State of South Dakota

NINETY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2017

400Y0310

SENATE STATE AFFAIRS ENGROSSED NO. SB 54 -
2/22/2017

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: The Committee on Legislative Procedure at the request of the Office of the Secretary of State

FOR AN ACT ENTITLED, An Act to revise certain provisions regarding campaign finance requirements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That section 3 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 3. That § 12-27-1 be amended to read:

12-27-1. Terms used in this chapter mean:

(1) "Ballot question," any referendum, initiative, proposed constitutional amendment, or other measure submitted to voters at any election;

(2) "Ballot question committee," a person or ~~organization~~ entity that raises, collects, or disburses contributions for the placement of ~~a~~ any ballot question on the ballot or the adoption or defeat of any ballot question. A ballot question committee is not a person~~,~~ or political committee~~, or political party~~ that makes a contribution to a ballot question committee. A ballot question committee is not an ~~organization~~ entity that

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Insertions into existing statutes are indicated by underscores.
Deletions from existing statutes are indicated by ~~overstrikes~~.

makes a contribution to a ballot question committee from treasury funds;

(3) "Candidate campaign committee," any ~~entity~~ committee organized by a candidate to receive contributions and make expenditures for the candidate. Only one candidate campaign committee may be organized for each candidate and only one statewide candidate campaign committee may be organized for each candidate. A candidate may, simultaneously, have both a legislative campaign committee and a statewide campaign committee;

(4) "Candidate," any person who seeks nomination for or election to public office. A person is a candidate if the person raises, collects, or disburses contributions in excess of five hundred dollars; has authorized the solicitation of contributions or the making of expenditures; has been certified as a candidate by a political party or has created a candidate campaign committee for the purpose of obtaining public office; or has taken all actions required by state law to qualify for nomination for or election to public office;

(5) "Clearly identified," the appearance of the name, nickname, a photograph or a drawing of a candidate or public office holder, or the unambiguous reference to the identity of a candidate or public office holder;

(6) "Contribution," any gift, advance, distribution, deposit, or payment of money or any other valuable consideration, or any contract, promise or agreement to do so; any discount or rebate not available to the general public; any forgiveness of indebtedness or payment of indebtedness by another person; or any use of services or property without full payment or that is provided by any person~~,~~ or political committee~~, or political party~~ whose primary business is to provide services or property, made for the purpose of influencing:

(a) The nomination, election, or re-election of any person to public office; or

(b) The placement of a ballot question on the ballot or the adoption or defeat of any ballot question submitted.

The term does not include services provided by a person as a volunteer for or on behalf of any candidate~~,~~ or political committee~~, or political party,~~ including the free or discounted use of a person's residence. Nor does the term include the purchase of any item of value or service from any political committee~~ or political party~~. The purchase price of the item may not exceed the fair market value and may not include an intent to contribute beyond the item's value. A contribution does not include administration ~~or~~ and solicitation of a contribution for a political action committee established by an ~~organization~~ entity or its associated expenses, nor the use of an ~~organization's~~ entity's real or personal property located on its business premises for such purposes. A contribution does not include nominal use of a candidate's real or personal property or nominal use of resources available at a candidate's primary place of business;

(7) "County office," any elected office at a county in this state;

(8) "Election," any election for public office; any general, special, primary, or runoff election; and any election on a ballot question;

(9) "Expressly advocate," any communication that:

(a) In context has no other reasonable meaning than to ~~encourage~~ urge the election or defeat of one or more clearly identified candidates, or public office holders, or the placement of a ballot question on the ballot or the adoption or defeat of any ballot question using explicit words of advocacy of election or defeat such as: vote, re-elect, support, cast your ballot for, reject, and defeat; or

(b) If taken as a whole and with limited reference to external events, such as the proximity to the election, may only be interpreted by a reasonable person as containing advocacy of the election or defeat of one or more clearly identified candidates or public office holders, or the placement of a ballot question on the ballot or the adoption or defeat of any ballot question because:

(i) The electoral portion of the communication is unmistakable, unambiguous, ~~or~~ and suggestive of only one meaning; and

(ii) Reasonable minds could not differ as to whether it encourages actions to elect or defeat one or more clearly identified candidates or public office holders, or the placement of a ballot question on the ballot or the adoption or defeat of any ballot question or encourages some other kind of action;

(10) "Immediate family," a spouse of a candidate or public office holder; a person under the age of eighteen years who is claimed by that candidate or public office holder or that candidate's or public office holder's spouse as a dependent for federal income tax purposes; or any relative within the third degree of kinship of the candidate or the candidate's spouse, and the spouses of such relatives;

(11) "Independent communication expenditure," an expenditure, including the payment of money or exchange of other valuable consideration or promise, made by a person, ~~organization,~~ entity, or political committee~~, or political party to expressly advocate the election or defeat of a clearly identified~~ for a communication concerning a candidate or ~~the placement of~~ a ballot question ~~on the ballot or the adoption or defeat of any ballot question, but~~ which is not made to, controlled by, coordinated with, requested by, or made upon consultation with a candidate, political committee, or

agent of a candidate or political committee. The term does not include administration ~~or~~ and solicitation ~~or~~ of any contribution for a political action committee established by an ~~organization~~ entity and associated expenses, nor the use of an ~~organization's~~ entity's real or personal property located on it business premises for such purposes. The term does not include any communication by a person made in the regular course and scope of the person's business or ministry or any communication made by a membership organization solely to any member of the organization and the member's family;

(12) "~~In-kind~~ Donated good or service," a good or service provided at no charge or for less than its fair market value. The term does not include the value of services provided by a person as a volunteer for or on behalf of any candidate~~,~~ or political committee~~, or political party,~~ including the free or discounted use of the volunteer's residence or office;

(12A) "Itemize," to create a detailed list including the amount spent, what the funds were spent on, or donated to, and the contributor's name and mailing address;

(13) "Legislative office," the Senate and the House of Representatives of the South Dakota Legislature;

(14) "Loan," a transfer of money, property, guarantee, or anything of value in exchange for an obligation, conditional or not, to repay in whole or part;

(14A) "Mailing address," includes street or PO Box, city, state, and zip code;

