

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

SENATE BILL

569

By: Senator Jewell

For An Act To Be Entitled

"AN ACT TO BE KNOWN AS THE 'DISCLOSURE ACT FOR PUBLIC
INITIATIVES, REFERENDUMS AND MEASURES BY LOCAL GOVERNING
BODIES."

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

SECTION 1. Short title. This act shall be known as the 'Disclosure Act for Public Initiatives, Referendums and Measures by local governing bodies.

SECTION 2. Definitions. As used in this act:

(1) 'Person' means any individual, business, proprietorship, firm, partnership, joint venture, syndicate, business trust, labor organization, company, corporation, association, committee, or any other organization or group of persons acting in concert.

(2) 'Ballot question' means a question in the form of a local initiative or referendum which is submitted or intended to be submitted to a vote at an election whether or not it qualifies for the ballot.

(3) 'Ballot question committee' means any person other than an individual who receives contributions or makes expenditures for the purpose of attempting to influence the qualification, passage or defeat of any ballot question.

(4) 'Legislative question' means a question in the form of a measure referred by the local governing body to a vote at an election.

(5) 'Legislative question committee' means any person other than an individual who receives contributions or makes expenditures for the purpose of attempting to influence the passage or defeat of any legislative question.

(6) (A) 'Contribution' means, whether direct or indirect, advances, deposits, transfers of funds, contracts, or obligations, whether or not legally enforceable, payments, gifts, subscriptions, assessments, payment for

services, dues, advancements, forbearance, loans, pledge or promise of money or anything of value, whether or not legally enforceable, to a person for the purpose of influencing the qualification, passage, or defeat of a ballot question or the passage or defeat of a legislative question.

(B) 'Contribution' includes the purchase of tickets for events such as dinners, luncheons, rallies, and similar fund raising events and the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all persons seeking to influence the qualification, passage, or defeat of a ballot question or the passage or defeat of a legislative question.

(C) 'Contribution' shall not include noncompensated, nonreimbursed volunteer personal services or travel.

(7) 'Expenditure' means a purchase, payment, distribution, gift, loan, or advance of money or anything of value, and a contract, promise, or agreement to make an expenditure, for goods, services, materials or facilities for the purpose of influencing the qualification, passage, or defeat of a ballot question or the passage or defeat of a legislative question.

(8) 'Contribution and expenditure' shall not include activities designed solely to encourage individuals to register to vote or to vote, and "expenditure" shall not include one made for communication by a person strictly with the person's paid members or shareholders.

(9) 'Qualification of a ballot question' means any action or process, legal or otherwise, through which a ballot question obtains certification to be on the ballot at an election.

SECTION 3. Any person who knowingly fails to comply with any of the provisions of this Act shall, upon conviction, be fined an amount not to exceed one thousand dollars (\$1,000) or be imprisoned for not more than one year or both.

SECTION 4. (1) A ballot question committee or a legislative question committee shall file a statement of organization with the County Clerk of each county in which the question will appear on the ballot within 10 days after the committee is formed. The County Clerk shall maintain such statement of organization until notified of the committee's dissolution. A ballot question committee or legislative question committee failing to file a statement of

organization required by this section shall pay a late filing fee of ten dollars (\$10.00) for each day the statement remains not filed.

(2) The statement of organization shall include the following information:

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

(b) The name, street address, and where available the telephone number of the treasurer and other principal officers and/or directors of the committee.

(c) The name and address of each financial institution in which the committee deposits money or anything else of monetary value.

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

(e) A brief statement identifying the substance of each ballot question whose qualification, passage, or defeat the committee seeks to influence or of each legislative question whose passage or defeat the committee seeks to influence.

(3) When any of the information required in a statement of organization is changed, an amendment shall be filed within ten (10) days to reflect the change, except that changes in individual membership may be filed when the next campaign statement is required. A committee failing to file a change as required shall pay a late filing fee of ten dollars (\$10.00) for each day the change remains not filed.

(4) Upon dissolution, a ballot question committee or a legislative question committee shall so notify the County Clerk in writing.

