

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 SENATE BILL 2045

By: Corn

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5  
6 AS INTRODUCED

7 An Act relating to Corporation Commissioner and  
8 Insurance Commissioner campaigns; creating the  
9 Oklahoma Corporation Commissioner Campaign  
10 Contributions and Expenditures Limitation Act and the  
11 Oklahoma Insurance Commissioner Campaign  
12 Contributions and Expenditures Limitation Act;  
13 providing short title; stating purpose; defining  
14 terms; establishing Oklahoma Corporation Commissioner  
15 Campaign Financing Fund and Oklahoma Insurance  
16 Commissioner Campaign Financing Fund; providing for  
17 deposits thereto and expenditures therefrom; stating  
18 certain duties of State Election Board and stating  
19 duties of Advisory Councils campaign financing funds;  
20 requiring Corporation Commission and Insurance  
21 Department to charge and collect certain fees;  
22 providing for deposit of revenues therefrom into  
23 funds; specifying certain duties of State Treasurer;  
24 providing procedures for receipt of campaign funds  
from fund; requiring certain declaration; specifying  
that certain acts be violations of act; requiring  
certain qualifying contributions; requiring Board to  
make certain determination and certification;  
specifying restrictions on contributions and  
expenditures with respect to participating and  
certified candidates; providing procedures for  
revocation of decision to participate; providing for  
distribution of revenues from funds; requiring  
certain reports from candidates and entities making  
independent expenditures; requiring public access  
thereto; providing for issuance of additional amounts  
under certain circumstances and specifying amount  
thereof; creating Advisory Council for the Oklahoma  
Corporation Commissioner Campaign Financing Fund and  
Advisory Council for the Oklahoma Insurance  
Commissioner Campaign Financing Fund; providing for

1 membership, duties, organization and travel  
2 reimbursement; specifying procedure for challenging  
3 certain decision of Secretary of State Election  
4 Board; requiring Board to promulgate certain rules  
5 and issue certain opinions; requiring certain  
6 reports; requiring publication of Voter Guides;  
7 providing for distribution and contents; specifying  
8 information to be solicited from candidates;  
9 providing for certain candidate statement and  
10 instructions therefor; providing for certain  
11 statement in Voter Guides; providing penalties;  
12 providing that Legislature not obligated to make  
13 certain appropriations; providing for codification;  
14 and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 4260 of Title 74, unless there  
is created a duplication in numbering, reads as follows:

Sections 1 through 13 of this act shall be known and may be  
cited as the "Oklahoma Corporation Commissioner Campaign  
Contributions and Expenditures Limitation Act".

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 4261 of Title 74, unless there  
is created a duplication in numbering, reads as follows:

The purpose of the Oklahoma Corporation Commissioner Campaign  
Contributions and Expenditures Limitation Act is to ensure the  
fairness of elections for the office of Corporation Commissioner in  
this state and to protect the constitutional rights of voters and  
candidates from the detrimental effects of increasingly large

1 amounts of money being raised and spent to influence the outcome of  
2 elections. Accordingly, the Oklahoma Corporation Commissioner  
3 Campaign Contributions and Expenditures Limitation Act establishes  
4 voluntary limits on contributions to and expenditures by candidates  
5 for the office of Corporation Commissioner, and establishes the  
6 Oklahoma Corporation Commissioner Campaign Financing Fund as an  
7 alternative source of campaign financing for candidates who  
8 demonstrate public support and voluntarily accept fund-raising and  
9 spending limits. The Oklahoma Corporation Commissioner Campaign  
10 Contributions and Expenditures Limitation Act shall be available to  
11 candidates for the office of Corporation Commissioner in elections  
12 to be held in 2010 and thereafter.

13 SECTION 3. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 4262 of Title 74, unless there  
15 is created a duplication in numbering, reads as follows:

16 As used in the Oklahoma Corporation Commissioner Campaign  
17 Contributions and Expenditures Limitation Act:

- 18 1. "Board" means the State Election Board;
- 19 2. "Candidate" means an individual who seeks nomination or  
20 election to the office of Corporation Commissioner. The term  
21 includes a candidate committee authorized by such a candidate for  
22 that candidate's election;

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1        3. "Candidate committee" means a candidate committee, as  
2 defined in Rule 1-1-2 of the Rules of the Ethics Commission, for a  
3 candidate specified in paragraph 2 of this section;

4        4. "Certified candidate" means a candidate running for office  
5 who chooses to receive campaign funds from the Oklahoma Corporation  
6 Commissioner Campaign Financing Fund and who is certified under  
7 subsection C of Section 6 of this act;

8        5. "Contested primary and contested general election" means an  
9 election in which there are more candidates than the number to be  
10 elected;

11       6. "Contribution" means a contribution, as defined in Rule 1-1-  
12 2 of the Rules of the Ethics Commission; provided, a distribution  
13 from the Oklahoma Corporation Commissioner Campaign Financing Fund  
14 pursuant to the Oklahoma Corporation Commissioner Campaign  
15 Contributions and Expenditures Limitation Act is not a contribution  
16 and is not subject to the limitations or prohibitions of the Rules  
17 of the Ethics Commission;

18       7. "Expenditure" means an expenditure, as defined in Rule 1-1-2  
19 of the Rules of the Ethics Commission;

20       8. "Fund" means the Oklahoma Corporation Commissioner Campaign  
21 Financing Fund created in Section 4 of this act;

22       9. "Independent expenditure" means an independent expenditure,  
23 as defined in Rule 1-1-2 of the Rules of the Ethics Commission;

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1        10. "Nonparticipating candidate" means a candidate running for  
2 office who is not seeking to be certified under subsection C of  
3 Section 6 of this act;

4        11. "Office" means a position as Corporation Commissioner in  
5 this state;

6        12. "Participating candidate" means a candidate for office who  
7 has filed a declaration of intent to participate under subsection C  
8 of Section 6 of this act;

9        13. "Political action committee" means a political action  
10 committee, as defined in Rule 1-1-2 of the Rules of the Ethics  
11 Commission;

12        14. "Qualifying contribution" means a contribution of not less  
13 than Ten Dollars (\$10.00) and not more than Twenty-five Dollars  
14 (\$25.00) in the form of a check or money order to the candidate or  
15 the candidate's committee that meets both of the following  
16 conditions:

- 17            a. is made by any registered voter in Oklahoma, and
- 18            b. is made during the qualifying period and obtained with  
19                the approval of the candidate or candidate's  
20                committee;

21        15. "Qualifying period" means the period beginning on the date  
22 an individual becomes a candidate and ending sixty (60) days  
23 thereafter; and  
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1           16. "Trigger for rescue funds" means the dollar amount at which  
2 rescue funds are released for certified candidates, which equals the  
3 base level of funding available under Section 6 of this act.