(15) "~~Organization~~ Entity," any business corporation, limited liability company, nonprofit corporation, limited liability partnership, limited liability limited partnership, partnership, cooperative, trust except for a trust account representing or containing only a contributor's personal funds, a business trust, association, club, labor union,

or collective bargaining organization; any local, state, or national organization to which a labor organization pays membership or per capita fees, based upon its affiliation ~~or~~ and membership; any trade or professional association that receives its funds from membership dues or service fees, whether organized inside or outside the state; any other entity ~~organized in a corporate form under federal law or the laws of this state~~ of any kind, except a natural person that is, has been, or could be recognized by law; or any group of persons acting in concert that is not defined as a political committee ~~or political party~~ in this chapter except, an entity is not a candidate, a public office holder, or a political committee;

(16) "Person," a natural person;

(17) "Political action committee," any person or ~~organization~~ entity that raises, collects or disburses contributions to influence the outcome of an election and who is not a candidate, public officer holder, candidate campaign committee, ballot question committee, or a political party. A political action committee is not any:

(a) Person who makes a contribution to a political committee ~~or political party~~; or

(b) ~~Organization~~ Entity that makes a contribution to a ballot question committee from treasury funds;

(18) "Political committee," any candidate campaign committee, political action committee, political party, or ballot question committee;

(19) "Political party," any state or county political party qualified to participate in a primary or general election, including any auxiliary organization of such political party. An auxiliary organization is any organization designated as an auxiliary organization in ~~a~~ the political party's bylaws or constitution except any auxiliary

organization that only accepts contributions to support volunteer activities of the organization and does not make monetary ~~or in-kind~~ contributions or contribute donated goods or services or any independent communication expenditures to any political committee except a political party;

(20) ~~"Public office," any statewide office, legislative office, or county office;~~

~~(21)~~ "Statewide office," the office of Governor, lieutenant governor, secretary of state, attorney general, state auditor, state treasurer, commissioner of school and public lands, and public utilities commissioner;

(21) "Treasurer," the treasurer is:

(a) The person who is designated as and has agreed to serve as the person responsible for each required filing that a committee is required to make under this title; and

(b) The person who may be responsible for any monetary penalty assessed in accordance with this chapter.

If a candidate is not the treasurer of the candidate's campaign committee, the penalty of a candidate being decertified, pursuant to this chapter, remains.

Notwithstanding any other provisions of law, a candidate is jointly and severally responsible with the treasurer of the candidate's campaign committee for each monetary fine and penalty imposed by this chapter;

(22) "Treasury funds," funds of an ~~organization~~ entity not raised or collected from any other source for the purpose of influencing a ballot question;

(23) "Volunteer," any person who provides services free of charge.

Section 2. That § 12-27-2 be amended to read:

12-27-2. A political committee shall have and continually maintain a chair and a treasurer~~;~~

~~which may be the same person. The chair and treasurer for a candidate campaign committee shall be appointed by the candidate, and the candidate may serve as either, or both, such officers~~. One person may serve as chair, candidate, treasurer, or any combination thereof. No political committee may receive or make contributions or pay expenses while the office of treasurer is vacant. A violation of this section is a Class 2 misdemeanor.

Section 3. That § 12-27-3 be amended to read:

12-27-3. The treasurer for a political action committee shall file a statement of organization with the secretary of state not later than fifteen days after the date upon which the committee made contributions, received contributions, or paid expenses in excess of five hundred dollars. However, if such activity falls within thirty days of any statewide election, the statement of organization shall be filed within forty-eight hours. ~~A~~

Notwithstanding the provisions above, a candidate shall file a statement of organization for a candidate campaign committee with the secretary of state not later than fifteen days after becoming a candidate pursuant to this chapter. The statement of organization may be filed electronically pursuant to § 12-27-41.

If the treasurer for a ballot question committee does not file a statement of organization pursuant to chapter 2-1, the treasurer shall file a statement of organization with the secretary of state not later than fifteen days after the date which the committee made contributions, received contributions, or paid expenses in excess of five hundred dollars. However, if such activity falls within thirty days of any statewide election, the statement of organization shall be filed within forty-eight hours.

A political committee that regularly files a campaign finance disclosure statement with another state or the Federal Election Commission or a report of contributions and expenditures with the Internal Revenue Service is not required to file a statement of organization. A violation

of this section is a ~~Class 2~~ Class 1 misdemeanor.

Section 4. That § 12-27-4 be repealed.

~~12-27-4. A political committee may incorporate and not be subject to the provisions of § 12-27-18 if the political committee incorporates for liability purposes only. Notwithstanding the corporate status of the political committee, the treasurer of an incorporated political committee remains personally responsible for carrying out the treasurer's duties under this chapter.~~

Section 5. That § 12-27-5 be repealed.

~~12-27-5. A political committee created prior to July 1, 2007 that has not filed a termination statement shall file a statement of organization with the secretary of state not later than fifteen days after this chapter becomes effective. A violation of this section is a Class 2 misdemeanor.~~

Section 6. That § 12-27-6 be amended to read:

12-27-6. The statement of organization shall include:

(1) The name, ~~street address, postal address, and daytime~~ mailing address, and street address if different than the mailing address, and telephone number of the committee;

(2) The name, ~~street address, postal address, and daytime~~ mailing address, and street address if different than the mailing address, and telephone number of the chair and the treasurer of the committee;

(3) A statement of the type of political committee that has been or is being organized;

(4) In the case of a candidate campaign committee, the name of the candidate, the name of the candidate's committee~~ name, street address, and name and postal address of the candidate~~, office the candidate is seeking, mailing address, and the street address if different than the mailing address; and

(5) In the case of a political action committee or ballot question committee, a concise statement of its purpose and goals, and the full name, ~~street address, and postal~~

~~address~~ mailing address, and the street address if different than the mailing address of the ~~organization~~ entity with which the committee is connected or affiliated, or if the committee is not connected or affiliated with any one ~~organization~~ entity, the trade, profession, or primary interest of the committee.

The statement shall be signed by the candidate and treasurer for a candidate campaign committee and by the chair and treasurer for other political committees ~~or~~ and filed ~~electronically~~ pursuant to § 12-27-41. A political committee continues to exist until a termination statement is filed pursuant to §§ 12-27-25 and 12-27-26.

The treasurer of a political committee shall file an updated statement of organization not later than fifteen days after any change in the information contained on the most recently filed statement of organization.

Any correspondence regarding reporting deadlines, delinquent reports, administrative penalties, and administrative hearings may only be sent to the treasurer listed on the most current statement of organization on file.