SECTION 5. A ballot question committee or legislative question committee which either receives contributions or makes expenditures in excess of two hundred fifty dollars (\$250.00) for the purpose of influencing the qualification, passage, or defeat of a ballot question or the passage or defeat of a legislative question shall file with the County Clerk of each county in which the question will appear on the ballot financial reports as required by Section 6 of this Act. An individual person who on his or her own behalf expends in excess of two hundred fifty dollars (\$250.00), excepting

contributions, for the purpose of influencing the qualification, passage, or defeat of a ballot question or the passage or defeat of a legislative question shall file with the County Clerk of each county in which the question will appear on the ballot financial reports as required by Section 6 of this Act.

SECTION 6. A financial report of a ballot question committee, a legislative question committee, or an individual person, as required by Section 5 of this Act, shall contain the following information:

(a) The name, address, and telephone number of the committee or individual person filing the statement.

(b) For a committee, the total amount of contributions received during the period covered by the financial report, the total amount of expenditures made during the period covered by the financial report, and the cumulative amount of those totals for each ballot question or legislative question. For an individual person, the total amount of expenditures made during the period covered by the financial report and the cumulative amount of that total for each ballot question or legislative question.

(c) For a committee, the balance of cash and cash equivalents on hand at the beginning and the end of the period covered by the financial report.

(d) For a committee, the total amount of contributions received during the period covered by the financial statement from persons who contributed two hundred fifty dollars (\$250.00) or less, and the cumulative amount of that total for each ballot question or legislative question.

(e) For a committee, the total amount of contributions received during the period covered by the financial statement from persons who contributed two hundred fifty dollars (\$250.00) or more, and the cumulative amount of that total for each ballot question or legislative question.

(f) For a committee, the name and street address of each person from whom a contribution(s) exceeding two hundred fifty dollars (\$250.00) was received during the period covered by the financial report, together with the amount contributed, the date of receipt, and the cumulative amount contributed by that person for each ballot question or legislative question.

(g) The name and street address of each person to whom expenditures totaling two hundred fifty dollars (\$250.00) or more were made, together with the amount of each separate expenditure to each person during the period covered by the financial report and the purpose of the expenditure.

SECTION 7. The financial reports identified in Section 6 of this Act shall be filed every 30 days after the first receipt of a contribution or the first expenditure, in the case of a ballot question committee or legislative question committee, or after the first expenditure, in the case of an individual person. Additionally, a financial report shall be filed not less than four days prior to any election on the ballot question or legislative question, such statement to have a closing date of seven days prior to the election. Further, a final financial report shall be filed no later than thirty days after the election.

SECTION 8. The financial reports identified in Section 6 of this Act shall be verified by affidavit by the person filing them to the effect that to the best of his or her knowledge and belief the information disclosed is a complete, true and accurate financial statement of contributions or expenditures. A ballot question committee, legislative question committee or individual person who files a late financial report shall pay a late filing fee of ten dollars (\$10.00) for each day the report remains unfiled.

SECTION 9. All statements of organization and financial reports required by this Act shall be open to public inspection at the office of the County Clerk during regular office hours.

SECTION 10. No ballot question committee or legislative question committee shall accept any contribution in cash, meaning currency or coin, which exceeds one hundred dollars (\$100.00). No ballot question committee, legislative question committee or individual shall make an expenditure in cash which exceeds fifty dollars (\$50.00) to influence the qualification, passage or defeat of a ballot question or the passage or defeat of a legislative question. No contributions shall be made, directly or indirectly, by any person in a name other than the name by which the person is identified for legal purposes. No person shall make an anonymous contribution totaling fifty dollars (\$50.00) or more. Any such anonymous contribution actually received by any ballot question committee or legislative question committee shall be promptly paid by the recipient to the County Clerk.

SECTION 11. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code signed Revision Commission shall incorporate the same in the Code.

SECTION 12. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 13. It is hereby found and determined by the General Assembly of this State that in order to serve the public interest it is immediately necessary to require disclosure of important local matters related to the qualification, passage or defeat of local ballot questions and the passage or defeat of local legislative questions referred to voters. Therefore, an emergency is declared to exist and this Act, being necessary for the preservation of the public peace, health and safety, shall be in full force and effect from and after its passage and approval."