4           SECTION 4.       NEW LAW       A new section of law to be codified  
5 in the Oklahoma Statutes as Section 4263 of Title 74, unless there  
6 is created a duplication in numbering, reads as follows:

7           A. The "Oklahoma Corporation Commissioner Campaign Financing  
8 Fund" is established to finance the election campaigns of certified  
9 candidates for office and to pay administrative and enforcement  
10 costs of the State Election Board related to the Oklahoma  
11 Corporation Commissioner Campaign Contributions and Expenditures  
12 Limitation Act. The fund is a special, dedicated, nonlapsing,  
13 nonreverting fund. All expenses of administering the Oklahoma  
14 Corporation Commissioner Campaign Contributions and Expenditures  
15 Limitation Act, including production and distribution of the  
16 Corporation Commissioner Voter Guide required by Section 11 of this  
17 act, and personnel and other costs incurred by the Board shall be  
18 paid from the fund and not from state appropriations. Any interest  
19 generated by the fund is credited to the fund. The State Treasurer  
20 shall hold and invest the monies in the fund, and the Board shall  
21 administer the fund.

22           B. Money received from all the following sources shall be  
23 deposited in the fund:

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1 1. Money from fees collected by the Corporation Commission  
2 pursuant to Section 5 of this act;

3 2. Oklahoma Corporation Commissioner Campaign Financing Fund  
4 revenues distributed for an election that remain unspent or  
5 uncommitted at the time the recipient is no longer a certified  
6 candidate in the election;

7 3. Money ordered returned to the Oklahoma Corporation  
8 Commissioner Campaign Financing Fund by the Board; and

9 4. Voluntary donations made directly to the Oklahoma  
10 Corporation Commissioner Campaign Financing Fund. Corporations,  
11 other business entities, labor unions, attorneys and professional  
12 associations may make donations to the fund.

13 C. By January 1, 2010, and every two (2) years thereafter, the  
14 Board, in conjunction with the Advisory Council for the Oklahoma  
15 Corporation Commissioner Campaign Financing Fund, shall prepare and  
16 provide to the Legislature a report documenting, evaluating, and  
17 making recommendations relating to the administration,  
18 implementation, and enforcement of the Oklahoma Corporation  
19 Commissioner Campaign Contributions and Expenditures Limitation Act.  
20 In its report, the Board shall set out the funds received to date  
21 and the expected needs of the fund for the next election.

22 SECTION 5. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 4264 of Title 74, unless there  
24 is created a duplication in numbering, reads as follows:

1       A. After January 1, 2009, the Corporation Commission shall  
2 charge and collect an additional \_\_\_ percent (\_\_\_%) in addition to  
3 the fees charged public utilities pursuant to Section 180.11 of  
4 Title 17 of the Oklahoma Statutes. Notwithstanding any other  
5 provision of state law, such fee shall not be passed on to public  
6 utility customers or rate payers.

7       B. At the end of each month, the Corporation Commission shall  
8 remit the funds collected pursuant to the fee specified in  
9 subsection A of this section to the State Treasurer.

10       C. The Oklahoma State Treasurer shall hold and invest the  
11 monies in the fund in the same manner as other state funds. The  
12 Oklahoma State Treasurer shall provide quarterly reports to the  
13 State Election Board and the Advisory Council for the Oklahoma  
14 Corporation Commissioner Campaign Financing Fund of receipts,  
15 earnings and expenditures of the fund.

16       D. The Oklahoma State Treasurer shall disburse monies of the  
17 fund as directed by the State Election Board.

18       SECTION 6.       NEW LAW       A new section of law to be codified  
19 in the Oklahoma Statutes as Section 4265 of Title 74, unless there  
20 is created a duplication in numbering, reads as follows:

21       A. Any individual choosing to receive campaign funds from the  
22 Oklahoma Corporation Commissioner Campaign Financing Fund shall  
23 first file with the State Election Board a declaration of intent to  
24 participate in the Oklahoma Corporation Commission Campaign

1 Contributions and Expenditures Limitation Act as a candidate for the  
2 office of Corporation Commissioner. The declaration of intent shall  
3 be filed before or during the qualifying period and before  
4 collecting any qualifying contributions. In the declaration, the  
5 candidate shall swear or affirm that only one candidate committee,  
6 identified with its treasurer, shall handle all contributions,  
7 expenditures, and obligations for the participating candidate and  
8 that the candidate will comply with the contribution and expenditure  
9 limits set forth in subsection D of this section and all other  
10 requirements set forth in the Oklahoma Corporation Commissioner  
11 Campaign Contributions and Expenditures Limitation Act or adopted by  
12 the Board. Failure to comply shall be a violation of the Oklahoma  
13 Corporation Commissioner Campaign Contributions and Expenditures  
14 Limitation Act.

15 B. Participating candidates who seek certification to receive  
16 campaign funds from the fund shall first, during the qualifying  
17 period, obtain qualifying contributions from at least five thousand  
18 (5,000) registered voters in this state. No payment, gift, or  
19 anything of value shall be given in exchange for a qualifying  
20 contribution.

