

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

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: S3/5/25

A Bill

SENATE BILL 351

By: Senator J. Dismang
By: Representative Eaves

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING ETHICS AND
CAMPAIGN FINANCE; TO AMEND PORTIONS OF INITIATED ACT
1 OF 1990; TO AMEND PORTIONS OF INITIATED ACT 1 OF
1996; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING ETHICS AND
CAMPAIGN FINANCE; TO AMEND PORTIONS OF
INITIATED ACT 1 OF 1990; AND TO AMEND
PORTIONS OF INITIATED ACT 1 OF 1996.

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

SECTION 1. Arkansas Code § 7-6-203(a)(1), concerning a candidate's acceptance of campaign contributions and resulting from Initiated Act 1 of 1996, is amended to add an additional subdivision to read as follows:

(C) It shall be unlawful for a prospective contributor other than those under subdivisions (a)(1)(A)(i)-(vi) of this section to make a contribution to:

(i) A candidate for public office; or

(ii) A person acting on the candidate's behalf.

SECTION 2. Arkansas Code § 7-6-203(f)(4)(A)(iii), concerning a candidate's acceptance of campaign funds as personal income and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(iii) If a candidate or officeholder is assessed a fine by the Arkansas Ethics Commission under § 7-6-218(b)(4)(B) for the use



of campaign funds as personal income, a candidate or officeholder shall not use campaign funds or ~~carryover~~ remaining campaign funds to pay the fine.

SECTION 3. Arkansas Code § 7-6-203(g)(2)(E), concerning a candidate's acceptance of campaign funds as personal income and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(E) If a candidate or officeholder uses campaign funds or ~~carryover~~ remaining campaign funds to pay a fine imposed by the Arkansas Ethics Commission under § 7-6-218(b)(4)(B) for the use of campaign funds as personal income, the candidate or officeholder shall be deemed to have taken campaign funds as personal income.

SECTION 4. Arkansas Code § 7-6-206(a), concerning records of contributions and expenditures for campaign finance, is amended to read as follows:

(a) A candidate, ~~a political party, or~~ a person acting in the candidate's behalf, a political party, a county political party committee, a political action committee, an independent expenditure committee, or a person making independent expenditures shall keep records of all contributions and expenditures in a manner sufficient to evidence compliance with ~~§§ 7-6-207—7-6-210~~ § 7-6-201 et seq.

SECTION 5. Arkansas Code § 7-6-207(a)(1)(F), concerning records of contributions and expenditures for campaign finance and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(F)(i) If a candidate keeps remaining campaign funds after an election, but does not have any activity before the end of the year, the candidate shall not be required to file a fourth quarter report.

(ii) If a candidate keeps remaining campaign funds ~~and~~ or raises campaign funds for a future campaign, or expends campaign funds for office holder expenses or a future election, the candidate shall continue filing the reports required by this subsection.

(iii) If a candidate keeps remaining campaign funds after an election, the candidate shall continue filing the reports required by this subsection.

SECTION 6. Arkansas Code § 7-6-207(b)(2)(B), concerning records of contributions and expenditures for campaign finance and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(B) If a candidate's campaign has ended and the candidate is retaining remaining campaign funds, the final report shall also indicate the amount of funds retained by the candidate ~~in accordance with § 7-6-201(3) [repealed]~~ as remaining campaign funds.

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

(2)(A) When the candidate's campaign has ended, the final report shall also indicate which option under § 7-6-203(g) was used to dispose of any surplus of campaign funds, the amount of funds disposed of by the candidate, and the amount of funds retained by the candidate ~~in accordance with § 7-6-201(3) [repealed]~~ as remaining campaign funds.

SECTION 8. Arkansas Code § 7-6-209(b)(2)(A), concerning reports of contributions for candidates for county offices and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(2)(A) When the candidate's campaign has ended, the final report shall also indicate which option under § 7-6-203(g) was used to dispose of any surplus of campaign funds, the amount of funds disposed of by the candidate, and the amount of funds retained by the candidate ~~in accordance with § 7-6-201(3) [repealed]~~ as remaining campaign funds.

SECTION 9. Arkansas Code § 7-6-215(d)(6), concerning registration and reporting by approved political action committees and resulting from Initiated Act 1 of 1996, is amended to read as follows:

~~(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 terminate its registration for the next calendar year.~~

~~(B) If a quarterly report for the fourth quarter 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 terminate its registration for the next calendar year.~~

~~(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 terminate its registration for the next calendar year to terminate its registration for the next calendar year before submitting its quarterly report for the fourth quarter.