Section 7. That section 4 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 4. That § 12-27-7 be amended to read:

12-27-7. If a contributor is a person or an entity, no candidate for statewide office or the candidate's campaign committee may accept any contribution that in the aggregate exceeds four thousand dollars during any calendar year. If the contributor is a political action committee, no candidate for statewide office or the candidate's campaign committee may accept any contribution that in the aggregate exceeds ten thousand dollars during any calendar year. A candidate campaign committee may accept unlimited contributions from any candidate campaign committee or political party. A candidate campaign committee may only accept

contributions from any candidate campaign committee, political action committee, entity, person, or political party pursuant to the limits stated in this chapter. The limitation on any contribution from a person in this section does not apply to any contribution by the candidate or the candidate's immediate family. A violation of this section is a Class 1 misdemeanor.

Section 8. That section 5 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 5. That § 12-27-8 be amended to read:

12-27-8. If the contributor is a person or entity, no candidate for legislative or county office or the candidate's campaign committee may accept any contribution that in the aggregate exceeds one thousand dollars during any calendar year. If the contributor is a South Dakota political action committee, no legislative or county candidate may accept any contribution that in the aggregate exceeds ten thousand dollars in any calendar year. A candidate campaign committee may accept unlimited contributions from any candidate campaign committee or political party. A candidate campaign committee may only accept contributions from any candidate campaign committee, entity, political action committee, or political party pursuant to the limits stated in this chapter.

The limitation on any contribution from a person in this section does not apply to any contribution by the candidate or the candidate's immediate family. A violation of this section is a Class 1 misdemeanor.

Section 9. That section 6 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 6. That § 12-27-9 be amended to read:

12-27-9. If the contributor is a person ~~or an organization~~, entity, political action committee, ballot question committee, non-South Dakota candidate committee, out-of-state political action

committee, federal political action committee, or federal candidate committee, no political action committee may accept any contribution that in the aggregate exceeds ten thousand dollars during any calendar year. A political action committee may also accept unlimited contributions from any candidate campaign committee~~, political action committee,~~ or political party. A violation of this section is a Class 1 misdemeanor.

Section 10. That section 7 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 7. That § 12-27-10 be amended to read:

12-27-10. If the contributor is a person or an entity, no political party may accept any contribution that in the aggregate exceeds ten thousand dollars during any calendar year. If the contributor is a political action committee, no political party may accept any contribution that in the aggregate exceeds ten thousand dollars during any calendar year. A political party may accept unlimited contributions from any candidate campaign committee~~, political action committee,~~ or political party, but may not accept any contribution from a ballot question committee. A violation of this section is a Class 1 misdemeanor.

Section 11. That chapter 12-27 be amended by adding a NEW SECTION to read:

Solicitation, receipt, direction, transfer, or spending of funds in connection with an election are subject to limitations and requirements of this chapter. A candidate, person holding statewide or legislative office, agent of a candidate or a person holding statewide or legislative office, or an entity directly or indirectly established, financed, maintained, or controlled by or acting on behalf of one or more candidates or persons holding statewide or legislative office, may not solicit, receive, direct, transfer, or spend funds in connection with an election unless the funds are subject to the limitations, prohibitions, and reporting requirements of this chapter.

Section 12. That section 11 of the enrolled version of HB 1069 as previously enacted by the

Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 11. That § 12-27-11 be amended to read:

12-27-11. No person, ~~organization~~ entity, candidate, or political committee~~, or political party~~ may give or accept a contribution unless the name~~ and residence address~~, mailing address, city and state of the contributor is made known to the person, entity, candidate, or political committee receiving the contribution. In the case of an entity or a political committee, a mailing address of the contributor in conjunction with the contributor's city and state, shall be made known to the candidate or political committee receiving the contribution. Any contribution, money, or other thing of value received by a candidate~~,~~ or political committee~~, or political party~~ from an unknown source shall be donated to a nonprofit charitable ~~organization~~ entity. A violation of this section is a ~~Class 2~~ Class 1 misdemeanor.

Section 13. That section 12 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 12. That § 12-27-12 be amended to read:

12-27-12. No person or ~~organization~~ entity may make a contribution in the name of another person or ~~organization~~ entity, make a contribution disguised as a gift, make a contribution in a fictitious name, make a contribution on behalf of another person or ~~organization~~ entity, or knowingly permit another to use that person's or ~~organization's~~ entity's name to make a contribution. No candidate may knowingly accept a contribution disguised as a gift. A violation of this section is a Class 1 misdemeanor.

Section 14. That section 13 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 13. That § 12-27-13 be amended to read:

12-27-13. Equipment, supplies, and materials purchased with contributions are property of

the political committee ~~or political party,~~ and are not property of the candidate or any other person.

Section 15. That section 14 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 14. That § 12-27-15 be amended to read:

12-27-15. Any printed material or communication made, purchased, paid for, or authorized by a candidate~~,~~ or political committee~~, or political party~~ that ~~expressly advocates for or against~~ disseminates information concerning a candidate, public office holder, ballot question, or political party shall prominently display or clearly speak the statement: "Paid for by (name of candidate~~,~~ or political committee~~, or political party~~)." This section does not apply to buttons, balloons, pins, pens, matchbooks, clothing, or similar small items upon which the inclusion of the statement would be impracticable. A violation of this section is a Class 1 misdemeanor.

Section 16. That section 15 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 15. That § 12-27-16 be amended to read:

12-27-16. The following apply to independent communication expenditures by persons and ~~organizations~~ entities related to communications ~~advocating for or against~~ concerning candidates, public office holders, ballot questions, or political parties who are not controlled by, coordinated with, requested by, or made upon consultation with a candidate, political committee, or agent of a candidate or political committee:

(1) Any person or ~~organization making~~ entity that makes a payment or promise of payment totaling more than one hundred dollars ~~or more~~, including ~~an in-kind contribution, for a~~ donated goods or services for an independent communication expenditure that ~~expressly advocates for or against~~ concerns a candidate, public

office holder, ballot question, or political party shall append to or include in each communication a disclaimer that clearly and forthrightly:

(a) Identifies the person or ~~organization~~ entity making the independent communication expenditure for that communication;

(b) States the mailing address ~~or~~ and website address, if applicable, of the person or ~~organization~~ entity;

(c) ~~States that the communication is independently funded and not made in consultation with any candidate, political party, or political committee; and~~

~~(d) If an independent expenditure is undertaken by an organization not including a candidate, public office holder, political party, or political committee, the following notation must be included: "Top Five Contributors," including a listing of the names of the five persons making the largest contributions in aggregate to the organization during the twelve months preceding that communication~~ An independent communication expenditure made by a person or entity shall include the following: "This communication is independently funded and not made in consultation with any candidate, public office holder, or political committee.".

