

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1756

By: Representatives M. Shepherd, Ray
By: Senator Hester

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING CAMPAIGN FINANCE;
TO AMEND THE LAW CONCERNING CAMPAIGN CONTRIBUTIONS
AND EXPENDITURES; TO AMEND LAW CONCERNING REPORTING
DEADLINES; TO CREATE AN AUTOMATIC FINE FOR DELINQUENT
REPORTING; TO REQUIRE THE PREPARATION OF A REPORTING
CALENDAR; TO AMEND THE LAW CONCERNING THE ARKANSAS
ETHICS COMMISSION; TO ALLOW ONLINE AND ELECTRONIC
COMPLAINTS; 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 CAMPAIGN
FINANCE AND CAMPAIGN FINANCE REPORTS; TO
AMEND THE LAW CONCERNING THE ARKANSAS
ETHICS COMMISSION; 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 § 7-6-207(a)(1)(B), concerning reports of
contributions for candidates for state or district office, and resulting from
Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to read as
follows:

(B) Beginning with the month of January of a calendar year



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

18
 19 SECTION 2. Arkansas Code § 7-6-207(b)(1)(B), concerning reports of
 20 contributions for candidates for state or district office, and resulting from
 21 Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to read as
 22 follows:

23 (B) The name and address of each person, including the
 24 candidate, who made a contribution or contributions that in the aggregate
 25 exceeded ~~fifty dollars (\$50.00)~~ two hundred dollars (\$200);

26
 27 SECTION 3. Arkansas Code § 7-6-207(d)(1)(C), concerning reports of
 28 contributions for candidates for state or district office, and resulting from
 29 Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to add an
 30 additional subdivision to read as follows:

31 (iv) The electronic format used for the filing of
 32 campaign contribution and expenditure reports on the official website of the
 33 Secretary of State shall aggregate total campaign contributions by a
 34 contributor to determine if they collectively reach the limitation for lawful
 35 campaign contributions under this subchapter.

1 SECTION 4. Arkansas Code § 7-6-208(b)(1)(B), concerning reports of
2 contributions for candidates for school district, township, or municipal
3 office, and resulting from Initiated Act 1 of 1990 and Initiated Act 1 of
4 1996, is amended to read as follows:

5 (B) The name and address of each person, including the
6 candidate, who made a contribution or contributions that in the aggregate
7 exceeded ~~fifty dollars (\$50.00)~~ two hundred dollars (\$200);

8
9 SECTION 5. Arkansas Code § 7-6-209(b)(1)(B), concerning reports of
10 contributions for candidates for school district, township, or county office,
11 and resulting from Initiated Act 1 of 1996, is amended to read as follows:

12 (B) The name and address of each person, including the
13 candidate, who made a contribution or contributions that in the aggregate
14 exceeded ~~fifty dollars (\$50.00)~~ two hundred dollars (\$200);

15
16 SECTION 6. Arkansas Code § 7-6-215(d)(1)(C), concerning reports of
17 contributions for candidates for school district, township, or county office,
18 and resulting from Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is
19 amended to read as follows:

20 (C) The name and address of each person that made a
21 contribution or contributions to the political action committee that exceeded
22 ~~five hundred dollars (\$500)~~ two hundred dollars (\$200) in the aggregate
23 during the calendar year, the contributor's place of business, employer,
24 occupation, the date of the contribution, the amount contributed, and the
25 total contributed for the year;

26
27 SECTION 7. Arkansas Code § 7-6-215(d)(1)(D), concerning reports of
28 contributions for candidates for school district, township, or county office,
29 and resulting from Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is
30 amended to read as follows:

31 (D) The name and address of each candidate, ballot
32 question committee, legislative question committee, political party, county
33 political party committee, or other political action committee, if any, to
34 whom or which the political action committee made a contribution or
35 contributions that exceeded ~~fifty dollars (\$50.00)~~ two hundred dollars (\$200)
36 in the aggregate during the filing period, with the amount contributed and

1 the election for which the contribution was made;

2
3 SECTION 8. Arkansas Code § 7-6-216(c)(2), concerning registration and
4 reports by exploratory committees, and resulting from Initiated Act 1 of
5 1990, is amended to read as follows:

6 (2) The name and address of each person who has made a
7 contribution which, in the aggregate, exceeds ~~fifty dollars (\$50.00)~~ two
8 hundred dollars (\$200), along with the contributor's principal place of
9 business, employer, occupation, and the amount contributed; and

10
11 SECTION 9. Arkansas Code § 7-6-218(a), concerning citizen complaints
12 filed with the Arkansas Ethics Commission, and resulting from Initiated Act 1
13 of 1990, is amended to add additional subdivisions to read as follows:

14 (3) The Arkansas Ethics Commission shall accept complaints filed
15 through:

16 (A) An online complaint submission process developed by
17 the Arkansas Ethics Commission;

18 (B) An electronic complaint form through the official
19 website of the Arkansas Ethics Commission; or

20 (C) A complaint on paper.