21 C. Upon receipt of a submittal of the record of demonstrated  
22 support by a participating candidate, the Board shall determine  
23 whether or not the candidate has complied with all the following  
24 requirements, if they apply to that candidate:

1 1. Signed and filed a declaration of intent to participate in  
2 the Oklahoma Corporation Commissioner Campaign Contributions and  
3 Expenditures Limitation Act;

4 2. Submitted a report itemizing the appropriate number of  
5 qualifying contributions received from registered voters, which the  
6 Board shall verify through a random sample or other means it adopts.  
7 The report shall include the address of each registered voter  
8 listed;

9 3. Qualified to receive votes on the ballot as a candidate for  
10 the office; and

11 4. Otherwise met the requirements for participation in the  
12 Oklahoma Corporation Commissioner Campaign Contributions and  
13 Expenditures Limitation Act.

14 The Board shall certify candidates complying with the  
15 requirements of this section as soon as possible and no later than  
16 five (5) business days after receipt of a satisfactory record of  
17 demonstrated support.

18 D. The following restrictions shall apply to contributions and  
19 expenditures with respect to participating and certified candidates:

20 1. Beginning January 1 of the year of the election and before  
21 the filing of a declaration of intent, a potential candidate for  
22 office may accept contributions up to Five Thousand Dollars  
23 (\$5,000.00) from sources and in amounts permitted by the Ethics  
24 Commission Rules and may expend up to Five Thousand Dollars

1 (\$5,000.00) for any campaign purpose. A candidate who exceeds  
2 either of these limits shall be ineligible to file a declaration of  
3 intent or receive funds from the Oklahoma Corporation Commissioner  
4 Campaign Financing Fund;

5 2. From the filing of a declaration of intent through the end  
6 of the qualifying period, a candidate shall expend no more than an  
7 amount equal to the qualifying contributions for that candidate, not  
8 including possible rescue funds or the remaining money raised  
9 pursuant to paragraph 1 of this subsection. Contributions a  
10 candidate may expend shall be limited to qualifying contributions  
11 and personal and family contributions permitted by paragraph 4 of  
12 this subsection;

13 3. After the qualifying period and through the date of the  
14 general election, the candidate shall expend only the funds the  
15 candidate receives from the fund pursuant to Section 7 of this act  
16 plus any funds remaining from the qualifying period and possible  
17 rescue funds;

18 4. During the qualifying period, the candidate may contribute  
19 up to Five Thousand Dollars (\$5,000.00) of that candidate's own  
20 money to the campaign and may accept in contributions Two Hundred  
21 Dollars (\$200.00) from each member of that candidate's family  
22 consisting of spouse, parent, child, brother, and sister;

23 5. A candidate and the candidate's committee shall limit the  
24 use of all revenues permitted by this subsection to expenditures for

1 campaign-related purposes only. The Board may publish guidelines  
2 outlining permissible campaign-related expenditures;

3 6. Any contribution received by a participating or certified  
4 candidate that falls outside that permitted by this subsection shall  
5 be returned to the contributor as soon as practicable. Any  
6 individual, political committee, or other entity intentionally  
7 making, soliciting, or accepting contributions in violation of the  
8 Oklahoma Corporation Commissioner Campaign Contributions and  
9 Expenditures Limitation Act shall be subject to civil penalties as  
10 specified in Section 12 of this act. The funds involved shall be  
11 forfeited to the fund; and

12 7. A candidate shall return to the fund any amount distributed  
13 for an election that is unspent and uncommitted at the date of the  
14 election, or at the time the individual ceases to be a certified  
15 candidate, whichever occurs first. For accounting purposes, all  
16 qualifying, personal, and family contributions shall be considered  
17 spent before revenue from the fund is spent or committed.

18 E. A candidate may revoke, in writing to the Board, a decision  
19 to participate in the Oklahoma Corporation Commissioner Campaign  
20 Financing Fund at any time before the deadline set by the Board for  
21 the candidate's submission of information for the Corporation  
22 Commissioner Voter Guide described in Section 11 of this act. After  
23 a timely revocation, that candidate may accept and expend outside  
24 the limits of the Oklahoma Corporation Commissioner Campaign

1 Contributions and Expenditures Limitation Act without violating the  
2 Oklahoma Corporation Commissioner Campaign Contributions and  
3 Expenditures Limitation Act. Within ten (10) days after such  
4 revocation, a candidate shall return to the Board all money received  
5 from the fund.

6 SECTION 7. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 4266 of Title 74, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. The State Election Board shall distribute to a certified  
10 candidate revenue from the Oklahoma Corporation Commissioner  
11 Campaign Financing Fund in an amount determined under paragraph 4 of  
12 subsection B of this section within five (5) business days after the  
13 certified candidate's name is approved to appear on the ballot in a  
14 contested primary or general election, or within five (5) business  
15 days after the election becomes contested, whichever is later.

16 B. By January 1, 2010, and no less frequently than every four  
17 (4) years thereafter, the Board shall determine the amount of funds,  
18 rounded to the nearest One Hundred Dollars (\$100.00), to be  
19 distributed to certified candidates as follows:

20 1. For an uncontested primary election, no funds shall be  
21 distributed;

22 2. For a contested primary election, funds shall be distributed  
23 in an amount equal to the average expended per candidate in the last  
24 two contested primaries for the office of Corporation Commissioner;

1           3. For an uncontested general election, no funds shall be  
2 distributed; and

3           4. For a contested general election, funds shall be distributed  
4 in an amount equal to the average expended per candidate in the last  
5 two contested general elections for the office of Corporation  
6 Commissioner, increased proportionally to increases in the Consumer  
7 Price Index since the previous contested general election.

8           C. The Board, in consultation with the Oklahoma State  
9 Treasurer, shall develop a rapid, reliable method of conveying funds  
10 to certified candidates. In all cases, the Board shall distribute  
11 funds to certified candidates in a manner that is expeditious,  
12 ensures accountability, and safeguards the integrity of the fund.  
13 If the money in the fund is insufficient to fully fund all certified  
14 candidates, then the available money shall be distributed  
15 proportionally.

