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MARK-UP

RULES ON POLITICAL COMMITTEES

**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) (1) "Printed campaign materials" means:

(A) Literature mailed to an elector that is intended to or calculated to influence the vote of an elector in an election in this state, including without limitation signs, banners, flyers, and pamphlets; and

(B) Yard signs and push cards intended to or calculated to influence the vote of an elector in an election in this state.

(2) "Printed campaign materials" does not mean political paraphernalia, including without limitation stickers, buttons, pens, T-shirts, or other similar trinkets.

(h) 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.

(hi) 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(gh) of these rules.

(B) It shall be unlawful for a prohibited political action committee as defined in § 500(gh) 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) § 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.

(d) Registration with the Secretary of State under this section may be filed in paper form if:

(1) The political action committee does not have access to the technology necessary to submit registration in electronic form;

(2) Submitting registration in electronic form would constitute a substantial hardship for the political action committee; and

(3) The political action committee submits a notarized affidavit that complies with Ark. Code Ann. § 7-6-231.

§ 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:

(A1) The total amount of contributions received and the total amount of contributions made during the filing (i.e., reporting) period and the cumulative amount of those totals;

(B2) The current balance of committee funds;

(C3) 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;

(D4) 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;

(E5) 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

(F6) 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.

(2b) 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.

(3c) The information required in § 502(a)(1)~~(C)-(F)~~ - (6) of these rules may be provided in the form of schedules attached to a report filed in paper form.

(4d) 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.

(5e)(A1) A report is timely filed if it is 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.

(B2) (1A) The Secretary of State shall receive reports in a readable electronic format that is acceptable to the Secretary of State and approved by the Arkansas Ethics Commission.

(HB) 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.

(HIC) 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.~~

(f)(1) A person required to file reports or register in electronic form under Ark. Code Ann. § 7-6-215 may file reports or register in paper form under this section if:

(A) The person does not have access to the technology necessary to submit reports or registration in electronic form; and

(B) Submitting reports or registration in electronic form would constitute a substantial hardship for the person.

(2) A person filing reports or registration in paper form under subdivision (f)(1) of this section shall submit with its first report or registration a notarized affidavit on a form prepared by the Secretary of State declaring that:

(A) The person does not have access to the technology necessary to submit reports or registration in electronic form;

(B) Submitting reports or registration in electronic form would constitute a substantial hardship for the person; and

(C) The person agrees to file all other reports in paper form for the duration of the period of registration.

(g) The Secretary of State shall:

(1) Not accept a report or registration in paper form under subdivision (f)(1) of this section if a notarized affidavit was not submitted with the:

(A) Registration of a political action committee; or

(B) First report of a person or independent expenditure committee;

(2) Provide written notice to the political action committee within five (5) business days if the registration in paper form was not filed or accepted;

(3) Provide written notice to a political action committee, person, or independent expenditure committee within five (5) business days if a report in paper form was not filed or accepted; and

(4) Provide the reason the registration or report in paper form was not filed or accepted.

(h) The Secretary of State shall make available to persons wishing to file reports in paper form under this section:

(1) Information on the deadlines for filing required reports; and

(2)(A) Appropriate forms and instructions for complying with the deadlines.

(B) The Arkansas Ethics Commission shall approve the forms and instructions used by the Secretary of State under this section to ensure that all required information is requested.

(i) Reports shall be filed on the forms furnished by the Secretary of State, except that computer-generated contribution and expenditure reports shall be accepted by the Secretary of State and the Arkansas Ethics Commission provided that all of the requisite elements are included.

(j)(1)(A) A report submitted in paper form under this section other than a preelection report is timely filed if it is either hand delivered or mailed to the Secretary of State, properly addressed, and postage prepaid, 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.

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

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

(k)(1) The Secretary of State shall make available reports submitted in paper form on a portion of the official website of the Secretary of State.

(2) The Secretary of State shall comply with the requirements of Ark. Code Ann. § 7-6-214(c) regarding the "paper filer" designation and publication requirements for all report submitted in paper form.

~~(61)(A1)~~ 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.

~~(B2)(1A)~~ 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.

~~(HB)~~ 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.

~~(HC)~~ 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.