A violation of this subdivision is a Class 1 misdemeanor;

(2) Any person or ~~organization~~ entity making a payment or promise of payment of more than one hundred dollars ~~or more~~, including ~~an in-kind contribution~~ donated goods and services, for a communication described in subdivision (1) shall file ~~a~~ an independent communication expenditure statement within forty-eight hours of the time that the communication is disseminated, broadcast, or otherwise published;

(3) The independent communication expenditure statements required by this section

shall ~~include the name, street address, city, and state of the person or organization and, any expenditures made for communications described in subdivision (1) during that calendar year but not yet reported on a prior statement, the name of each candidate, public office holder, ballot question, or political party mentioned or identified in each communication, the amount spent on each communication, and a description of the content of each communication. For an organization, the statement shall also include the name and title of the person filing the report, the name of its chief executive, if any, and the name of the person who authorized the expenditures on behalf of the organization~~:

(a) Identify the person or entity making the expenditure;

(i) Including mailing address, city, and state of a person; or

(ii) If an entity, the mailing address, city, and state, and website address if applicable; and

(iii) Identify any expenditures made for communications described in subdivision (1) during the current calendar year but not yet reported on a prior statement, the name of each candidate, public office holder, ballot question, or political party mentioned or identified in each communication, the amount spent on each communication, and a description of the content of each communication; and

(b) For an entity, the independent communication expenditure statement shall also include the name and title of the person filing the report, the name of its chief executive, if any, and the name of the person who authorized the expenditures on behalf of the entity;

(4) For an ~~organization~~ entity whose majority ownership is owned by, controlled by, held

for the benefit of, or comprised of twenty or fewer persons, partners, owners, trustees, beneficiaries, participants, members, or shareholders, the statement shall identify by name and mailing address each person, partner, owner, trustee, beneficiary, participant, shareholder, or member who owns, controls, or comprises ten percent or more of the ~~organization~~ entity;

(5) ~~For an organization, supplemental~~ An entity shall also provide statements, as defined in subdivision (3), for any of its partners, owners, trustees, beneficiaries, participants, members, or shareholders identified pursuant to subdivision (4) that are owned by, controlled by, held for the benefit of, or comprised of twenty or fewer persons, partners, owners, trustees, beneficiaries, participants, members, or shareholders, until no ~~organization~~ entity identified in the ~~supplemental~~ statements meets the ownership test set forth in subdivision (4); and

(6) For purposes of this section, the term, communication, does not include:

(a) Any news article, editorial endorsement, opinion or commentary writing, or letter to the editor printed in a newspaper, magazine, flyer, pamphlet, or other periodical not owned or controlled by a candidate~~,~~ or political committee~~, or political party~~;

(b) Any editorial endorsement or opinion aired by a broadcast facility not owned or controlled by a candidate~~,~~ or political committee~~, or political party~~;

(c) Any communication by a person made in the regular course and scope of the person's business or ministry or any communication made by a membership ~~organization~~ entity solely to members of the organization and the members' families;~~ and~~

(d) Any communication that refers to any candidate only as part of the popular

name of a bill or statute; and

(e) Any communication used for the purpose of polling if the poll question does not expressly advocate for or against a candidate, public office holder, ballot question, or political party.

Section 17. That section 16 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be repealed.

~~Section 16. That chapter 12-27 be amended by adding a NEW SECTION to read:~~

~~Any political committee, organization, person, or political party that makes a payment or promise of payment totaling one hundred dollars or more, including an in-kind contribution, for a communication that clearly identifies a candidate or public office holder, but does not expressly advocate the election or defeat of the candidate or public office holder, and that is disseminated, broadcast, or otherwise published, shall file a statement with the secretary of state disclosing the name, street address, city, and state of such political committee, organization, person, or political party. The statement shall also include the name of the candidate or public office holder mentioned in the communication, the amount spent on the communication, and a description of the content of the communication. The statement shall be received and filed within forty-eight hours of the time that the communication is disseminated, broadcast, or otherwise published.~~

~~For the purposes of this section, the term, communication, does not include:~~

~~(1) Any news articles, editorial endorsements, opinion or commentary writings, or letter to the editor printed in a newspaper, magazine, flyer, pamphlet, or other periodical not owned or controlled by a candidate, political committee, or political party;~~

~~(2) Any editorial endorsements or opinions aired by a broadcast facility not owned or controlled by a candidate, political committee, or political party;~~

~~(3) Any communication by a person made in the regular course and scope of the person's business or ministry or any communication made by a membership organization solely to members of the organization and the members' families;~~

~~(4) Any communication that refers to any candidate only as part of the popular name of a bill or statute;~~

~~(5) Any communication used for the purpose of polling if the poll questions do not expressly advocate for or against a candidate, public office holder, ballot question, or political party.~~

Section 18. That section 17 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 17. That chapter 12-27 be amended by adding a NEW SECTION to read:

Any political committee, ~~organization,~~ entity, or person~~, or political party~~ that makes a communication~~ as defined in § 12-27-17, which does not expressly advocate for or against a candidate, public office holder, ballot question, or political party~~, other than an independent communication expenditure that is not controlled by, coordinated with, requested by, or made upon consultation with a candidate, political committee, or agent of a candidate or political committee, shall append to or include in each communication a disclaimer that:

(1) Identifies the political committee, ~~organization,~~ entity, or person~~, or political party~~ making the communication; and

(2) States the address or website address, if applicable, of the political committee ~~organization,~~, entity, or person~~, or political party~~.

~~If the communication is an independent expenditure made by a person or organization, then the disclaimer shall include the following: "This communication is independently funded and not made in consultation with any candidate, political party, or political committee." If the~~

~~independent expenditure is undertaken by an organization not including a candidate, public office holder, political party, or political committee, then the following notation must also be included: "Top Five Contributors," including a listing of the names of the five persons making the largest contributions to an organization during the twelve months preceding that communication.~~Any person or entity making a communication under this section has the same reporting requirements as § 12-27-16. Any political committee making a communication under this section shall include each communication as an expenditure on the campaign finance disclosure report.