~~(D)~~(B) If a political action committee does not file any quarterly reports for a period of two (2) years, the Secretary of State shall terminate the political action committee's registration due to inactivity.

SECTION 10. Arkansas Code § 7-6-216(c), concerning registration and reports by exploratory committees and resulting from Initiated Act 1 of 1990, is amended to read as follows:

(c) ~~Within thirty (30) days of the end of each month,~~ No later than twenty (20) days after the end of each month, an exploratory committee shall file a report with the appropriate filing office indicating:

(1) The total amount of contributions received during the filing period;

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

(3) The total amount of expenditures made and, for each single expenditure that exceeds 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.

SECTION 11. Arkansas Code § 7-6-220(a)(1)(B), concerning the report of independent expenditures and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(B) Each subsequent report shall be filed no later than ~~fifteen (15)~~ twenty (20) days after the end of each month until the election is held, except as required in subdivision (a)(1)(C) of this section.

SECTION 12. Arkansas Code § 7-6-227(a)(1)(A), concerning registration by an independent expenditure committee, is amended to read as follows:

(a)(1)(A) An independent expenditure committee shall register with the Secretary of State within fifteen (15) days after accepting contributions or making independent expenditures that exceed ~~five hundred dollars (\$500)~~ two hundred dollars (\$200) in the aggregate during a calendar year.

SECTION 13. Arkansas Code § 7-6-228(c)(2), concerning campaign signs and campaign materials, is amended to read as follows:

(2) Subdivision (c)(1)(A) of this section applies only to campaign signs, campaign literature, and other printed campaign materials created by or sponsored by a political candidate, the campaign of a political candidate, a political action committee, ~~or~~ an independent expenditure committee, or persons making independent expenditures.

SECTION 14. Arkansas Code § 7-9-402(2)(B), concerning the definition of "ballot question committee" as it relates to matters referred to voters, is amended to read as follows:

(B) A person other than an individual or an approved political action committee as defined in § 7-6-201, located within or outside Arkansas, also qualifies as a ballot question committee if an amount equal to two percent (2%) or more of its annual revenues, operating expenses, or funds are for the most recently completed year is used to make a contribution or contributions to another ballot question committee and if the contribution or contributions exceed ten thousand dollars (\$10,000) in value;

SECTION 15. Arkansas Code § 7-9-402(10)(B), concerning the definition of "legislative question committee" as it relates to matters referred to voters, is amended to read as follows:

(B) A person other than an individual or an approved political action committee as defined in § 7-6-201, located within or outside Arkansas, also qualifies as a legislative question committee if an amount equal to two percent (2%) or more of its annual revenues, operating expenses, or funds are for the most recently completed year is used to make a contribution or contributions to another legislative question committee and if the contribution or contributions exceed ten thousand dollars (\$10,000) in

value;

SECTION 16. Arkansas Code § 7-9-409(a)(3), concerning time for filing financial reports for matters referred to voters, is amended to read as follows:

(3)(A) ~~Furthermore, a~~ A final financial report shall be filed no later than thirty (30) days after the election.

(B) If a ballot question fails to qualify for the ballot or is disqualified, the final financial report required under subdivision (a)(3)(A) of this section shall be filed no later than thirty (30) days after the end of the month in which the ballot question fails to qualify for the ballot or is disqualified.

SECTION 17. Arkansas Code Title 7, Chapter 9, Subchapter 4, is amended to add an additional section to read as follows:

7-9-416. Contributions and expenditures for campaign signs, campaign literature, and printed campaign materials.

(a) A ballot question committee, a legislative question committee, an individual person, or an elected official who receives contributions or makes expenditures to support or oppose a ballot question or legislative question:

(1) May reuse the campaign signs, campaign literature, and other printed campaign materials in future initiative campaigns that have been properly reported in a previous campaign by that committee, individual person, or elected official; and

(2) Is not required to list the campaign signs, campaign literature, and other printed campaign materials under subdivision (a)(1) of this section in future reports filed under this subchapter.

(b)(1) Campaign signs, campaign literature, and other printed campaign materials under subsection (a) of this section shall clearly contain the words "Paid for by" followed by the name of the committee, individual person, or elected official who paid for the campaign sign, campaign literature, or other printed campaign materials.

(2) The ballot question committee, legislative question committee, individual person, or elected official printing the campaign sign, campaign literature, or other printed campaign materials shall be responsible for including the language required under subdivision (b)(1) of this section.

SECTION 18. Arkansas Code § 21-8-703(a), concerning the place and manner for filing a statement of financial interest, is amended to add an additional subdivision to read as follows:

(7) Executive directors of education service cooperatives required to file shall file with the county clerk.

/s/J. Dismang