(C3) 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)~~ **three thousand, five hundred dollars (\$3,500.00)** 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 Paid for by Disclaimer

(a) All articles, statements, or communications appearing in any newspaper printed or circulated in this state intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be paid shall clearly contain the words "paid Political Advertisement", "Paid Political Ad", or "Paid for by" the candidate, committee, or person who paid for the message. Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer. In addition, all articles, statements, or communications appearing in any radio, television, or any other electronic medium intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be paid shall clearly contain the words "Paid Political Advertisement" or "Paid Political Ad" or "Paid for by", "Sponsored by", or "Furnished by" the true sponsor of the advertisement. Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer.

(b)(1) Printed campaign materials as defined in § 500(g) of these rules, shall clearly contain the words "Paid for by" followed by the name of the candidate, committee, or person who paid for the campaign sign, campaign literature, or other printed campaign materials.

(2) Subdivision (b)(1) of this section applies only to campaign signs, campaign literature, and other printed campaign materials created by or sponsored by a political candidate, the campaign of a political candidate, a political action committee, or an independent expenditure committee.

§ 5067 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(~~fh~~) of these rules.

(B) It shall be unlawful for a prohibited political action committee as defined in § 500(~~fh~~) 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.

§ 5078 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.

§ 5089 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)~~ three thousand, five hundred dollars (\$3,500.00) and/or issue a public letter of caution, warning, or reprimand.

§ 50910 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.

§ 51011 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.

§ 5112 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.

§ 5113 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.

§ 5114 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.

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

SENATE BILL 205

By: Senator Hester
By: Representative A. Davis

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING ETHICS AND
CAMPAIGN FINANCE; TO AMEND THE TIMES FOR CERTAIN
CONTRIBUTION AND EXPENDITURE REPORTS; TO AMEND
PORTIONS OF INITIATED ACT 1 OF 1990 AND INITIATED ACT
1 OF 1996; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING ETHICS AND
CAMPAIGN FINANCE; TO AMEND THE TIMES FOR
CERTAIN CONTRIBUTION AND EXPENDITURE
REPORTS; AND TO AMEND PORTIONS OF
INITIATED ACT 1 OF 1990 AND INITIATED ACT
1 OF 1996.

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

SECTION 1. Arkansas Code § 7-6-203(b)(1), concerning contribution
limits and resulting from Initiated Act 1 of 1990 and Initiated Act 1 of
1996, is amended to read as follows:

(b)(1) It shall be unlawful for any person ~~permitted to make a~~
~~contribution under subdivisions (a)(1)(A)(i) (vi) of this section~~ to make a
contribution to a candidate for any public office or to any person acting on
the candidate's behalf, which in the aggregate exceeds two thousand seven
hundred dollars (\$2,700) per election.

SECTION 2. Arkansas Code § 7-6-207(a)(1)(B), concerning monthly



1 reports for candidates for state or district office and resulting from
2 Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to read as
3 follows:

4 (B) Beginning with the month of ~~November preceding~~ January
5 of a calendar year in which a candidate may be listed on any ballot for
6 election, a monthly report of all contributions received and expenditures
7 made during that month. However, for any month in which certain days of that
8 month are included in a preelection report required under subdivision
9 (a)(1)(C) of this section or a final report required under subdivision
10 (a)(1)(D) of this section, no monthly report for that month shall be due. In
11 the case of a primary or runoff election, those days of the month occurring
12 after the date of the election shall be carried forward and included in the
13 next monthly report. The monthly report shall be filed no later than fifteen
14 (15) days after the end of each month, except that the final report, covering
15 the month during which an election is held, shall be filed within thirty (30)
16 days after the end of the month in which the last election is held at which
17 the candidate seeks nomination and after the end of the month in which the
18 general election is held. With respect to a special election, the candidate
19 shall file monthly reports under this section beginning with the month in
20 which the special election candidate's total campaign contributions or
21 expenditures exceed five hundred dollars (\$500);

22
23 SECTION 3. Arkansas Code § 7-6-207(a)(1)(D), concerning final reports
24 for candidates for state or district office and resulting from Initiated Act
25 1 of 1990 and Initiated Act 1 of 1996, is amended to read as follows:

26 (D) No later than thirty (30) days after the end of the
27 month in which the candidate's name has appeared on the ballot in any primary
28 election, runoff election, general election, or special election, or when
29 only one (1) candidate qualifies for a particular office or position and no
30 position or name of an unopposed candidate shall appear on a ballot, a final
31 report of all contributions received and expenditures made which have not
32 been disclosed on reports previously required to be filed. A final report is
33 required regardless of whether a candidate has received contributions or made
34 expenditures in excess of five hundred dollars (\$500); and

