 INITIATIVES, REFERENDA, AND MEASURES
19 REFERRED TO VOTERS; CONCERNING
20 REGISTRATION AND REPORTING REQUIREMENTS;
21 AND CONCERNING FILING DEADLINES.
22
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 3-8-703 is amended to read as follows:
27 3-8-703. Filing deadlines.

28 (a)(1)(A) A local-option ballot question committee shall file a Local-
29 Option Ballot Question Committee Statement of Organization with the Arkansas
30 Ethics Commission within five (5) days of receiving contributions or making
31 expenditures in excess of five hundred dollars (\$500) for the purpose of
32 expressly advocating the qualification, disqualification, passage, or defeat
33 of a local-option ballot question.

34 (B) The commission shall maintain the statement of
35 organization until notified of the committee's dissolution.

36 (2) A local-option ballot question committee failing to file a



1 statement of organization required by this section shall be subject to a late
2 filing fee not to exceed fifty dollars (\$50.00) for each day the statement
3 remains not filed.

4 (b) The statement of organization for a local-option ballot question
5 committee as defined in § 3-8-702(7)(A) shall include the following
6 information required by the statement of organization form prescribed by the
7 Executive Director of the Arkansas Ethics Commission, and any further
8 information the director may by regulation require.:

9 (1)(A) The name, the street address, and if available, the
10 telephone number of the committee.

11 (B) A committee address and telephone number may be that
12 of the residence of an officer or a director of the committee;

13 (2) The name, street address, and if available, the telephone
14 number of the treasurer and other principal officers and directors of the
15 committee;

16 (3) The name and address of each financial institution in which
17 the committee deposits money or anything else of monetary value;

18 (4) The name of each person who is a member of the committee. A
19 person that is not an individual may be listed by its name without also
20 listing its own members, if any; and

21 (5) A brief statement identifying the substance of each ballot
22 question, the qualification, disqualification, passage, or defeat of which
23 the committee seeks to influence or of each legislative question, the passage
24 or defeat of which the committee seeks to influence, and if known, the date
25 each ballot or legislative question shall be presented to a popular vote at
26 an election.

27 (c) The statement of organization for a local-option ballot question
28 committee as defined in § 3-8-702(7)(B) shall include the following
29 information:

30 (1)(A) The name, the street address, and if available, the
31 telephone number of the committee.

32 (B) A committee's address and telephone number may be that
33 of the residence of an officer or a director of the committee;

34 (2) The name, street address, and where available, the telephone
35 number of the treasurer and the other principal officers and directors of the
36 committee;

1 (3) The name and address of each financial institution in which
2 the committee deposits money or anything else of monetary value;

3 (4) The name of each person who is a member of the committee. A
4 person that is not an individual may be listed by its name without also
5 listing its own members, if any; and

6 (5) A brief statement identifying the substance of each ballot
7 question, the qualification, disqualification, passage, or defeat of which
8 the committee seeks to influence, and if known, the date each ballot or
9 legislative question shall be presented to a popular vote at an election.

10 ~~(e)(d)~~ Rules regarding dissolution shall be governed by the rule of the
11 commission.

12 ~~(d)(1)~~ (e)(1) Upon dissolution, a local-option ballot question
13 committee shall notify the commission of the dissolution in writing.

14 (2) Any remaining funds on hand at the time of dissolution shall
15 be turned over to:

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

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

21 (C) A nonprofit organization that is exempt from taxation
22 under the Internal Revenue Code, 26 U.S.C. § 501(c)(3);

23 (D) Cities of the first class, cities of the second class,
24 or incorporated towns; or

25 (E) The contributors to the local-option ballot question
26 committee.

27
28 SECTION 2. The introductory language of Arkansas Code § 3-8-706(2)(A),
29 concerning information to be contained in a financial report of a local-
30 option ballot, is amended to read as follows:

31 (2)(A) For a local-option ballot question committee as defined
32 in § 3-8-702(7)(A):

33
34 SECTION 3. Arkansas Code § 3-8-706(2)(A)(x), concerning information to
35 be contained in a financial report of a local-option ballot, is repealed.

