

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

State of Arkansas  
91st General Assembly  
Regular Session, 2017

As Engrossed: S3/13/17  
**A Bill**

SENATE BILL 426

By: Senator D. Sanders  
By: Representative Davis

### **For An Act To Be Entitled**

AN ACT TO AMEND THE DISCLOSURE ACT FOR PUBLIC INITIATIVES, REFERENDA, AND MEASURES REFERRED TO VOTERS; CONCERNING REGISTRATION AND REPORTING REQUIREMENTS; CONCERNING FILING DEADLINES; AND FOR OTHER PURPOSES.

### **Subtitle**

TO AMEND THE DISCLOSURE ACT FOR PUBLIC INITIATIVES, REFERENDA, AND MEASURES REFERRED TO VOTERS; CONCERNING REGISTRATION AND REPORTING REQUIREMENTS; AND CONCERNING FILING DEADLINES.

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

SECTION 1. Arkansas Code § 3-8-703 is amended to read as follows:

3-8-703. Filing deadlines.

(a)(1)(A) A local-option ballot question committee shall file a Local-Option Ballot Question Committee Statement of Organization with the Arkansas Ethics Commission within five (5) days of receiving contributions or making expenditures in excess of five hundred dollars (\$500) for the purpose of expressly advocating the qualification, disqualification, passage, or defeat of a local-option ballot question.

(B) The commission shall maintain the statement of organization until notified of the committee's dissolution.

(2) A local-option ballot question committee failing to file a



statement of organization required by this section shall be subject to a late filing fee not to exceed fifty dollars (\$50.00) for each day the statement remains not filed.

(b) The statement of organization for a local-option ballot question committee as defined in § 3-8-702(7)(A) shall include the following information required by the statement of organization form prescribed by the Executive Director of the Arkansas Ethics Commission, and any further information the director may by regulation require.:

(1)(A) The name, the street address, and if available, the telephone number of the committee.

(B) A committee address and telephone number may be that of the residence of an officer or a director of the committee;

(2) The name, street address, and if available, the telephone number of the treasurer and other principal officers and directors of the committee;

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

(4) The name of each person who 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; and

(5) A brief statement identifying the substance of each ballot question, the qualification, disqualification, passage, or defeat of which the committee seeks to influence or of each legislative question, the passage or defeat of which the committee seeks to influence, and if known, the date each ballot or legislative question shall be presented to a popular vote at an election.

(c) The statement of organization for a local-option ballot question committee as defined in § 3-8-702(7)(B) shall include the following information:

(1)(A) The name, the street address, and if available, the telephone number of the committee.

(B) A committee's address and telephone number may be that of the residence of an officer or a director of the committee;

(2) The name, street address, and where available, the telephone number of the treasurer and the other principal officers and directors of the committee;

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

(4) The name of each person who 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; and

(5) A brief statement identifying the substance of each ballot question, the qualification, disqualification, passage, or defeat of which the committee seeks to influence, and if known, the date each ballot or legislative question shall be presented to a popular vote at an election.

~~(e)(d)~~ Rules regarding dissolution shall be governed by the rule of the commission.

~~(d)(1)~~ (e)(1) Upon dissolution, a local-option ballot question committee shall notify the commission of the dissolution in writing.

(2) Any remaining funds on hand at the time of dissolution shall be turned over to:

(A) The Treasurer of State for the benefit of the General Revenue Fund Account of the State Apportionment Fund;

(B) An organized political party as defined in § 7-1-101 or a political party caucus of the General Assembly, the Senate, or the House of Representatives;

(C) A nonprofit organization that is exempt from taxation under the Internal Revenue Code, 26 U.S.C. § 501(c)(3);

(D) Cities of the first class, cities of the second class, or incorporated towns; or

(E) The contributors to the local-option ballot question committee.

SECTION 2. The introductory language of Arkansas Code § 3-8-706(2)(A), concerning information to be contained in a financial report of a local-option ballot, is amended to read as follows:

(2)(A) For a local-option ballot question committee as defined in § 3-8-702(7)(A):

SECTION 3. Arkansas Code § 3-8-706(2)(A)(x), concerning information to be contained in a financial report of a local-option ballot, is repealed.

~~(x) A list of all paid canvassers, officers, and~~

~~directors and the amount each person was paid;~~

SECTION 4. Arkansas Code § 3-8-706(2)(B) and (C), concerning information to be contained in a financial report of a local-option ballot, are amended to read as follows:

(B) For a local-option ballot question committee as defined in § 3-8-702(7)(B):

(i) The total amount of contributions made by the committee to another ballot or legislative question committee reported during the period covered by the financial report; and

(ii) The cumulative amount of contributions under subdivisions (2)(B)(i) of this section.

~~(B)~~(C) For an individual person:

(i) The total amount of expenditures made by the individual person or on behalf of the individual person by an advertising agency, public relations firm, or political consultant during the period covered by the financial report; and

(ii) The cumulative amount of expenditures for each local-option ballot question.

~~(C)~~(D) For an elected official using public funds:

(i) The total amount of expenditures made by the elected official using public funds or on behalf of the elected official using public funds by an advertising agency, public relations firm, or political consultant during the period covered by the financial report; and

(ii) The cumulative amount of expenditures for each local-option ballot question; and

SECTION 5. The introductory language of Arkansas Code § 7-6-207(a)(1), concerning reports of contributions, is amended to read as follows:

7-6-207. Reports of contributions – Candidates for state or district office ~~other than school district, township, municipal, or county office,~~ etc.