35
36 SECTION 4. Arkansas Code § 7-6-208(a)(2), concerning final reports for

1 candidates for school district, township, or municipal office and resulting
2 rom Initiated Act 1 of 1996, is amended to read as follows:

3 (2) No later than thirty (30) days after the end of the month in
4 which the candidate's name has appeared on the ballot in any preferential
5 primary election, runoff election, general election, school election, or
6 special election, or when only one (1) candidate qualifies for a particular
7 office or position and no position or name of an unopposed candidate shall
8 appear on a ballot, file a final report of all contributions received and
9 expenditures made that have not been disclosed on reports previously required
10 to be filed. A final report is required regardless of whether a candidate has
11 received contributions or made expenditures in excess of five hundred dollars
12 (\$500);

13
14 SECTION 5. Arkansas Code § 7-6-209(a)(2), concerning final reports for
15 candidates for county office and resulting from Initiated Act 1 of 1996, is
16 amended to read as follows:

17 (2) No later than thirty (30) days after the end of the month in
18 which the candidate's name has appeared on the ballot in any preferential
19 primary election, runoff election, general election, or special election, or
20 when only one (1) candidate qualifies for a particular office or position and
21 no position or name of an unopposed candidate shall appear on a ballot, file
22 a final report of all contributions received and expenditures made that have
23 not been disclosed on reports previously required to be filed. A final report
24 is required regardless of whether a candidate has received contributions or
25 made expenditures in excess of five hundred dollars (\$500);

26
27 SECTION 6. Arkansas Code § 7-6-224, resulting from Initiated Act 1 of
28 1996, is amended to read as follows:

29 7-6-224. Authority of local jurisdictions.

30 (a) Municipalities, counties, and townships ~~shall have the authority~~
31 ~~to~~ may establish reasonable limitations on:

32 (1) Time periods that candidates for local office shall be
33 allowed to solicit contributions;

34 (2) Limits on contributions to local candidates at amounts lower
35 than those set by state law; and

36 (3) Voluntary campaign expenditure limits for candidates seeking

1 election to their respective governing bodies.

2 (b) Enforcement of any limitation established under subsection (a) of
3 this section is the responsibility of the municipality, county, or township
4 establishing the limitation.

5
6 SECTION 7. Arkansas Code § 7-6-226(c)(1)(A), concerning quarterly
7 reports filed by county political party committees, is amended to read as
8 follows:

9 (A) The total amount of contributions received and the
10 total amount of contributions made during the ~~filing~~ reporting period and the
11 cumulative amount of those totals;

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14 APPROVED: 2/28/19
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1 State of Arkansas

As Engrossed: H2/21/19

2 92nd General Assembly

A Bill

3 Regular Session, 2019

SENATE BILL 249

5 By: Senators J. Hendren, K. Ingram

6 By: Representative Richmond

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING PENALTIES FOR
10 ETHICS VIOLATIONS; TO RAISE THE AMOUNT OF FINES THAT
11 MAY BE LEVIED BY THE ARKANSAS ETHICS COMMISSION; AND
12 FOR OTHER PURPOSES.

Subtitle

16 TO AMEND THE LAW CONCERNING PENALTIES FOR
17 ETHICS VIOLATIONS; AND TO RAISE THE
18 AMOUNT OF FINES THAT MAY BE LEVIED BY THE
19 ARKANSAS ETHICS COMMISSION.

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

24 SECTION 1. Arkansas Code § 7-6-218(b)(4)(B)(i), concerning the
25 authorized fines for violations concerning ethics, is amended to read as
26 follows:

27 (B)(i) Notwithstanding the provisions of §§ 7-6-202, 7-9-
28 409, 21-8-403, and 21-8-903, impose a fine of not less than fifty dollars
29 (\$50.00) nor more than ~~two~~ three thousand five hundred dollars ~~(\$2,000)~~
30 (\$3,500) for negligent or intentional violation of this subchapter; the
31 Disclosure Act for Public Initiatives, Referenda, and Measures Referred to
32 Voters, § 7-9-401 et seq.; § 21-8-301 et seq.; the Disclosure Act for
33 Lobbyists and State and Local Officials, § 21-8-401 et seq., § 21-8-601 et
34 seq., § 21-8-701 et seq., and § 21-8-801 et seq.; § 21-8-901 et seq.; § 21-8-
35 1001 et seq.; or Arkansas Constitution, Article 19, §§ 28-30.