36 ~~(x) A list of all paid canvassers, officers, and~~

1 ~~directors and the amount each person was paid;~~

2

3 SECTION 4. Arkansas Code § 3-8-706(2)(B) and (C), concerning
4 information to be contained in a financial report of a local-option ballot,
5 are amended to read as follows:

6 (B) For a local-option ballot question committee as
7 defined in § 3-8-702(7)(B):

8 (i) The total amount of contributions made by the
9 committee to another ballot or legislative question committee reported during
10 the period covered by the financial report; and

11 (ii) The cumulative amount of contributions under
12 subdivisions (2)(B)(i) of this section.

13 ~~(B)~~(C) For an individual person:

14 (i) The total amount of expenditures made by the
15 individual person or on behalf of the individual person by an advertising
16 agency, public relations firm, or political consultant during the period
17 covered by the financial report; and

18 (ii) The cumulative amount of expenditures for each
19 local-option ballot question.

20 ~~(C)~~(D) For an elected official using public funds:

21 (i) The total amount of expenditures made by the
22 elected official using public funds or on behalf of the elected official
23 using public funds by an advertising agency, public relations firm, or
24 political consultant during the period covered by the financial report; and

25 (ii) The cumulative amount of expenditures for each
26 local-option ballot question; and

27

28 SECTION 5. The introductory language of Arkansas Code § 7-6-207(a)(1),
29 concerning reports of contributions, is amended to read as follows:

30 7-6-207. Reports of contributions – Candidates for state or district
31 office other than school district, township, municipal, or county office,
32 ete.

33 (a)Reports Required.

34 (1) Except as provided in subsections (c) and (e) of this
35 section, each candidate for state or district office, ~~other than a school~~
36 ~~district, township, municipal, or county office~~ including a district judge,

1 or a person acting in the candidate's behalf, shall file with the Secretary
2 of State:

3

4 SECTION 6. Arkansas Code § 7-9-404 is amended to read as follows:
5 7-9-404. Filing deadlines.

6 (a)(1)(A) A ballot question committee or a legislative question
7 committee shall file a statement of organization with the Arkansas Ethics
8 Commission within five (5) days of receiving contributions or making
9 expenditures in excess of five hundred dollars (\$500) for the purpose of
10 expressly advocating the qualification, disqualification, passage, or defeat
11 of a ballot question or the passage or defeat of a legislative question.

12 (B) The commission shall maintain the statement of
13 organization until notified of the committee's dissolution.

14 (2) A ballot question committee or legislative question
15 committee failing to file a statement of organization required by this
16 section shall be subject to a late filing fee not exceeding fifty dollars
17 (\$50.00) for each day the statement remains not filed.

18 (b) The statement of organization for a ballot question committee as
19 defined in § 7-9-402(2)(A) or a legislative question committee as defined in
20 § 7-9-402(10)(A) shall include the following information:

21 (1) The name, the street address, and where available, the
22 telephone number of the committee. A committee address and telephone number
23 may be that of the residence of an officer or a director of the committee;

24 (2) The name, street address, and ~~where~~ if available, the
25 telephone number of the treasurer and other principal officers and directors
26 of the committee;

27 (3) The name and address of each financial institution in which
28 the committee deposits money or anything else of monetary value;

29 (4) The name of each person who is a member of the committee. A
30 person that is not an individual may be listed by its name without also
31 listing its own members, if any; and

32 (5) A brief statement identifying the substance of each ballot
33 question, the qualification, disqualification, passage, or defeat of which
34 the committee seeks to influence or of each legislative question, the passage
35 or defeat of which the committee seeks to influence, and if known, the date
36 each ballot or legislative question shall be presented to a popular vote at

1 an election.

2 (c) The statement of organization for a ballot question committee as
3 defined in § 7-9-402(2)(B) or a legislative question committee as defined in
4 § 7-9-402(10)(B) shall include:

5 (1)(A) The name, the street address, and if available, the
6 telephone number of the committee.