A violation of this section is a Class 1 misdemeanor.

Section 19. That § 12-27-18 be amended to read:

12-27-18. ~~No organization may make a contribution to a candidate committee or political party. An organization~~ An entity may make a contribution to a ballot question committee organized solely for the purpose of influencing an election on a single ballot question and may make independent communication expenditures regarding the placement of a ballot question on the ballot or the adoption or defeat of a ballot question. Any ~~organization~~ entity making expenditures, equal to or exceeding fifty percent of the ~~organization's~~ entity's annual gross income, for the adoption or defeat of a ballot measure is a ballot question committee. ~~An organization may create a political action committee.~~ A violation of this section is a Class 1 misdemeanor.

Section 20. That § 12-27-18.1 be amended to read:

12-27-18.1. A ballot question committee may only accept contributions from a person, ~~organization,~~ entity, or political action committee, or political party. A ballot question committee may accept contributions from another ballot question committee. A violation of this section is a Class 1 misdemeanor.

Section 21. That § 12-27-19 be amended to read:

12-27-19. Before making a contribution to a ballot question committee pursuant to § 12-27-18, an ~~organization~~ entity shall provide to the ballot question committee the following:

~~(1) A statement that the organization is filed as a domestic or foreign entity in good standing with the Office of the Secretary of State of this state;~~

~~(2) A statement that the organization is filed as an entity in good standing with another jurisdiction, and setting forth the following:~~

~~(a) The name of the organization;~~

~~(b) The name of the state or nation under whose law the organization is incorporated or organized; and~~

~~(c) The street address of the organization's principal office; or~~

~~(3) If neither of the above apply, a statement providing:~~

~~(a) The name of the organization;~~

~~(b) The street address of the organization's principal office;~~

~~(c) The name and street address of the person authorizing the contribution; and~~

~~(d) The name and street address of every owner, director, and officer of the organization~~ The name or fictitious name of the entity;

(2) The mailing address of the entity's office;

(3) The name and mailing address of each owner, director, and officer of the entity;

(4) The committee name the contribution was given to, the date, and the amount of the contribution; and

(5) The name and mailing address of the person authorizing the contribution.

~~Before contributing more than ten thousand dollars in the aggregate to a ballot question committee pursuant to § 12-27-18, an organization shall provide to the ballot question~~

~~committee a sworn written statement made by the president and treasurer of the organization declaring and affirming, under the penalty of perjury, the following:~~

~~(1) The name and street address of every person who owns ten percent or more of the organization, has provided ten percent or more of the organization's gross receipts, including capital contributions, in the current or preceding year, or has provided ten percent or more of the funds being contributed to the ballot question committee; and~~

~~(2) That no part of the contribution was raised or collected by the organization for the purpose of influencing the ballot question.~~

A ballot question committee shall disclose in its applicable campaign financial disclosure statement or supplement statement all information received from ~~an organization~~ <u>any entity</u> pursuant to this section. No ballot question committee may accept any contribution from ~~an organization~~ <u>any entity</u> not preceded or accompanied by the statements required by this section. Except as provided by § 22-29-1, violation of this section is a Class 1 misdemeanor.

Section 22. That section 19 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 19. That § 12-27-21 be amended to read:

12-27-21. No candidate~~,~~ <u>or</u> political committee~~, or political party~~ may accept any contribution from any state, state agency, political subdivision of the state, foreign government, Indian tribal entity as defined in the Federal Register Vol. 72, No. 55 as of March 22, 2007, federal agency, or the federal government. A violation of this section is a Class 1 misdemeanor.

Section 23. That section 20 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 20. That § 12-27-22 be amended to read:

12-27-22. A campaign finance disclosure statement shall be submitted to the secretary of

state by the treasurer of each:

(1) Candidate or candidate campaign committee for any statewide ~~or legislative~~ office shall file a pre-primary, pre-general, year-end, and if applicable supplemental report and amendments in even numbered years. In odd numbered years shall file a year-end and if applicable amendments. A termination report may be submitted at any time;

(2) Candidate or candidate campaign committee for a legislative or county office shall file a pre-primary if the candidate's name appears on the primary election ballot, pre-general, year-end and if applicable supplemental report and amendments in even numbered years. A termination report may be submitted at any time;

~~(2)~~(3) ~~Political~~ Statewide political action committee shall file a pre-primary, pre-general, year-end, and if applicable supplemental report and amendments in even numbered years. In odd numbered years shall file a year-end or if applicable amendments. A termination report may be submitted at any time;

~~(3)~~(4) Statewide~~, county, local, or auxiliary committee of any~~ political party shall file a pre-primary, pre-general, year-end and if applicable supplemental report and amendments in even numbered years. In odd numbered years shall file a year-end or amendments, if applicable. A termination report may be submitted at any time. A political party that loses its status as a qualified party shall file a termination statement by 5:00 p.m. central time the second Tuesday in January following the calendar year in which qualified party status was lost;

(5) County political party and auxiliary organization shall file a pre-general and if applicable supplemental report and amendments in even numbered years. A termination report may be submitted at any time; and

~~(4)~~(6) Statewide ballot question committee~~;~~ shall file a pre-primary, pre-general, year-end and if applicable supplemental report and amendments in even numbered years. In odd numbered years shall file a year-end and if applicable amendments. A termination report may be submitted at any time. A statewide ballot question committee:

~~(5) Any candidate or candidate committee for any statewide or legislative office whose name appears on the primary ballot, but does not appear on the general election ballot, shall submit a campaign finance disclosure statement, or termination report, that shall be received by the secretary of state by 5:00 p.m. on the second Friday of August following the primary election; and~~

~~(6) Statewide ballot question committee that~~

(a) That does not meet the signature requirements for placement of the ballot issue on the general election ballot, shall submit a termination report to the secretary of state by 5:00 p.m. central time on the ~~first Monday in February~~ second Tuesday in January following the year the statement of organization was submitted to the secretary of state; or

(b) For a ballot issue that was on a ballot shall submit a termination report to the secretary of state by 5:00 p.m. central time on the second Tuesday in January following the calendar year the ballot question was on the ballot.