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/s/J. Hendren

APPROVED: 3/7/19

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1698

5 By: Representative Della Rosa
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE FILING AND
9 PUBLICATION OF CERTAIN CAMPAIGN FINANCE REPORTS; TO
10 PROVIDE NOTICE WHEN CAMPAIGN FINANCE PAPER REPORTS
11 ARE NOT ACCEPTED FOR FILING; TO REQUIRE AFFIDAVITS
12 FOR PAPER FILING; TO AMEND PORTIONS OF ARKANSAS CODE
13 RESULTING FROM INITIATED ACT 1 OF 1990 AND INITIATED
14 ACT 1 OF 1996; AND FOR OTHER PURPOSES.
15
16

Subtitle

17
18 TO AMEND THE LAW CONCERNING THE FILING
19 AND PUBLICATION OF CERTAIN CAMPAIGN
20 FINANCE REPORTS; AND TO AMEND PORTIONS OF
21 ARKANSAS CODE 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 § 7-6-214, concerning publication of reports,
29 is amended to add an additional subsection to read as follows:

30 (c)(1) The Secretary of State shall maintain a list of all reports
31 required under §§ 7-6-203, 7-6-207 – 7-6-210, 7-6-215, 7-6-216, and 7-6-220
32 not filed in electronic form.

33 (2) The list shall include:

34 (A) The name of the person filing the report;

35 (B) The type of report filed;

36 (C) The date the report was filed; and



1 (D) The designation "paper filer".

2 (3) The list shall be posted on the official website of the
3 Secretary of State.

4 (4) The list shall be organized by calendar year and updated at
5 least monthly on a schedule to be determined by the Secretary of State.
6

7 SECTION 2. Arkansas Code § 7-6-215(a)(1), concerning registration and
8 reporting by approved political action committees and resulting from
9 Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to add an
10 additional subdivision to read as follows:

11 (E) Registration with the Secretary of State under this
12 section may be filed in paper form if:

13 (i) The political action committee does not have
14 access to the technology necessary to submit registration in electronic form;

15 (ii) Submitting registration in electronic form
16 would constitute a substantial hardship for the political action committee;
17 and

18 (iii) The political action committee submits a
19 notarized affidavit that complies with § 7-6-231.
20

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

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

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

30 (b) Submitting reports in electronic form
31 would constitute a substantial hardship for the political action committee;
32 and

33 (c) The political action committee submits a
34 notarized affidavit that complies with § 7-6-231.
35

36 SECTION 4. Arkansas Code § 7-6-220(e)(3), concerning reporting of

1 independent expenditures and resulting from Initiated Act 1 of 1996, is
2 amended to read as follows:

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

5 (A) The person or independent expenditure committee does
6 not have access to the technology necessary to submit reports in electronic
7 form; and

8 (B) Submitting reports in electronic form would constitute
9 a substantial hardship for the person or independent expenditure committee;
10 and

11 (C) The person or independent expenditure committee
12 submits a notarized affidavit that complies with § 7-6-231.
13

14 SECTION 4. Arkansas Code § 7-6-230(a)(2)(B), concerning the
15 alternative to electronic filing of reports, is amended to read as follows:

16 (B) The Secretary of State shall:

17 (1) not Not accept a report in paper form under
18 subdivision (a)(1) of this section if a notarized affidavit was not submitted
19 with the first paper report in the election cycle-;i

20 (2) Provide written notice to the candidate within
21 five (5) business days if the report in paper form was not filed or accepted;
22 and

23 (3) Provide the reason the report in paper form was
24 not filed or accepted.
25

26 SECTION 5. Arkansas Code § 7-6-230(d), concerning the alternative to
27 electronic filing of reports, is amended to read as follows:

28 (d)(1) The Secretary of State shall make available campaign
29 contribution and expenditure reports submitted in paper form, carryover fund
30 reports submitted in paper form, and affidavits accompanying reports filed in
31 paper form, on a portion of the official website of the Secretary of State.