(a) Reports Required.

(1) Except as provided in subsections (c) and (e) of this section, each candidate for state or district office, ~~other than a school district, township, municipal, or county office~~ including a district judge,

or a person acting in the candidate's behalf, shall file with the Secretary of State:

SECTION 6. Arkansas Code § 7-9-404 is amended to read as follows:

7-9-404. Filing deadlines.

(a)(1)(A) A ballot question committee or a legislative question committee shall file a statement of organization with the Arkansas Ethics Commission within five (5) days of receiving contributions or making expenditures in excess of five hundred dollars (\$500) for the purpose of expressly advocating the qualification, disqualification, passage, or defeat of a ballot question or the passage or defeat of a legislative question.

(B) The commission shall maintain the statement of organization until notified of the committee's dissolution.

(2) A ballot question committee or legislative question committee failing to file a statement of organization required by this section shall be subject to a late filing fee not exceeding fifty dollars (\$50.00) for each day the statement remains not filed.

(b) The statement of organization for a ballot question committee as defined in § 7-9-402(2)(A) or a legislative question committee as defined in § 7-9-402(10)(A) shall include the following information:

(1) 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 a director of the committee;

(2) The name, street address, and ~~where~~ if available, the telephone number of the treasurer and other principal officers and directors of the committee;

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

(4) The name of each person who 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; and

(5) A brief statement identifying the substance of each ballot question, the qualification, disqualification, passage, or defeat of which the committee seeks to influence or of each legislative question, the passage or defeat of which the committee seeks to influence, and if known, the date each ballot or legislative question shall be presented to a popular vote at

an election.

(c) The statement of organization for a ballot question committee as defined in § 7-9-402(2)(B) or a legislative question committee as defined in § 7-9-402(10)(B) shall include:

(1)(A) The name, the street address, and if available, the telephone number of the committee.

(B) The address and telephone number of a committee in subdivision (c)(1)(A) of this section may be that of the residence of an officer or a director of the committee;

(2) The name, street address, and if available, the telephone number of the treasurer and the other principal officers and directors of the committee;

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

(4)(A) The name of each person who is a member of the committee.

(B) A person that is not an individual may be listed by its name without also listing its own members, if any; and

(5) A brief statement identifying the substance of each ballot question, the qualification, disqualification, passage, or defeat of which the committee seeks to influence, and if known, the date each ballot or legislative question shall be presented to a popular vote at an election.

~~(e)~~(d) 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 financial report is required. A committee failing to file a change as required shall be subject to a late filing fee not exceeding twenty-five dollars (\$25.00) for each day the change remains not filed.

~~(d)~~(e) Upon dissolution, a ballot question committee or a legislative question committee shall ~~se~~ notify the commission in writing. Any remaining funds on hand at the time of dissolution shall be turned over to either:

(1) The Treasurer of State for the benefit of the General Revenue Fund Account of the State Apportionment Fund;

(2) An organized political party as defined in § 7-1-101 or a political party caucus of the General Assembly, the Senate, or House of Representatives;

(3) A nonprofit organization that is exempt from taxation under

Section 501(c)(3) of the Internal Revenue Code;

(4) Cities of the first class, cities of the second class, or incorporated towns; or

(5) The contributors to the ballot or legislative question committee.

SECTION 7. Arkansas Code § 7-9-406(g), concerning requirements for financial reports, is amended to read as follows:

(g) A final financial report as described in § 7-9-409(a)(3) is required regardless of whether a ballot question committee, legislative question committee, individual, or elected official received contributions or made expenditures in excess of five hundred dollars (\$500).

SECTION 8. The introductory language of Arkansas Code § 7-9-407(2)(A), concerning the information contained in a financial report, is amended to read as follows:

(2)(A) For a ~~committee~~ ballot question committee as defined in § 7-9-402(2)(A) or a legislative question committee as defined in § 7-9-402(10)(A):

SECTION 9. Arkansas Code § 7-9-407(2)(A)(x), concerning the information to be included in a financial report, is repealed.

~~(x) A list of all paid canvassers, officers, and directors and the amount each person was paid;~~

SECTION 10. Arkansas Code § 7-9-407(2)(B) and (C), concerning information to be contained in an financial report, is amended to read as follows:

(B) For a ballot question committee as defined in § 7-9-402(2)(B) or a legislative question committee as defined in § 7-9-402(10)(B) shall include the following information:

(i) The total amount of contributions made by the committee to another ballot or legislative question committee reported during the period covered by the financial report; and

(ii) The cumulative amount of contributions under subdivisions (2)(B)(i) of this section.

~~(B)~~(C) For an individual person:

(i) The total amount of expenditures made by the individual person or on behalf of the individual person by an advertising agency, public relations firm, or political consultant during the period covered by the financial report; and

(ii) The cumulative amount of expenditures for each ballot question or legislative question; and

~~(C)~~(D) For an elected official using public funds:

(i) The total amount of expenditures made by the elected official using public funds or on behalf of the elected official using public funds by an advertising agency, public relations firm, or political consultant during the period covered by the financial report; and

(ii) The cumulative amount of expenditures for each ballot question or legislative question; and

SECTION 11. Arkansas Code § 21-8-703(a)(6), concerning place and manner of filing a statement of financial interest, is amended to read as follows:

(6) District judges shall file with the ~~county clerk~~ Secretary of State.

*/s/D. Sanders*