A campaign finance disclosure statement shall be submitted to the secretary of state by the treasurer of each committee who shall file the following financial disclosure reports in accordance with the time frames stated in this chapter: pre-primary, pre-general, year-end, amendment, supplemental, and a termination when a committee is terminating its existence.

~~The statement shall be signed and submitted by the treasurer of the political committee or~~

~~political party. The statement shall be received by the secretary of state and submitted by 5:00 p.m. central time on the first Monday of February and shall cover the contributions and expenditures for the preceding calendar year. The statement shall also be received by the secretary of state and submitted by 5:00 p.m. central time on the second Friday prior to each primary and general election complete through the fifteenth day prior to that election. Each statewide ballot question committee shall submit a termination report by 5:00 p.m. central time no later than the first Monday in February following the year the ballot question was on the ballot. Any statement submitted pursuant to this section shall be consecutive and shall cover contributions and expenditures since the last statement submitted.~~

A violation of this section is a Class 1 misdemeanor.

Section 24. That chapter 12-27 be amended by adding a NEW SECTION to read:

Each statement referred to § 12-27-22 shall be signed and submitted by the treasurer of the political committee. The statement shall be received by the secretary of state and submitted by 5:00 p.m. central time on the following dates:

(1) Pre-primary report: fifteen days prior to the primary election, for the reporting period commencing with the last report submitted up through and including twenty days prior to the election date;

(2) Pre-general report: fifteen days prior to the general election, for the reporting period commencing with the last report submitted up through and including twenty days prior to the election date;

(3) Amendments: submitted pursuant to § 12-27-27;

(4) Supplemental report: submitted pursuant to § 12-27-28;

(5) Year-end report: by December thirty-first each year, for the reporting period commencing with the last report submitted up through and including November

twenty-fifth of each year;

(6) Termination report: at any time as stated in 12-27-23;

(7) Pre-primary, pre-general, amendments, supplemental, year-end, and termination reports shall cover the contributions and expenditures since the last report submitted; and

(8) All required filings under this chapter shall be submitted using the forms as provided by the secretary of state.

A violation of this section is a Class 1 misdemeanor.

Section 25. That § 12-27-22.1 be amended to read:

12-27-22.1. No campaign finance disclosure ~~statement~~ report is required to be submitted ~~under the following circumstances:~~

~~(1) A year-end report for a candidate campaign committee for legislative or county office on the first Monday in February following a year in which there is not an election for the office;~~

~~(2) A county, local, or auxiliary committee of any political party, qualified to participate in a primary or general election, prior to a statewide primary election;~~

~~(3) A legislative or county candidate campaign committee without opposition in a primary election, prior to a primary election;~~

~~(4) A candidate campaign committee whose name is not on the general election ballot, prior to the general election;~~

~~(5) A~~ by a political committee that regularly submits a campaign finance disclosure ~~statement~~ report with another state or the Federal Election Commission or a report of contributions and expenditures with the Internal Revenue Service~~;~~

~~(6) A statewide candidate who is publicly seeking a nomination by that candidate's party~~

~~convention prior to a primary election; and~~

~~(7) An independent statewide candidate prior to a primary election~~, and has a statement of organization filed with the Office of the Secretary of State. The political committee treasurer shall report on the form as provided by the secretary of state. The report may only include contributions and expenditures related to this state.

Section 26. That section 21 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 21. That § 12-27-24 be amended to read:

12-27-24. A campaign finance disclosure ~~statement~~ report shall include the following information:

(1) The political committee ~~or political party~~ name, ~~street address, postal address, city, state, zip code, daytime and evening~~ mailing address, telephone number, and, if applicable, e-mail address;

(2) Name, mailing address, telephone number, and, if applicable, an e-mail address, if any of the political committee's treasurer;

(3) The type of campaign ~~statement~~ report (pre-primary, pre-general, ~~post-primary nonwinner,~~ year-end, amendment, supplement, or termination);

~~(3)~~(4) For any ballot question committee, the ballot question ~~number~~ name and whether the committee ~~advocates for or against~~ supports or opposes the ballot question;

~~(4)~~(5) The balance of cash and cash equivalents on hand at the beginning of the reporting period;

~~(5)~~(6) The total amount of all contributions received during the reporting period;

~~(6)~~(7) The total amount of ~~all in-kind contributions~~ any donated good or service received during the reporting period;

~~(7)~~(8) The total of refunds, rebates, interest, or other income not previously identified during the reporting period;

~~(8) The total of contributions, loans, or any other receipts during the reporting period;~~

~~(9) The total value of loans made to any person, political committee, or political party during the reporting period;~~

~~(10)~~(9) The total of expenditures made during the reporting period;

~~(11) The total amount of any expenditure incurred but not yet paid. Any expenditure incurred but not yet paid shall be reported on each report filed after the date of receipt of goods or services until payment is made to the vendor. A payment shall be listed as an expenditure when the payment is made;~~

~~(12)~~(10) The cash balance on hand as of the close of the reporting period;

~~(13)~~(11) ~~The total amount of~~ All contributions of one hundred dollars or less ~~in the aggregate from one source received during the reporting period~~ shall either be aggregated and reported as a lump sum or the contributions shall be listed individually. The individual contributions of one hundred dollars or less shall be noted on the committee's books and a running total of each individual's contributions shall be maintained;

~~(14)~~(12) The name, ~~residence address,~~ mailing address, city, and state of each person making a contribution of more than one hundred dollars in the aggregate during ~~the reporting period~~ any calendar year and the amount of the contribution. Any contribution from any political committee ~~or political party~~ shall be itemized. Any contribution from a federal political committee or political committee organized outside ~~the~~ this state shall also include the name and website address of the filing office where campaign finance disclosure

~~statements~~ reports are regularly filed for the committee. If any information required by the section is unknown to the political committee~~ or political party~~, the political committee ~~or political party~~ may not deposit the contribution;

~~(15)~~(13) Any ~~in-kind~~ donated good or service contribution shall contain the same information as for any monetary ~~contributions~~ contribution, and shall also include a description of the ~~in-kind~~ donated good or service contribution;

~~(16)~~(14) Upon the request of the treasurer, any person making ~~an in-kind~~ a donated good or service contribution shall provide all necessary information to the treasurer, including the value of the ~~in-kind~~ contribution;

~~(17)~~(15) Any monetary or ~~in-kind~~ donated good or service contribution made by a political committee ~~or political party~~ to any political committee~~, political party,~~ or nonprofit charitable ~~organization~~ entity shall be itemized;

~~(18)~~(16) A categorical description and amount of any refunds, rebates, interest, sale of property, or other receipts not previously identified during the reporting period;

~~(19)~~(17) A categorical description and amount of any funds or donations by any ~~organization~~ entity to its political committee for establishing and administering the political committee and for any solicitation costs of the political committee;

~~(20)~~(18) ~~The total balance of any loans owed by the political committee or political party~~ Each loan received shall be reported in the same manner as a contribution;

~~(21)~~(19) ~~The balance of any loans owed by the political committee or political party,~~

~~itemized by lender's name, street address, city, and state, including the terms, interest rate, and repayment schedule of each loan~~ Each loan repayment shall be reported in the same manner as an expenditure;

~~(22) The total balance of loans owed to the political committee or political party;~~

~~(23) The amount of any loan made during the reporting period; the name, street address, city, and state of the recipient of the loan;~~

~~(24) The balance of any loan owed to the political committee or political party, itemized by name, street address, city, and state;~~

~~(25)~~(20) Any expenditure made during the reporting period shall be categorized as disbursements ~~to consultants, advertising agencies, credit card companies, or similar firms,~~ and itemized by expense categories. Any contribution made by the political committee ~~or political party~~ that is not in exchange for any item of value or service shall be itemized;

~~(26) Any expenditure incurred but not yet paid during the reporting period and to whom the expenditure is owed;~~

~~(27)~~(21) The amount of any independent communication expenditure from a political committee made during the reporting period, and lists the name of the candidate, public office holder, or ballot question related to the independent communication expenditure and a description of the independent communication expenditure;

(22) Miscellaneous expenditures need to be itemized;

~~(28)~~(23) The information contained in any statement provided pursuant to § 12-27-19; and

~~(29)~~(24) A certification that the contents of the statement are true and correct signed by

the treasurer of the political committee~~ or political party~~.

Section 27. That chapter 12-27 be amended by adding a NEW SECTION to read:

Any political committee that terminates shall have a zero balance at the time of termination. A termination report shall itemize the disbursement of money not expended or gifted in order to achieve a zero balance. The chair of a political committee that is terminating shall designate where property or money not expended or obligated is gifted. If a ballot question committee is preparing for termination, the chair of the ballot question committee may designate property and money not expended or obligated, to be dispersed to any nonprofit organization as defined by law.

Section 28. That § 12-27-25 be amended to read:

12-27-25. The last campaign finance ~~statement~~ report filed shall be a termination ~~statement~~ report. The termination ~~statement~~ report shall be filed by the treasurer within thirty days following disposition of all funds and property and the payment of all obligations. If a termination pursuant to § 12-27-29.2 occurs, this section does not apply.

Section 29. That § 12-27-27 be amended to read:

12-27-27. Any treasurer or other person filing a statement or report pursuant to this chapter, shall file an amended statement or report within ~~three~~ seven days of discovering any omission, inaccuracy, or other change necessary to make the statement or report accurate. A person responsible for filing a statement or report pursuant to this chapter, who willfully fails to report a material change or correction, is guilty of a Class 1 misdemeanor. A person responsible for filing a statement or report pursuant to this chapter, who willfully fails to file an amendment pursuant to this section is subject to the administrative penalty in § 12-27-29.1 beginning on the first day following the ~~third~~ seventh day after the candidate, treasurer, or other person is notified of the omission, inaccuracy, or other change necessary to make the statement or report accurate.

Section 30. That § 12-27-28 be amended to read:

12-27-28. If any ~~candidate campaign committee for statewide office, political action committee, ballot question committee, or political party~~ political committee required to file a campaign finance disclosure ~~statement~~ report pursuant to this chapter receives a contribution of five hundred dollars or more within the fourteen days immediately prior to an election for which a campaign finance disclosure ~~statement~~ report may be filed, a supplemental ~~statement~~ report shall be filed. The ~~statement~~ report shall state the name~~, street address, city, and state~~ and mailing address of the contributor and the amount and date of the contribution, and information contained in any ~~statement~~ report provided under § 12-27-19, if applicable. The ~~statement~~ report shall be filed by the treasurer within forty-eight hours of the receipt of the contribution. A violation of this section is a Class 1 misdemeanor.

Section 31. That § 12-27-29 be amended to read:

12-27-29. The treasurer of a political committee ~~and political party~~ shall maintain and preserve detailed and accurate records of the following:

(1) Each contribution and ~~in-kind~~ donated good or service contribution received by the political committee ~~or political party~~;

(2) In the case of a ballot question committee, the information required by § 12-27-19 for any ~~organization~~ entity contribution;

(3) Each loan received or made by the political committee ~~or political party~~;

(4) Each refund, rebate, interest, or other income received by the political committee ~~or political party~~;

(5) All receipts, invoices, bills, canceled checks, or other proofs of payment, with an explanation of each, for each expenditure;

(6) The name and address of any financial institution where an account or depository for

the political committee ~~or political party~~ is maintained including the account number.

The treasurer shall maintain and preserve the records for a period of seven years or three years past the date of filing the termination statement for the election for which the contribution or expenditure was made, whichever is earlier. A violation of this section is a Class 1 misdemeanor.

Section 32. That section 23 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 23. That § 12-27-29.1 be amended to read:

12-27-29.1. In addition to any other penalty or relief provided under this chapter, the secretary of state~~, after notice and opportunity for hearing pursuant to chapter 1-26~~ or the Campaign Finance Ethics Commission, may impose ~~an administrative~~ a civil penalty for the failure to timely file any statement, amendment, or correction required to be filed by this chapter. The ~~administrative~~ civil penalty is ~~fifty~~ two hundred dollars ~~per day~~ for each violation ~~not to exceed three thousand dollars~~. If any violation is made by a county political party or auxiliary, the ~~administrative~~ civil penalty is ~~ten~~ fifty dollars ~~per day~~ for each violation ~~not to exceed six hundred dollars~~. Any ~~administrative~~ civil penalty collected pursuant to this section shall be deposited into the state general fund.

Section 33. That § 12-27-29.2 be amended to read:

12-27-29.2. Any ~~administrative~~ civil penalty imposed pursuant to § 12-27-29.1 shall be assessed against the violator by an ~~administrative~~ order of the secretary of state or by the Campaign Finance Ethics Commission. The order shall state the date and facts of each violation addressed under the penalty assessed and the citations to the provisions of each law alleged to be violated. The order shall contain a statement that the violator may appeal the order within thirty days after receipt of the order and request a contested case hearing on the violation and

penalty pursuant to chapter 1-26, ~~by filing a written request with the secretary of state no later than twenty days after the receipt of the order~~ with venue in Hughes County circuit court. The secretary of state shall serve the order and assessment by certified mail. If not ~~contested~~ appealed within ~~twenty~~ thirty days of receipt of the order, ~~an administrative order assessing an administrative~~ a civil penalty constitutes a judgment and may be executed by delivery of a true and correct copy certified by the secretary of state in the manner provided for the execution of money judgments provided in chapter 15-18.

~~If a hearing is requested, the matter shall be scheduled for a hearing before the secretary of state within thirty days from the receipt of the request. The secretary of state shall provide notice of the hearing consistent with the provisions of § 1-26-17. A final determination by the secretary of state may be appealed to the circuit court or Supreme Court as provided in chapter 1-26.~~

~~If the time to take an appeal has lapsed after the final determination by the secretary of state, the administrative order assessing an administrative penalty constitutes a judgment and may be executed by delivery of a true and correct copy certified by the secretary of state in the manner provided for the execution of judgments in chapter 15-18.~~

~~If a committee incurs the maximum penalty fee, does not submit the delinquent report, and a judgment is executed, the secretary of state may terminate that committee. If a committee is terminated, the secretary of state shall mail a termination letter to the last address on record for the treasurer.~~ Notwithstanding whether a committee pays the penalty, if a committee does not submit the delinquent report within thirty days after receipt of the order, the secretary of state may terminate that committee. If a committee is terminated, the secretary of state shall mail a termination letter to the last address on record for the treasurer.

Section 34. That § 12-27-29.3 be amended to read:

12-27-29.3. No ~~person~~ candidate who is listed on a statement of organization for a ~~political~~

candidate campaign committee ~~or political party~~ pursuant to §§ 12-27-3 and 12-27-6 may be certified as a candidate for office unless the treasurer of the ~~political~~ candidate campaign committee ~~or political party~~ for which the ~~person~~ candidate is listed has:

(1) ~~Paid all administrative penalties assessed pursuant to § 12-27-29.1 and any other monetary penalty imposed pursuant to this chapter against the person or the treasurer; and~~

~~(2)~~ Filed all statements, documents, and information required under this title; or

(2) Paid each civil penalty assessed pursuant to § 12-27-29.1, the Campaign Finance Ethics Commission, or any other penalty imposed pursuant to this chapter against the candidate or the treasurer.

Section 35. That § 12-27-32 be amended to read:

12-27-32. The secretary of state shall endorse the date of the filing on each statement filed pursuant to this chapter, and shall preserve the statement electronically among the public records of the office. However, the statement may be destroyed if the Records Destruction Board, acting pursuant to § 1-27-19, declares the records to have no further administrative, legal, fiscal, research, or historical value.

Section 36. That § 12-27-33 be amended to read:

12-27-33. No information copied, or otherwise obtained, from any statement or report, or copy, reproduction, or publication thereof, filed with the secretary of state, county auditor, or other person in charge of conducting the election under this chapter may be sold or utilized by any person for any commercial purpose or for the purpose of soliciting contributions. Any violation of this section is a ~~Class 2~~ Class 1 misdemeanor.

Section 37. That section 24 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 24. That § 12-27-35 be amended to read:

12-27-35. The attorney general shall investigate and prosecute any violation of the provisions of this chapter relating to a legislative office, statewide office, or ~~statewide ballot question~~ political committee and prosecute any violation thereof. In lieu of bringing a criminal action, the attorney general may elect to file a civil action. In a civil action, in addition to other relief, the court may impose a civil penalty in an amount not to exceed ten thousand dollars for each violation. Any civil penalty recovered shall be paid to the state general fund. A civil action brought by the attorney general shall be commenced in Hughes County, in the county where the person resides, or in the county where the ~~organization, political party,~~ entity or political committee has its principal office.

Section 38. That section 25 of the enrolled version of HB 1069 as previously enacted by the Ninety-Second Session Legislative Assembly, 2017, be amended to read:

Section 25. That § 12-27-36 be amended to read:

12-27-36. The attorney general may, for the purpose of enforcing the provisions of this chapter, inspect or examine any political committee ~~or political party~~ records required to be maintained by this chapter. Any person having charge, control, or possession of political committee ~~or political party~~ records who neglects or refuses the attorney general reasonable access to any records required to be maintained by this chapter that are necessary to enforce the provisions of this chapter is guilty of a Class 1 misdemeanor.

Section 39. That § 12-27-39 be amended to read:

12-27-39. The provisions of this chapter apply to each statewide office, legislative office, statewide ballot question, county offices and ballot questions in counties with population greater than ~~five~~ ten thousand according to the most recent Federal census, ballot questions in first class municipalities, and school district offices and ballot questions in school districts with more than

two thousand average daily membership. Any municipal or school district election covered by this chapter shall conform to the contribution limits applicable to legislative offices. This chapter does not apply to the unified judicial system, nor does this chapter apply to any township or special purpose district offices or ballot questions or elections for municipal offices. However, the governing body of any county, township, municipality, school district, or special purpose district not otherwise covered by this chapter may adopt an ordinance or resolution to make the provisions of this chapter, with or without amendments, applicable to county, township, municipal, school district, or special purpose district elections.

Section 40. That chapter 12-27 be amended by adding a NEW SECTION to read:

The Office of the Secretary of State's duty to file a document under this chapter is ministerial. If the Office of the Secretary of State files or refuses to file a document, it does not:

(1) Affect the validity or invalidity of the document in whole or part;

(2) Relate to the correctness or incorrectness of information contained in the document; or

(3) Create a presumption that the document is valid or invalid or that information contained in the document is correct or incorrect.

Section 41. That chapter 12-27 be amended by adding a NEW SECTION to read:

Contributions received by a candidate campaign committee may not be used for any purpose other than a purpose related to a candidate's campaign. Contributions received by a candidate campaign committee that are not used for any purpose related to a candidate's campaign may be donated to any other candidate, candidate campaign committee, or nonprofit charitable organization.