32 (2) The Secretary of State shall comply with the requirements of
33 § 7-6-214(c) regarding the "paper filer" designation and publication
34 requirements for all reports submitted in paper form.
35

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

1 to add an additional section to read as follows:

2 7-6-231. Alternative to electronic filing - Reporting of independent
3 expenditures - Registration and reports for political action committees.

4 (a)(1) A person required to file reports or register in electronic
5 form under § 7-6-215 or § 7-6-220 may file reports or register in paper form
6 under this section if:

7 (A) The person does not have access to the technology
8 necessary to submit reports or registration in electronic form; and

9 (B) Submitting reports or registration in electronic form
10 would constitute a substantial hardship for the person.

11 (2)(A) A person filing reports or registration in paper form
12 under subdivision (a)(1) of this section shall submit with its first report
13 or registration a notarized affidavit on a form prepared by the Secretary of
14 State declaring that:

15 (i) The person does not have access to the
16 technology necessary to submit reports or registration in electronic form;

17 (ii) Submitting reports or registration in
18 electronic form would constitute a substantial hardship for the person; and

19 (iii) The person agrees to file all other reports in
20 paper form for the duration of the period of registration.

21 (B) The Secretary of State shall:

22 (i) Not accept a report or registration in paper form
23 under subdivision (a)(1) of this section if a notarized affidavit was not
24 submitted with the:

25 (a) Registration of a political action
26 committee; or

27 (b) First report of a person or independent
28 expenditure committee;

29 (ii) Provide written notice to the political action
30 committee within five (5) business days if the registration in paper form was
31 not filed or accepted;

32 (iii) Provide written notice to a political action
33 committee, person, or independent expenditure committee within five (5)
34 business days if a report in paper form was not filed or accepted; and

35 (iv) Provide the reason the registration or report
36 in paper form was not filed or accepted.

1 **(b)(1) The Secretary of State shall make available to persons wishing**
2 **to file reports in paper form under this section:**

3 **(A) Information on the deadlines for filing required**
4 **reports; and**

5 **(B)(i) Appropriate forms and instructions for complying**
6 **with the deadlines.**

7 **(ii) The Arkansas Ethics Commission shall approve**
8 **the forms and instructions used by the Secretary of State under this section**
9 **to ensure that all required information is requested.**

10 **(2) Reports shall be filed on the forms furnished by the**
11 **Secretary of State, except that computer-generated contribution and**
12 **expenditure reports shall be accepted by the Secretary of State and the**
13 **Arkansas Ethics Commission provided that all of the requisite elements are**
14 **included.**

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

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

23 **(2) The Secretary of State shall accept a report via facsimile,**
24 **provided the original is received by the Secretary of State within ten (10)**
25 **days of the date of facsimile transmission.**

26 **(d)(1) The Secretary of State shall make available reports submitted**
27 **in paper form on a portion of the official website of the Secretary of State.**

28 **(2) The Secretary of State shall comply with the requirements of**
29 **§ 7-6-214(c) regarding the "paper filer" designation and publication**
30 **requirements for all reports submitted in paper form.**

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33 **APPROVED: 4/16/19**
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1 State of Arkansas

2 92nd General Assembly

3 Regular Session, 2019

A Bill

HOUSE BILL 1878

4
5 By: Representative Della Rosa

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING CERTAIN CAMPAIGN
9 SIGNS AND LITERATURE; TO REQUIRE TRANSPARENCY BY
10 POLITICAL ACTION COMMITTEES AND INDEPENDENT
11 EXPENDITURE COMMITTEES; AND FOR OTHER PURPOSES.

Subtitle

15 TO AMEND THE LAW CONCERNING CERTAIN
16 CAMPAIGN SIGNS AND LITERATURE; AND TO
17 REQUIRE TRANSPARENCY BY POLITICAL ACTION
18 COMMITTEES AND INDEPENDENT EXPENDITURE
19 COMMITTEES.

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

24 SECTION 1. Arkansas Code § 7-6-228(c)(2), concerning placement of the
25 words "Paid for by" on campaign signs, campaign literature, and other printed
26 campaign materials, is amended to read as follows:

27 (2) Subdivision (c)(1) of this section applies only to campaign
28 signs, campaign literature, and other printed campaign materials created by
29 or sponsored by a political candidate ~~or~~, the campaign of a political
30 candidate, a political action committee, or an independent expenditure
31 committee.

34 APPROVED: 4/16/19

