

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007  
4

# A Bill

HOUSE BILL 2727

5 By: Representatives Petrus, Thyer  
6  
7

## For An Act To Be Entitled

9 AN ACT TO REVISE PORTIONS OF ARKANSAS CODE  
10 CONCERNING ETHICS; CONCERNING CAMPAIGN  
11 CONTRIBUTIONS AND GIFTS; AMENDING PORTIONS OF  
12 ARKANSAS CODE RESULTING FROM INITIATED ACT 1 OF  
13 1988, INITIATED ACT 1 OF 1990, AND INITIATED ACT  
14 1 OF 1996; AND FOR OTHER PURPOSES.  
15

## Subtitle

16 AN ACT TO REVISE PORTIONS OF ARKANSAS  
17 CODE CONCERNING ETHICS AND CONCERNING  
18 CAMPAIGN CONTRIBUTIONS AND GIFTS.  
19  
20  
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
23

24 SECTION 1. Arkansas Code § 7-6-203(a) and (b), concerning campaign  
25 contribution limitations and created by Initiated Act 1 of 1990 and Initiated  
26 Act 1 of 1996, is amended to read as follows:

27 (a)(1)(A) It shall be unlawful for any candidate for any public  
28 office, except the office of Governor, Lieutenant Governor, Secretary of  
29 State, Treasurer of State, Auditor of State, Attorney General, and  
30 Commissioner of State Lands, or for any person acting on the candidate's  
31 behalf to accept campaign contributions in excess of ~~two thousand dollars~~  
32 ~~(\$2,000)~~ one thousand dollars (\$1,000) per election from any person.

33 (B) A candidate may accept a campaign contribution or  
34 contributions up to the maximum amount from any prospective contributor for  
35 each election, whether opposed or unopposed.

36 (2)(A) It shall be unlawful for any candidate for the office of



1 Governor, Lieutenant Governor, Secretary of State, Treasurer of State,  
 2 Auditor of State, Attorney General, and Commissioner of State Lands, or for  
 3 any person acting on the candidate's behalf to accept campaign contributions  
 4 in excess of ~~two thousand dollars (\$2,000)~~ one thousand dollars (\$1,000) per  
 5 election from any person.

6 (B) A candidate may accept a campaign contribution or  
 7 contributions up to the maximum amount from any prospective contributor for  
 8 each election, whether opposed or unopposed.

9 (b)(1)(A) It shall be unlawful for any person to make a contribution  
 10 to a candidate for any public office, except the office of Governor,  
 11 Lieutenant Governor, Secretary of State, Treasurer of State, Auditor of  
 12 State, Attorney General, and Commissioner of State Lands, or to any person  
 13 acting on the candidate's behalf, which in the aggregate exceeds ~~two thousand~~  
 14 ~~dollars (\$2,000)~~ one thousand dollars (\$1,000) per election.

15 (B) A person may make a contribution or contributions up  
 16 to the maximum amount to a candidate for each election, whether opposed or  
 17 unopposed.

18 (2)(A) It shall be unlawful for any person to make a  
 19 contribution to a candidate for the office of Governor, Lieutenant Governor,  
 20 Secretary of State, Treasurer of State, Auditor of State, Attorney General,  
 21 and Commissioner of State Lands, or to any person acting on the candidate's  
 22 behalf, which in the aggregate exceeds ~~two thousand dollars (\$2,000)~~ one  
 23 thousand dollars (\$1,000) per election.

24 (B) A person may make a contribution or contributions up  
 25 to the maximum amount to a candidate for each election, whether opposed or  
 26 unopposed.

27  
 28 SECTION 2. Arkansas Code § 7-6-203(g), concerning the use of campaign  
 29 funds as personal income and created by Initiated Act 1 of 1996, is amended  
 30 to read as follows:

31 (g)(1) A candidate shall not take any campaign funds as personal  
 32 income. This subdivision (g)(1) shall not apply to campaign funds that were:

33 (A) Accumulated prior to the passage of Initiated Act 1 of  
 34 1990; or

35 (B) Disposed of prior to July 28, 1995.

36 (2) A candidate shall not take any campaign funds as income for

1 his or her spouse or dependent children, except that:

2 (A) This subsection shall not prohibit a candidate who has  
 3 an opponent from employing his or her spouse or dependent children as  
 4 campaign workers; and except that

5 (B) Any candidate who has an opponent and who, during the  
 6 campaign and before the election, takes a leave of absence without pay from  
 7 his or her primary place of employment shall be authorized to take campaign  
 8 funds during the campaign and before the election as personal income up to  
 9 the amount of employment income lost as a result of such leave of absence.

10 (3) A candidate who takes campaign funds during the campaign and  
 11 before the election under a leave of absence pursuant to the provisions of  
 12 subdivision (g)(2) of this section may elect to treat the campaign funds as a  
 13 loan from the campaign fund to the candidate to be paid back to the campaign  
 14 fund by the candidate.

15 (4)(A) For purposes of this subsection, a candidate who uses  
 16 campaign funds to fulfill any commitment, obligation, or expense that would  
 17 exist regardless of the candidate's campaign shall be deemed to have taken  
 18 campaign funds as personal income.

19 (B) The use of campaign funds to purchase a cake or other  
 20 perishable item of food at a fund-raising event held by a volunteer agency,  
 21 as defined in § 16-6-103, shall not be considered a taking of campaign funds  
 22 as personal income.

23 (C)(i) The use of campaign funds by a candidate to make a  
 24 donation to another candidate's campaign shall not be considered a taking of  
 25 campaign funds as personal income.

26 (ii) A donation made under subdivision (g)(4)(C)(i)  
 27 of this section shall not exceed two hundred fifty dollars (\$250).

28 (iii) A donation under subdivision (g)(4)(C)(i) of  
 29 this section shall not count toward the campaign contribution limitations  
 30 established under subsections (a) and (b) of this section.

31  
 32 SECTION 3. Arkansas Code § 21-8-402(5), concerning the definition of  
 33 "gift" and resulting from Initiated Act 1 of 1988, is amended to read as  
 34 follows:

35 (5)(A) "Gift" means any payment, entertainment, advance,  
 36 services, or anything of value, unless consideration of equal or greater

1 value has been given therefor.

2 (B) The term "gift" does not include:

3 (i)(a) Informational material such as books,  
4 reports, pamphlets, calendars, or periodicals informing a public servant  
5 regarding his or her official duties.

6 (b) Payments for travel or reimbursement for  
7 any expenses are not informational material;

8 (ii) The giving or receiving of food, lodging, or  
9 travel which bears a relationship to the public servant's office and when  
10 appearing in an official capacity;

11 (iii) Gifts which are not used and which, within  
12 thirty (30) days after receipt, are returned to the donor;

13 (iv) Gifts from an individual's spouse, child,  
14 parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-  
15 law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the  
16 spouse of any of these persons, unless the person is acting as an agent or  
17 intermediary for any person not covered by this subdivision (5)(B)(iv);

18 (v) Campaign contributions;

19 (vi) Any devise or inheritance;

20 (vii)(a) Anything with a value of one hundred  
21 dollars (\$100) or less.

22 (b) The value of an item shall be considered to be less than one  
23 hundred dollars (\$100) if the public servant reimburses the person from whom  
24 the item was received any amount over one hundred dollars (\$100) and the  
25 reimbursement occurs within ten (10) days from the date the item was  
26 received;

27 (viii) Wedding presents and engagement gifts;

28 (ix) A monetary or other award presented to an  
29 employee of a public school district, the Arkansas School for the Blind, the  
30 Arkansas School for the Deaf, the Arkansas School for Mathematics, Science,  
31 and the Arts, a university, a college, a technical college, a technical  
32 institute, a comprehensive life-long learning center, or a community college  
33 in recognition of the employee's contribution to education;

34 (x) Tickets to charitable fund-raising events held  
35 within this state by a nonprofit organization which is exempt from taxation  
36 under § 501(c)(3) of the Internal Revenue Code;

1 (xi) A personalized award, plaque, or trophy with a  
2 value of one hundred and fifty dollars (\$150) or less;

3 (xii) An item which appointed or elected members of  
4 a specific governmental body or employees of an appointed or elected  
5 governmental official purchase with their own personal funds and present to a  
6 fellow member of that governmental body or official in recognition of public  
7 service;

8 (xiii) Food or beverages provided at a conference-  
9 scheduled event that is part of the program of the conference; and

10 (xiv) Food or beverages provided in return for  
11 participation in a bona fide panel, seminar, or speaking engagement at which  
12 the audience is a civic, social, or cultural organization or group; and.

13 ~~(xv)(a) A monetary or other award publicly presented~~  
14 ~~to an employee of state government in recognition of his or her contributions~~  
15 ~~to the community and State of Arkansas when the presentation is made by the~~  
16 ~~employee's supervisors or peers, individually or through a nonprofit~~  
17 ~~organization which is exempt from taxation under § 501(c) of the Internal~~  
18 ~~Revenue Code, and the employee's receipt of the award would not result in or~~  
19 ~~create the appearance of the employee using his or her position for private~~  
20 ~~gain, giving preferential treatment to any person, or losing independence or~~  
21 ~~impartiality.~~

22 ~~(b) The exception in subdivision (5)(B)(xv)(a)~~  
23 ~~of this section shall not apply to an award presented to an employee of state~~  
24 ~~government by a person having economic interests which may be affected by the~~  
25 ~~performance or nonperformance of the employee's duties or responsibilities.~~