21 (4) A complaint is timely filed if it is filed in electronic
22 form through the official website of the Arkansas Ethics Commission on or
23 before the date that the complaint is due.

24 (5) The Arkansas Ethics Commission shall promulgate rules under
25 the Arkansas Administrative Procedure Act, §25-15-201 et seq., to develop the
26 complaint submission process under subdivision (a)(3) of this section.

27
28 SECTION 10. Arkansas Code § 7-6-220(a), concerning reporting of
29 independent expenditures, and resulting from Initiated Act 1 of 1996, is
30 amended to read as follows:

31 (a) A person who or an independent expenditure committee which makes
32 independent expenditures in an aggregate amount or value in excess of ~~five~~
33 ~~hundred dollars (\$500)~~ two hundred dollars (\$200) in a calendar year shall
34 file reports with the Secretary of State:

35 (1) No later than thirty (30) days prior to preferential primary
36 elections, general elections, and special elections covering the period

1 ending thirty-five (35) days prior to such elections;

2 (2) No later than seven (7) days prior to preferential primary
3 elections, runoff elections, general elections, and special elections
4 covering the period ending ten (10) days prior to such elections; and

5 (3) As for a final report, no later than thirty (30) days after
6 the end of the month in which the last election is held at which the
7 candidate seeks nomination or election.

8
9 SECTION 11. Arkansas Code § 7-6-223(b)(2), concerning reports of
10 contributions by political parties, and resulting from Initiated Act 1 of
11 1996, is amended to read as follows:

12 (2) An itemization, including the name, address, employer, and
13 occupation of each person who made a contribution or contributions to the
14 political party which, in the aggregate, exceeded ~~fifty dollars (\$50.00)~~ two
15 hundred dollars (\$200) in the preceding calendar quarter, as well as the
16 amount received and date of receipt;

17
18 SECTION 12. Arkansas Code § 7-6-226(c)(1)(C) and (D), concerning
19 registration and reporting by county political committees, are amended to
20 read as follows:

21 (C) The name and address of each person who made a
22 contribution or contributions to the committee that exceeded ~~five hundred~~
23 ~~dollars (\$500)~~ two hundred dollars (\$200) in the aggregate, the contributor's
24 place of business, employer, or occupation, the date of the contribution, the
25 amount contributed, and the total contributed for the year;

26 (D) The name and address of each candidate or committee,
27 if any, to whom or which the committee made a contribution or contributions
28 that exceeded ~~fifty dollars (\$50.00)~~ two hundred dollars (\$200) in the
29 aggregate during the filing period, with the amount contributed and the
30 election for which the contribution was made;

31
32 SECTION 13. Arkansas Code Title 7, Chapter 6, Subchapter 2, is amended
33 to add additional sections to read as follows:

34 7-6-232. Automatic fine for delinquent reporting.

35 (a) If a candidate fails to file a report required under this
36 subchapter in a timely manner and the report is delinquent for more than

thirty (30) days, the Arkansas Ethics Commission shall automatically assess a fine of one thousand dollars (\$1,000) against the candidate on the thirty-first day following the date that the report should have been filed.

(b) The candidate may appeal a fine assessed under subsection (a) of this section to the commission.

(2) On appeal, the commission may:

(A) Affirm the one thousand dollar (\$1,000) fine; or

(B) Vacate the assessment of the fine based upon the facts of the situation.

(c) The automatic fine under subsection (a) of this section shall apply to each report required of a candidate which is delinquent for more than thirty (30) days.

(d) A candidate shall not raise the affirmative defense under § 7-6-229 in regard to the assessment of an automatic fine under subsection (a) of this section more than two (2) times in a calendar year.

(e) The commission shall promulgate rules to implement this section, including without limitation rules developing a process for identifying and notifying each candidate who has not filed a report in a timely manner for the purpose of assessing the automatic fine under this section.

7-6-233. Preparation of reporting calendar.

(a) The Arkansas Ethics Commission shall issue one (1) or more reporting calendars for use by candidates to identify when reports and other necessary filings are due in a calendar year.

(b) The commission shall issue the reporting calendar for a calendar year no later than the December 31 preceding the year of the reporting calendar.

(c) The commission shall prepare reporting calendars as it deems necessary for candidates for office, including without limitation candidates for state, county, municipal, district, or school elections.

SECTION 14. DO NOT CODIFY. Rules.

(a) When adopting the initial rules required under this act, the Arkansas Ethics Commission shall file the final rules with the Secretary of State for adoption under § 25-15-204(f):

(1) On or before November 1, 2023; or

1 (2) If approval under § 10-3-309 has not occurred by November 1,
2 2023, as soon as practicable after approval under § 10-3-309.

3 (b) The commission shall file the proposed rules with the Legislative
4 Council under § 10-3-309(c) sufficiently in advance of November 1, 2023, so
5 that the Legislative Council may consider the rules for approval before
6 November 1, 2023.