16           SECTION 8.           NEW LAW           A new section of law to be codified  
17 in the Oklahoma Statutes as Section 4267 of Title 74, unless there  
18 is created a duplication in numbering, reads as follows:

19           A. Any noncertified candidate with a certified opponent shall  
20 report total income, expenses, and obligations to the State Election  
21 Board within twenty-four (24) hours after the total amount of  
22 campaign expenditures or obligations made, or funds raised or  
23 borrowed, exceeds eighty percent (80%) of the trigger for rescue  
24 funds as defined in Section 3 of this act. Any entity making

1 independent expenditures in excess of Three Thousand Dollars  
2 (\$3,000.00) in support of or opposition to a certified candidate  
3 shall report the total funds received, spent, or obligated for those  
4 expenditures to the Board within twenty-four (24) hours after the  
5 total amount of expenditures or obligations made, or funds raised or  
6 borrowed, for the purpose of making the independent expenditures,  
7 exceeds fifty percent (50%) of the trigger for rescue funds. After  
8 this filing, the noncertified candidate or independent expenditure  
9 entity shall comply with an expedited reporting schedule by filing  
10 additional reports after receiving each additional amount in excess  
11 of One Thousand Dollars (\$1,000.00) or after making or obligating to  
12 make each additional expenditure in excess of One Thousand Dollars  
13 (\$1,000.00). The schedule and forms for reports required by this  
14 subsection shall be made according to procedures developed by the  
15 Board.

16 B. Notwithstanding other provisions of law, participating and  
17 certified candidates shall report any money received, including all  
18 previously unreported qualifying contributions, all campaign  
19 expenditures, obligations, and related activities to the Board  
20 according to procedures developed by the Board. A certified  
21 candidate who ceases to be certified or ceases to be a candidate or  
22 who loses an election shall file a final report with the Board and  
23 return any unspent revenues received from the fund. In developing  
24 these procedures, the Board shall utilize existing campaign

1 reporting procedures set forth in the Rules of the Oklahoma Ethics  
2 Commission whenever practical.

3 C. The Board shall ensure prompt public access to the reports  
4 received in accordance with the Oklahoma Corporation Commissioner  
5 Campaign Contributions and Expenditures Limitation Act. The Board  
6 may utilize electronic means of reporting and storing information.

7 SECTION 9. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 4268 of Title 74, unless there  
9 is created a duplication in numbering, reads as follows:

10 A. When any report or group of reports shows that funds in  
11 opposition to a certified candidate or in support of an opponent to  
12 that candidate, as described in this section, exceed the trigger for  
13 rescue funds, as defined in Section 3 of this act, the State  
14 Election Board shall issue immediately to that certified candidate  
15 an additional amount equal to the reported excess within the limits  
16 set forth in this section. Funds in opposition to a certified  
17 candidate or in support of an opponent to that candidate shall be  
18 equal to the sum of the following:

19 1. Campaign expenditures or obligations made, or funds raised  
20 or borrowed, whichever is greater, reported by any one uncertified  
21 opponent of a certified candidate. Where a certified candidate has  
22 more than one noncertified opponent, the measure shall be taken from  
23 the noncertified candidate showing the highest relevant dollar  
24 amount; and

1           2. The sum of all expenditures reported in accordance with  
2 Section 8 of this act of entities making independent expenditures in  
3 opposition to the certified candidate or in support of any opponent  
4 of that certified candidate.

5           B. Total rescue funds to a certified candidate in a contested  
6 primary or general election shall be limited to an amount equal to  
7 two (2) times the amount described in Section 6 of this act.

8           SECTION 10.           NEW LAW           A new section of law to be codified  
9 in the Oklahoma Statutes as Section 4269 of Title 74, unless there  
10 is created a duplication in numbering, reads as follows:

11           A. The State Election Board, with the advice of the Advisory  
12 Council for the Oklahoma Corporation Commissioner Campaign Financing  
13 Fund, shall administer the provisions of the Oklahoma Corporation  
14 Commissioner Campaign Contributions and Expenditures Limitation Act.

15           B. There is established under the Board the "Advisory Council  
16 for the Oklahoma Corporation Commissioner Campaign Financing Fund"  
17 to advise the Board on the rules, procedures, and opinions it adopts  
18 for the enforcement and administration of the Oklahoma Corporation  
19 Commissioner Campaign Contributions and Expenditures Limitation Act  
20 and on the funding needs and operation of the Oklahoma Corporation  
21 Commissioner Campaign Financing Fund. The Advisory Council shall  
22 consist of five (5) members to be appointed as follows:

23           1. The Governor shall name two members from a list of  
24 individuals nominated by the state chair of the political party with

1 | which the greatest number of registered voters is affiliated. The  
2 | state chair of that party shall submit to the Governor the names of  
3 | five nominees;

4 |       2. The Governor shall name two members from a list of  
5 | individuals nominated by the state chair of the political party with  
6 | which the second greatest number of registered voters is affiliated.  
7 | The state chair of that party shall submit to the Governor the names  
8 | of five nominees; and

9 |       3. The Board shall name one member by unanimous vote of all  
10 | members of the Board. If the Board cannot reach unanimity on the  
11 | appointment of that member, the Advisory Council shall consist of  
12 | the remaining members.

13 |       No individual shall be eligible to be a member of the Advisory  
14 | Council who would be ineligible to serve on a county election board.  
15 | The initial members shall be appointed as set forth above, with each  
16 | new member appointed in the same manner as the member whose term  
17 | expired. Of the initial appointees, two shall be appointed for one-  
18 | year terms, two shall be appointed for two-year terms, and one shall  
19 | be appointed for a three-year term according to random lot.

20 | Thereafter, appointees shall be appointed to serve four-year terms.  
21 | An individual may not serve more than two full terms. The appointed  
22 | members shall receive reimbursement for actual and necessary  
23 | expenses incurred with respect to attending meetings of the Advisory  
24 | Council in accordance with the State Travel Reimbursement Act. One

1 of the Advisory Council members shall be elected by the members as  
2 Chair. A vacancy during an unexpired term shall be filled in the  
3 same manner as the regular appointment for that term, but a vacancy  
4 appointment shall only be for the unexpired portion of the term.