7 (B) The address and telephone number of a committee in
8 subdivision (c)(1)(A) of this section may be that of the residence of an
9 officer or a director of the committee;

10 (2) The name, street address, and if available, the telephone
11 number of the treasurer and the other principal officers and directors of the
12 committee;

13 (3) The name and address of each financial institution in which
14 the committee deposits money or anything else of monetary value;

15 (4)(A) The name of each person who is a member of the committee.

16 (B) A person that is not an individual may be listed by
17 its name without also listing its own members, if any; and

18 (5) A brief statement identifying the substance of each ballot
19 question, the qualification, disqualification, passage, or defeat of which
20 the committee seeks to influence, and if known, the date each ballot or
21 legislative question shall be presented to a popular vote at an election.

22 ~~(e)~~(d) When any of the information required in a statement of
23 organization is changed, an amendment shall be filed within ten (10) days to
24 reflect the change, except that changes in individual membership may be filed
25 when the next financial report is required. A committee failing to file a
26 change as required shall be subject to a late filing fee not exceeding
27 twenty-five dollars (\$25.00) for each day the change remains not filed.

28 ~~(d)~~(e) Upon dissolution, a ballot question committee or a legislative
29 question committee shall ~~se~~ notify the commission in writing. Any remaining
30 funds on hand at the time of dissolution shall be turned over to either:

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

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

36 (3) A nonprofit organization that is exempt from taxation under

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

2 (4) Cities of the first class, cities of the second class, or
3 incorporated towns; or

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

6

7 SECTION 7. Arkansas Code § 7-9-406(g), concerning requirements for
8 financial reports, is amended to read as follows:

9 (g) A final financial report as described in § 7-9-409(a)(3) is
10 required regardless of whether a ballot question committee, legislative
11 question committee, individual, or elected official received contributions or
12 made expenditures in excess of five hundred dollars (\$500).

13

14 SECTION 8. The introductory language of Arkansas Code § 7-9-407(2)(A),
15 concerning the information contained in a financial report, is amended to
16 read as follows:

17 (2)(A) For a ~~committee~~ ballot question committee as defined in §
18 7-9-402(2)(A) or a legislative question committee as defined in § 7-9-
19 402(10)(A):

20

21 SECTION 9. Arkansas Code § 7-9-407(2)(A)(x), concerning the
22 information to be included in a financial report, is repealed.

23 ~~(x) A list of all paid canvassers, officers, and~~
24 ~~directors and the amount each person was paid;~~

25

26 SECTION 10. Arkansas Code § 7-9-407(2)(B) and (C), concerning
27 information to be contained in an financial report, is amended to read as
28 follows:

29 (B) For a ballot question committee as defined in § 7-9-
30 402(2)(B) or a legislative question committee as defined in § 7-9-402(10)(B)
31 shall include the following information:

32 (i) The total amount of contributions made by the
33 committee to another ballot or legislative question committee reported during
34 the period covered by the financial report; and

35 (ii) The cumulative amount of contributions under
36 subdivisions (2)(B)(i) of this section.

1 ~~(B)~~(C) For an individual person:

2 (i) The total amount of expenditures made by the
3 individual person or on behalf of the individual person by an advertising
4 agency, public relations firm, or political consultant during the period
5 covered by the financial report; and

6 (ii) The cumulative amount of expenditures for each ballot
7 question or legislative question; and

8 ~~(C)~~(D) For an elected official using public funds:

9 (i) The total amount of expenditures made by the elected
10 official using public funds or on behalf of the elected official using public
11 funds by an advertising agency, public relations firm, or political
12 consultant during the period covered by the financial report; and

13 (ii) The cumulative amount of expenditures for each ballot
14 question or legislative question; and

15
16 SECTION 11. Arkansas Code § 21-8-703(a)(6), concerning place and
17 manner of filing a statement of financial interest, is amended to read as
18 follows:

19 (6) District judges shall file with the ~~county clerk~~ Secretary
20 of State.

21
22 */s/D. Sanders*
23

24
25 **APPROVED: 03/28/2017**
26
27
28
29
30
31
32
33
34
35
36