

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
90th General Assembly
Regular Session, 2015

A Bill

SENATE BILL 817

By: Senator E. Williams

For An Act To Be Entitled

AN ACT TO AMEND ARKANSAS LAW CONCERNING REGISTRATION AND REPORTING BY APPROVED POLITICAL ACTION COMMITTEES; TO AMEND PORTIONS OF ARKANSAS LAW RESULTING FROM INITIATED ACT 1 OF 1990 AND INITIATED ACT 1 OF 1996; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND ARKANSAS LAW CONCERNING REGISTRATION AND REPORTING BY APPROVED POLITICAL ACTION COMMITTEES; AND AMENDING PORTIONS OF ARKANSAS LAW RESULTING FROM INITIATED ACTS.

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

SECTION 1. Arkansas Code § 7-6-215, resulting from Initiated Act 1 of 1990 and Initiated Act 1 of 1996, is amended to read as follows:

7-6-215. Registration and reporting by approved political action committees.

(a)(1)(A) To qualify as an approved political action committee, the political action committee shall 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 political action committee has ceased to exist.

(C) ~~Registration~~ Except as provided in subdivision (a)(1)(D) of this section, 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 political action committee.

(D)(i) Registration with the Secretary of State under this section 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.

(ii) An electronic registration shall be verified by an officer of the political action committee.

(iii)(a) The Arkansas Ethics Commission shall approve a format used by the Secretary of State for registering as a political action committee in electronic form under subdivision (a)(1)(D)(i) of this section to ensure that all required information is requested.

(b) A format used by the Secretary of State for registering as a political action committee in electronic form shall provide that a registration filed in electronic form be rejected if it omits the name, street address, or telephone number of an individual designated as the resident agent for the political action committee.

(iii) The official website of the Secretary of State shall allow for searches of political action committee registration information filed in electronic form under subdivision (a)(1)(D)(i) of this section.

(2)(A) The political action committee shall maintain for a period of four (4) years records evidencing the name, address, and place of employment of each person that contributed to the political action committee, along with the amount contributed.

(B) Furthermore, the political action committee shall maintain for a period of four (4) years records evidencing the name and address of each candidate, ballot question committee, legislative question committee, political party, county political party committee, or other political action committee that received a contribution from the political action committee, along with the amount contributed.

(3)(A) The political action committee shall designate a resident agent who shall be an individual who resides in this state.

(B) No contribution shall be accepted from a political action committee and no expenditure shall be made by a political action committee that has not registered and does not have a resident agent.

(C) It shall be unlawful for a prohibited political action

committee as defined in § 7-6-201 to make a contribution to a:

- (i) Ballot question committee;
- (ii) Legislative question committee;
- (iii) Political party;
- (iv) Political party committee; or
- (v) Political action committee.

(4)(A) An out-of-state political action committee, including a federal political action committee, shall be required to comply with the registration and reporting provisions of this section if the committee contributes more than five hundred dollars (\$500) in a calendar year to candidates, ballot question committees, legislative question committees, political parties, county political party committees, or other political action committees within this state.

(B) Subdivision (a)(4)(A) of this section 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 under § 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 under § 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 political action committee and the name, address, phone number, and place of employment of each of its officers, provided if the political action 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 political action committee, including any individual business, organization, association, corporation, labor organization, or

other group or firm whose interests will be represented by the political action committee;

(3) The full name and street address, city, state, and zip code of each financial institution the political action committee uses for purposes of receiving contributions or making expenditures within this state;

~~(4) A written acceptance of designation as a~~ The name, street address, and telephone number of the individual designated as the resident agent for the political action committee;

(5) If the registration form is filed in paper form, a written acceptance of designation as a resident agent;

~~(5)(6)~~ A certification by a political action committee officer, under penalty of false swearing, that the information provided on the registration is true and correct; and

~~(6)(7)~~ A clause submitting the political action committee to the jurisdiction of the State of Arkansas for all purposes related to compliance with the provisions of this subchapter.

(c)(1) When a committee makes a change to any information required in subsection (b) of this section, an amendment shall 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)(1) Within fifteen (15) calendar days after the end of each calendar quarter, a political action committee shall 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 those totals;

(B) The current balance of political action committee funds;

(C) The name and address of each person that made a contribution or contributions to the political action 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;

(D) The name and address of each candidate, ballot

question committee, legislative question committee, political party, county political party committee, or other political action committee, if any, to whom or which the political action 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, ballot question committee, legislative question committee, political party, county political party committee, or other political action committee, if any, to whom or which the political action committee contributed a nonmonetary item, together with a description of the item, the date the item was contributed, and the value of the item; and

(F) The total amount of expenditures made for administrative expenses and for each single expenditure that exceeded one hundred dollars (\$100), an itemization including the amount of the expenditure, the name and address of the person to whom the expenditure was made, and the date the expenditure was made.

(2) Political action committee quarterly 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.

~~(2)(3)~~ The information required in subdivision (d)(1)(C)-(F) of this section may be provided in the form of schedules attached to ~~the a~~ report filed in paper form.

~~(3)(4)~~ The reports shall be verified by an affidavit of an officer of the political action 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 political action committee's contributions received and made.

~~(4)(A)(5)(A)~~ A report is timely filed if it is:

(i) either ~~delivered~~ 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 if the report is filed in paper form; or

(ii) 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 political action committee reports.

(B) The Secretary of State shall accept via facsimile any report filed in paper form 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 that is acceptable to the Secretary of State and approved by the Arkansas Ethics Commission.

(D) If the Secretary of State chooses to offer electronic filing of political action committee reports:

(i) The Arkansas Ethics Commission shall approve a format used by the Secretary of State for the filing of political action committee reports in electronic form under this section to ensure that all required information is requested; and

(ii) The official website of the Secretary of State shall allow for searches of political action committee report information filed in electronic form.

(6)(A) A political action 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.

(B)(i) If a fourth quarter report is filed in paper form, the form utilized by the Secretary of State for filing shall require the political action committee to indicate whether or not it intends to renew its registration for the next calendar year.

(ii) A political action 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.

(iii) The Secretary of State shall not accept a quarterly report for the fourth quarter if:

(a) The political action committee indicates that it intends to renew its registration for the next calendar year; and

(b) The registration form for the next calendar year is not submitted at the same time as the quarterly report for the fourth quarter.

(C) If the Secretary of State offers electronic filing of

political action committee reports, the format used by the Secretary of State for the filing of political action committee reports in electronic form shall require a political action 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.