5 C. The initial decision on an issue concerning qualification,  
6 certification, or distribution of funds under the Oklahoma  
7 Corporation Commissioner Campaign Contributions and Expenditures  
8 Limitation Act shall be made by the Secretary of the State Election  
9 Board. The procedure for challenging that decision shall be as  
10 follows:

11 1. An individual or entity aggrieved by a decision by the  
12 Secretary may appeal to the full Board within three (3) business  
13 days of the decision. The appeal shall be in writing and shall set  
14 forth the reasons for the appeal; and

15 2. Within five (5) business days after an appeal is properly  
16 made, and after due notice is given to the parties, the Board shall  
17 hold a hearing. The appellant shall have the burden of providing  
18 evidence to demonstrate that the decision of the Secretary was  
19 improper. The Board shall rule on the appeal within three (3)  
20 business days after the completion of the hearing.

21 D. The Board shall promulgate rules and issue opinions to  
22 ensure effective administration of the Oklahoma Corporation  
23 Commissioner Campaign Contributions and Expenditures Limitation Act.  
24 Such rules and opinions shall include, but not be limited to,

1 procedures for obtaining qualifying contributions, certification of  
2 candidates, addressing circumstances involving special elections,  
3 vacancies, recounts, withdrawals, or replacements, collection of  
4 revenues for the fund, distribution of fund revenue to certified  
5 candidates, return of unspent fund disbursements, and compliance  
6 with the Oklahoma Corporation Commissioner Campaign Contributions  
7 and Expenditures Limitation Act. The Board shall promulgate  
8 procedures for the distribution of rescue money that further the  
9 purpose and avoid the subversion of the Oklahoma Corporation  
10 Commissioner Campaign Contributions and Expenditures Limitation Act.  
11 For races involving special elections, recounts, vacancies,  
12 withdrawals, or replacement candidates, the Board shall establish  
13 procedures for qualification, certification, disbursement of fund  
14 revenues, and return of unspent fund revenues. The Board shall  
15 fulfill each of these duties in consultation with the Advisory  
16 Council for the Oklahoma Corporation Commissioner Campaign Financing  
17 Fund.

18 E. The Advisory Council for the Oklahoma Corporation  
19 Commissioner Campaign Financing Fund shall issue a report by March  
20 1, 2010, and every four (4) years thereafter, that evaluates and  
21 makes recommendations about the implementation of the Oklahoma  
22 Corporation Commissioner Campaign Contributions and Expenditures  
23 Limitation Act. The Advisory Council shall also evaluate and make  
24 recommendations regarding how to address activities that could

1 | undermine the purpose of the Oklahoma Corporation Commissioner  
2 | Campaign Contributions and Expenditures Limitation Act, including  
3 | spending that appears to target candidates receiving money from the  
4 | fund but that does not meet the definition of independent  
5 | expenditures.

6 | SECTION 11. NEW LAW A new section of law to be codified  
7 | in the Oklahoma Statutes as Section 4270 of Title 74, unless there  
8 | is created a duplication in numbering, reads as follows:

9 | A. The State Election Board shall publish a Corporation  
10 | Commissioner Voter Guide that explains the functions of the  
11 | Corporation Commission and the laws concerning the election of  
12 | Corporation Commissioners, the purpose and function of the Oklahoma  
13 | Corporation Commissioner Campaign Financing Fund, and the laws  
14 | concerning voter registration. The Board shall distribute the  
15 | Corporation Commissioner Voter Guide to as many voting-age  
16 | individuals in the state as practical, through a mailing to all  
17 | residences or other means it deems effective. The distribution  
18 | shall occur no more than twenty-eight (28) days nor fewer than seven  
19 | (7) days before the primary and no more than twenty-eight (28) days  
20 | nor fewer than seven (7) days before the general election.

21 | B. The Corporation Commissioner Voter Guide shall include  
22 | information concerning all candidates for the office of Corporation  
23 | Commissioner, as provided by those candidates according to a format  
24 | provided to the candidates by the Board. The Board shall request

1 information for the Corporation Commissioner Voter Guide from each  
2 candidate according to the following format:

- 3 1. Place of residence;
  - 4 2. Education;
  - 5 3. Occupation;
  - 6 4. Employer;
  - 7 5. Previous employers;
  - 8 6. Regulated industry experience; and
  - 9 7. Candidate statement, limited to one hundred fifty (150)
- 10 words. Concerning that statement, the Board shall send to the  
11 candidates instructions as follows: "Your statement may include  
12 information such as your qualifications, your endorsements, your  
13 ratings, why you are seeking to be Corporation Commissioner, why you  
14 would make a good Corporation Commissioner, what distinguishes you  
15 from your opponent(s), your acceptance of spending and fund-raising  
16 limits to qualify to receive funds from the Oklahoma Corporation  
17 Commissioner Campaign Financing Fund, and any other information  
18 relevant to your candidacy. The State Election Board will reject  
19 any portion of any statement which it determines contains obscene,  
20 profane, or defamatory language. The candidate shall have three (3)  
21 days to resubmit the candidate statement if the Board rejects a  
22 portion of the statement."  
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1 C. The Corporation Commissioner Voter Guide shall contain the  
2 following statement: "The above statements do not express or  
3 reflect the opinions of the State Election Board."

4 SECTION 12. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 4271 of Title 74, unless there  
6 is created a duplication in numbering, reads as follows:

7 In addition to any other penalties that may be applicable, any  
8 individual, political committee, or other entity that violates any  
9 provision of the Oklahoma Corporation Commissioner Campaign  
10 Contributions and Expenditures Limitation Act shall be subject to a  
11 civil penalty of up to Ten Thousand Dollars (\$10,000.00) per  
12 violation or three (3) times the amount of any financial  
13 transactions involved in the violation, whichever is greater. In  
14 addition to any fine, for good cause shown, a candidate found in  
15 violation of the Oklahoma Corporation Commissioner Campaign  
16 Contributions and Expenditures Limitation Act may be required to  
17 return to the fund all amounts distributed to the candidate from the  
18 fund. If the State Election Board makes a determination that a  
19 violation of the Oklahoma Corporation Commissioner Campaign  
20 Contributions and Expenditures Limitation Act has occurred, the  
21 Board shall calculate and assess the amount of the civil penalty and  
22 shall notify the entity that is assessed the civil penalty of the  
23 amount that has been assessed. The Board shall then proceed in the  
24 manner prescribed in Section 10 of this act. In determining whether

1 or not a candidate is in violation of the Oklahoma Corporation  
2 Commissioner Campaign Contributions and Expenditures Limitation Act,  
3 the Board may consider as a mitigating factor any circumstances out  
4 of the candidate's control.

5 SECTION 13. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 4272 of Title 74, unless there  
7 is created a duplication in numbering, reads as follows:

8 Nothing in the Oklahoma Corporation Commissioner Campaign  
9 Contributions and Expenditures Limitation Act obligates the  
10 Legislature to appropriate funds to implement it now or in the  
11 future.

12 SECTION 14. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 4273 of Title 74, unless there  
14 is created a duplication in numbering, reads as follows:

15 Sections 14 through 27 of this act shall be known and may be  
16 cited as the "Oklahoma Insurance Commissioner Campaign Contributions  
17 and Expenditures Limitation Act".

18 SECTION 15. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 4274 of Title 74, unless there  
20 is created a duplication in numbering, reads as follows:

21 The purpose of the Oklahoma Insurance Commissioner Campaign  
22 Contributions and Expenditures Limitation Act is to ensure the  
23 fairness of elections for the office of Insurance Commissioner in  
24 this state and to protect the constitutional rights of voters and

1 candidates from the detrimental effects of increasingly large  
2 amounts of money being raised and spent to influence the outcome of  
3 elections. Accordingly, the Oklahoma Insurance Commissioner  
4 Campaign Contributions and Expenditures Limitation Act establishes  
5 voluntary limits on contributions to and expenditures by candidates  
6 for the office of Insurance Commissioner, and establishes the  
7 Oklahoma Insurance Commissioner Campaign Financing Fund as an  
8 alternative source of campaign financing for candidates who  
9 demonstrate public support and voluntarily accept fund-raising and  
10 spending limits. The Oklahoma Insurance Commissioner Campaign  
11 Contributions and Expenditures Limitation Act shall be available to  
12 candidates for the office of Insurance Commissioner in elections to  
13 be held in 2010 and thereafter.

14 SECTION 16. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 4275 of Title 74, unless there  
16 is created a duplication in numbering, reads as follows:

17 As used in the Oklahoma Insurance Commissioner Campaign  
18 Contributions and Expenditures Limitation Act:

19 1. "Board" means the State Election Board;

20 2. "Candidate" means an individual who seeks nomination or  
21 election to the office of Insurance Commissioner. The term includes  
22 a candidate committee authorized by such a candidate for that  
23 candidate's election;

24

1       3. "Candidate committee" means a candidate committee, as  
2 defined in Rule 1-1-2 of the Rules of the Ethics Commission, for a  
3 candidate specified in paragraph 2 of this section;

4       4. "Certified candidate" means a candidate running for office  
5 who chooses to receive campaign funds from the Oklahoma Insurance  
6 Commissioner Campaign Financing Fund and who is certified under  
7 subsection C of Section 19 of this act;

8       5. "Contested primary and contested general election" means an  
9 election in which there are more candidates than the number to be  
10 elected;

11       6. "Contribution" means a contribution, as defined in Rule 1-1-  
12 2 of the Rules of the Ethics Commission; provided, a distribution  
13 from the Oklahoma Insurance Commissioner Campaign Financing Fund  
14 pursuant to the Oklahoma Insurance Commissioner Campaign  
15 Contributions and Expenditures Limitation Act is not a contribution  
16 and is not subject to the limitations or prohibitions of the Rules  
17 of the Ethics Commission;

18       7. "Expenditure" means an expenditure, as defined in Rule 1-1-2  
19 of the Rules of the Ethics Commission;

20       8. "Fund" means the Oklahoma Insurance Commissioner Campaign  
21 Financing Fund created in Section 17 of this act;

22       9. "Independent expenditure" means an independent expenditure,  
23 as defined in Rule 1-1-2 of the Rules of the Ethics Commission;

24

1       10. "Nonparticipating candidate" means a candidate running for  
2 office who is not seeking to be certified under subsection C of  
3 Section 19 of this act;

4       11. "Office" means the office of Insurance Commissioner in this  
5 state;

6       12. "Participating candidate" means a candidate for office who  
7 has filed a declaration of intent to participate under subsection C  
8 of Section 19 of this act;

9       13. "Political action committee" means a political action  
10 committee, as defined in Rule 1-1-2 of the Rules of the Ethics  
11 Commission;

12       14. "Qualifying contribution" means a contribution of not less  
13 than Ten Dollars (\$10.00) and not more than Twenty-five Dollars  
14 (\$25.00) in the form of a check or money order to the candidate or  
15 the candidate's committee that meets both of the following  
16 conditions:

- 17           a. is made by any registered voter in Oklahoma, and
- 18           b. is made during the qualifying period and obtained with  
19               the approval of the candidate or candidate's  
20               committee;

21       15. "Qualifying period" means the period beginning on the date  
22 an individual becomes a candidate and ending sixty (60) days  
23 thereafter; and

24

1 16. "Trigger for rescue funds" means the dollar amount at which  
2 rescue funds are released for certified candidates, which equals the  
3 base level of funding available under Section 19 of this act.

4 SECTION 17. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 4276 of Title 74, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. The "Oklahoma Insurance Commissioner Campaign Financing  
8 Fund" is established to finance the election campaigns of certified  
9 candidates for office and to pay administrative and enforcement  
10 costs of the State Election Board related to the Oklahoma Insurance  
11 Commissioner Campaign Contributions and Expenditures Limitation Act.  
12 The fund is a special, dedicated, nonlapsing, nonreverting fund.  
13 All expenses of administering the Oklahoma Insurance Commissioner  
14 Campaign Contributions and Expenditures Limitation Act, including  
15 production and distribution of the Insurance Commissioner Voter  
16 Guide required by Section 24 of this act, and personnel and other  
17 costs incurred by the Board shall be paid from the fund and not from  
18 state appropriations. Any interest generated by the fund is  
19 credited to the fund. The State Treasurer shall hold and invest the  
20 monies in the fund, and the Board shall administer the fund.

21 B. Money received from all the following sources shall be  
22 deposited in the fund:

23 1. Money from fees collected by the Oklahoma Insurance  
24 Department pursuant to Section 18 of this act;

1           2. Oklahoma Insurance Commissioner Campaign Financing Fund  
2 revenues distributed for an election that remain unspent or  
3 uncommitted at the time the recipient is no longer a certified  
4 candidate in the election;

5           3. Money ordered returned to the Oklahoma Insurance  
6 Commissioner Campaign Financing Fund by the Board; and

7           4. Voluntary donations made directly to the Oklahoma Insurance  
8 Commissioner Campaign Financing Fund. Corporations, other business  
9 entities, labor unions, attorneys and professional associations may  
10 make donations to the fund.

11           C. By January 1, 2010, and every two (2) years thereafter, the  
12 Board, in conjunction with the Advisory Council for the Oklahoma  
13 Insurance Commissioner Campaign Financing Fund, shall prepare and  
14 provide to the Legislature a report documenting, evaluating, and  
15 making recommendations relating to the administration,  
16 implementation, and enforcement of the Oklahoma Insurance  
17 Commissioner Campaign Contributions and Expenditures Limitation Act.  
18 In its report, the Board shall set out the funds received to date  
19 and the expected needs of the fund for the next election.

20           SECTION 18.           NEW LAW           A new section of law to be codified  
21 in the Oklahoma Statutes as Section 4277 of Title 74, unless there  
22 is created a duplication in numbering, reads as follows:

23           A. After January 1, 2009, the Oklahoma Insurance Department  
24 shall charge and collect an additional \_\_\_ Dollars (\$\_\_.00) in

1 addition to the annual license fees charged pursuant to paragraph 1  
2 of subsection A of Section 624 of Title 36 of the Oklahoma Statutes.

3 B. At the end of each month, the Oklahoma Insurance Department  
4 shall remit the funds collected pursuant to the fee specified in  
5 subsection A of this section to the State Treasurer.

6 C. The Oklahoma State Treasurer shall hold and invest the  
7 monies in the fund in the same manner as other state funds. The  
8 Oklahoma State Treasurer shall provide quarterly reports to the  
9 State Election Board and the Advisory Council for the Oklahoma  
10 Insurance Commissioner Campaign Financing Fund of receipts, earnings  
11 and expenditures of the fund.

12 D. The Oklahoma State Treasurer shall disburse monies of the  
13 fund as directed by the State Election Board.

14 SECTION 19. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 4278 of Title 74, unless there  
16 is created a duplication in numbering, reads as follows:

17 A. Any individual choosing to receive campaign funds from the  
18 Oklahoma Insurance Commissioner Campaign Financing Fund shall first  
19 file with the State Election Board a declaration of intent to  
20 participate in the Oklahoma Insurance Commissioner Campaign  
21 Contributions and Expenditures Limitation Act as a candidate for the  
22 office of Insurance Commissioner. The declaration of intent shall  
23 be filed before or during the qualifying period and before  
24 collecting any qualifying contributions. In the declaration, the

1 candidate shall swear or affirm that only one candidate committee,  
2 identified with its treasurer, shall handle all contributions,  
3 expenditures, and obligations for the participating candidate and  
4 that the candidate will comply with the contribution and expenditure  
5 limits set forth in subsection D of this section and all other  
6 requirements set forth in the Oklahoma Insurance Commissioner  
7 Campaign Contributions and Expenditures Limitation Act or adopted by  
8 the Board. Failure to comply shall be a violation of the Oklahoma  
9 Insurance Commissioner Campaign Contributions and Expenditures  
10 Limitation Act.

11 B. Participating candidates who seek certification to receive  
12 campaign funds from the fund shall first, during the qualifying  
13 period, obtain qualifying contributions from at least five thousand  
14 (5,000) registered voters in this state. No payment, gift, or  
15 anything of value shall be given in exchange for a qualifying  
16 contribution.

17 C. Upon receipt of a submittal of the record of demonstrated  
18 support by a participating candidate, the Board shall determine  
19 whether or not the candidate has complied with all the following  
20 requirements, if they apply to that candidate:

21 1. Signed and filed a declaration of intent to participate in  
22 the Oklahoma Insurance Commissioner Campaign Contributions and  
23 Expenditures Limitation Act;

24

1        2. Submitted a report itemizing the appropriate number of  
2 qualifying contributions received from registered voters, which the  
3 Board shall verify through a random sample or other means it adopts.  
4 The report shall include the address of each registered voter  
5 listed;

6        3. Qualified to receive votes on the ballot as a candidate for  
7 the office; and

8        4. Otherwise met the requirements for participation in the  
9 Oklahoma Insurance Commissioner Campaign Contributions and  
10 Expenditures Limitation Act.

11        The Board shall certify candidates complying with the  
12 requirements of this section as soon as possible and no later than  
13 five (5) business days after receipt of a satisfactory record of  
14 demonstrated support.

15        D. The following restrictions shall apply to contributions and  
16 expenditures with respect to participating and certified candidates:

17        1. Beginning January 1 of the year of the election and before  
18 the filing of a declaration of intent, a potential candidate for  
19 office may accept contributions up to Five Thousand Dollars  
20 (\$5,000.00) from sources and in amounts permitted by the Ethics  
21 Commission Rules and may expend up to Five Thousand Dollars  
22 (\$5,000.00) for any campaign purpose. A candidate who exceeds  
23 either of these limits shall be ineligible to file a declaration of  
24

1 intent or receive funds from the Oklahoma Insurance Commissioner  
2 Campaign Financing Fund;

3 2. From the filing of a declaration of intent through the end  
4 of the qualifying period, a candidate shall expend no more than an  
5 amount equal to the qualifying contributions for that candidate, not  
6 including possible rescue funds or the remaining money raised  
7 pursuant to paragraph 1 of this subsection. Contributions a  
8 candidate may expend shall be limited to qualifying contributions  
9 and personal and family contributions permitted by paragraph 4 of  
10 this subsection;

11 3. After the qualifying period and through the date of the  
12 general election, the candidate shall expend only the funds the  
13 candidate receives from the fund pursuant to Section 20 of this act  
14 plus any funds remaining from the qualifying period and possible  
15 rescue funds;

16 4. During the qualifying period, the candidate may contribute  
17 up to Five Thousand Dollars (\$5,000.00) of that candidate's own  
18 money to the campaign and may accept in contributions Two Hundred  
19 Dollars (\$200.00) from each member of that candidate's family  
20 consisting of spouse, parent, child, brother, and sister;

21 5. A candidate and the candidate's committee shall limit the  
22 use of all revenues permitted by this subsection to expenditures for  
23 campaign-related purposes only. The Board may publish guidelines  
24 outlining permissible campaign-related expenditures;

1           6. Any contribution received by a participating or certified  
2 candidate that falls outside that permitted by this subsection shall  
3 be returned to the contributor as soon as practicable. Any  
4 individual, political committee, or other entity intentionally  
5 making, soliciting, or accepting contributions in violation of the  
6 Oklahoma Insurance Commissioner Campaign Contributions and  
7 Expenditures Limitation Act shall be subject to civil penalties as  
8 specified in Section 25 of this act. The funds involved shall be  
9 forfeited to the fund; and

10           7. A candidate shall return to the fund any amount distributed  
11 for an election that is unspent and uncommitted at the date of the  
12 election, or at the time the individual ceases to be a certified  
13 candidate, whichever occurs first. For accounting purposes, all  
14 qualifying, personal, and family contributions shall be considered  
15 spent before revenue from the fund is spent or committed.

16           E. A candidate may revoke, in writing to the Board, a decision  
17 to participate in the Oklahoma Insurance Commissioner Campaign  
18 Financing Fund at any time before the deadline set by the Board for  
19 the candidate's submission of information for the Insurance  
20 Commissioner Voter Guide described in Section 24 of this act. After  
21 a timely revocation, that candidate may accept and expend outside  
22 the limits of the Oklahoma Insurance Commissioner Campaign  
23 Contributions and Expenditures Limitation Act without violating the  
24 Oklahoma Insurance Commissioner Campaign Contributions and

1 Expenditures Limitation Act. Within ten (10) days after such  
2 revocation, a candidate shall return to the Board all money received  
3 from the fund.

4 SECTION 20. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 4279 of Title 74, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. The State Election Board shall distribute to a certified  
8 candidate revenue from the Oklahoma Insurance Commissioner Campaign  
9 Financing Fund in an amount determined under paragraph 4 of  
10 subsection B of this section within five (5) business days after the  
11 certified candidate's name is approved to appear on the ballot in a  
12 contested primary or general election, or within five (5) business  
13 days after the election becomes contested, whichever is later.

14 B. By January 1, 2010, and no less frequently than every four  
15 (4) years thereafter, the Board shall determine the amount of funds,  
16 rounded to the nearest One Hundred Dollars (\$100.00), to be  
17 distributed to certified candidates as follows:

18 1. For an uncontested primary election, no funds shall be  
19 distributed;

20 2. For a contested primary election, funds shall be distributed  
21 in an amount equal to the average expended per candidate in the last  
22 two contested primaries for the office of Insurance Commissioner;

23 3. For an uncontested general election, no funds shall be  
24 distributed; and

1           4. For a contested general election, funds shall be distributed  
2 in an amount equal to the average expended per candidate in the last  
3 two contested general elections for the office of Insurance  
4 Commissioner, increased proportionally to increases in the Consumer  
5 Price Index since the previous contested general election.

6           C. The Board, in consultation with the Oklahoma State  
7 Treasurer, shall develop a rapid, reliable method of conveying funds  
8 to certified candidates. In all cases, the Board shall distribute  
9 funds to certified candidates in a manner that is expeditious,  
10 ensures accountability, and safeguards the integrity of the fund.  
11 If the money in the fund is insufficient to fully fund all certified  
12 candidates, then the available money shall be distributed  
13 proportionally.

14           SECTION 21.       NEW LAW       A new section of law to be codified  
15 in the Oklahoma Statutes as Section 4280 of Title 74, unless there  
16 is created a duplication in numbering, reads as follows:

17           A. Any noncertified candidate with a certified opponent shall  
18 report total income, expenses, and obligations to the State Election  
19 Board within twenty-four (24) hours after the total amount of  
20 campaign expenditures or obligations made, or funds raised or  
21 borrowed, exceeds eighty percent (80%) of the trigger for rescue  
22 funds as defined in Section 16 of this act. Any entity making  
23 independent expenditures in excess of Three Thousand Dollars  
24 (\$3,000.00) in support of or opposition to a certified candidate

1 shall report the total funds received, spent, or obligated for those  
2 expenditures to the Board within twenty-four (24) hours after the  
3 total amount of expenditures or obligations made, or funds raised or  
4 borrowed, for the purpose of making the independent expenditures,  
5 exceeds fifty percent (50%) of the trigger for rescue funds. After  
6 this filing, the noncertified candidate or independent expenditure  
7 entity shall comply with an expedited reporting schedule by filing  
8 additional reports after receiving each additional amount in excess  
9 of One Thousand Dollars (\$1,000.00) or after making or obligating to  
10 make each additional expenditure in excess of One Thousand Dollars  
11 (\$1,000.00). The schedule and forms for reports required by this  
12 subsection shall be made according to procedures developed by the  
13 Board.

14 B. