

THE HOUSE OF REPRESENTATIVES
Thursday, March 6, 2008

Committee Substitute for
House Bill No. 2196

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 2196 - By: DANK, DORMAN,
JETT AND KIESEL of the House and COFFEE of the Senate.

An Act relating to campaigns; creating the Oklahoma Clean Campaigns Act of 2008; providing short title; stating legislative intent; amending 21 O.S. 2001, Section 187.1, which relates to limits on contributions to candidates; prohibiting certain acts; restricting use of contributions; providing reporting requirements; providing criminal penalties; mandating funding; providing funding for professional auditors; providing for codification; providing for noncodification; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

1 SECTION 1. NEW LAW A new section of law not to be codified in the
2 Oklahoma Statutes, reads as follows:

3 A. This act shall be known and may be cited as the “Oklahoma Clean Campaigns
4 Act of 2008”.

5 B. This act is intended to provide ethics laws in addition to the rules promulgated
6 by the Ethics Commission.

7 SECTION 2. AMENDATORY 21 O.S. 2001, Section 187.1, is amended to read
8 as follows:

9 Section 187.1 A. No person or family may contribute more than:

1 1. Five Thousand Dollars (\$5,000.00) in any calendar year to a committee other
2 than a candidate committee;

3 2. Five Thousand Dollars (\$5,000.00) to a candidate for state office, to a candidate
4 for municipal office in a municipality with a population of over two hundred fifty
5 thousand (250,000) persons, according to the most recent Federal Decennial Census, to a
6 candidate for county office in a county with a population of over two hundred fifty
7 thousand (250,000) persons, according to the most recent Federal Decennial Census, or to
8 a candidate committee authorized by such a candidate to receive contributions or make
9 expenditures on his or her behalf, for any campaign; or

10 3. One Thousand Dollars (\$1,000.00) to a candidate for other local office, or to a
11 candidate committee authorized by such a candidate to receive contributions or make
12 expenditures on his or her behalf, for any campaign.

13 B. No candidate, candidate committee, or other committee shall knowingly accept
14 contributions in excess of the amounts provided herein.

15 C. These restrictions shall not apply to a committee supporting or opposing a ballot
16 measure or local question or to a candidate making a contribution of his or her own funds
17 to his or her own campaign.

18 ~~B.~~ D. It shall be prohibited for a campaign contribution to be made to a particular
19 candidate or committee through an intermediary or conduit for the purpose of:

20 1. Evading requirements of effective Rules of the Ethics Commission promulgated
21 pursuant to Article XXIX of the Oklahoma Constitution or laws relating to the reporting
22 of contributions and expenditures; or

1 2. Exceeding the contribution limitations imposed by subsection A of this section.

2 Any person making a contribution in violation of this subsection or serving as an
3 intermediary or conduit for such a contribution, upon conviction, shall be subject to the
4 penalties prescribed in subsections ~~C~~ E and ~~D~~ F of this section.

5 ~~C~~ E. Any person who knowingly and willfully violates any provision of this section
6 where the aggregate amount contributed exceeds the contribution limitation specified in
7 subsection A of this section by Five Thousand Dollars (\$5,000.00) or more, upon
8 conviction, shall be guilty of a felony punishable by a fine of up to four times the amount
9 exceeding the contribution limitation or by imprisonment in the State Penitentiary for up
10 to one (1) year, or by both such fine and imprisonment.

11 ~~D~~ F. Any person who knowingly and willfully violates any provision of this section
12 where the aggregate amount contributed is less than Five Thousand Dollars (\$5,000.00)
13 in excess of the contribution limitation specified in subsection A of this section, upon
14 conviction, shall be guilty of a misdemeanor punishable by a fine of not more than three
15 times the amount exceeding the contribution limitation or One Thousand Dollars
16 (\$1,000.00), whichever is greater, or by imprisonment in the county jail for up to one (1)
17 year, or by both such fine and imprisonment.

18 G. Contributions shall not be made to, nor solicited or accepted by, a member of the
19 Oklahoma Legislature or a candidate for a state legislative office fifteen (15) days prior
20 to, fifteen (15) days after, or during any regular legislative session.

21 H. Contributions accepted by a candidate or a committee may not be converted by
22 any person to any personal use, but shall be used, together with any interest income

1 earned on such contributions, for campaign purposes only. Any funds not used for
2 campaign purposes may:

3 1. Be deposited with the State Treasurer to the credit of the General Revenue
4 Fund;

5 2. Be returned to the contributors pursuant to any formula approved by the
6 candidate; provided, any amount returned to a contributor shall not exceed the amount of
7 the original contribution;

8 3. Be contributed to a charitable organization;

9 4. Be retained by the candidate or candidate committee for use in a future election
10 for a four-year period following the General Election for the same office;

11 5. Be used to defend legal actions or proceedings arising out of the campaign,
12 election, or the performance of the candidate's official duties as a state officer; provided,
13 that such funds shall not be used to defend criminal charges;

14 6. Be transferred to the state or local central committee of a political party; or

15 7. Be distributed using a combination of these options.

16 I. All campaign contributions and expenditures shall be reported in compliance
17 with the rules established under the Oklahoma Ethics Act and shall include sufficient
18 information for expenditures in an aggregate amount or value in excess of Fifty Dollars
19 (\$50.00) during the reporting period made by the reporting committee to meet a
20 candidate or committee operating expense, together with the date, amount, and purpose
21 of such operating expenditure. For purposes of this section, "sufficient information"
22 means information from which a person not associated with the committee could easily

1 discern why the expenditure was made. As used in this section, “purpose” means a brief
2 statement or description of why the expenditure was made. Examples of statements or
3 descriptions which meet the requirements of sufficient information include the following:
4 dinner expenses, media, salary, polling, travel, party fees, phone banks, travel expenses,
5 travel expense reimbursement, and catering costs. However, statements or descriptions
6 such as advance, election day expenses, other expenses, expenses, expense
7 reimbursement, miscellaneous, outside services, get-out-the-vote and voter registration
8 would not meet the requirements of sufficient information for reporting the purpose of an
9 expenditure.

10 J. Contributions made to a candidate for a state or local office shall not be used by
11 such candidate in a campaign for another office.

12 K. Contributions made to a political action committee shall not be contributed or
13 transferred to another political action committee.

14 L. Any person who knowingly and willfully violates any provision of subsection G,
15 H, I, J or K of this section, upon conviction, shall be guilty of a misdemeanor punishable
16 by a fine of not more than One Thousand Dollars (\$1,000.00), or by imprisonment in the
17 county jail for up to one (1) year, or by both such fine and imprisonment.

18 SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma
19 Statutes as Section 187.3 of Title 21, unless there is created a duplication in numbering,
20 reads as follows:

21 The Ethics Commission shall be fully funded to allow it to enforce the Oklahoma
22 Clean Campaigns Act of 2008. The funding shall include the creation of at least three

1 professional auditor positions who shall have the power and duty of conducting random
2 and specific audits of campaign finance reports.

3 SECTION 4. It being immediately necessary for the preservation of the public
4 peace, health and safety, an emergency is hereby declared to exist, by reason whereof
5 this act shall take effect and be in full force from and after its passage and approval.

6 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 03-05-08 - DO PASS, As
7 Amended and Coauthored.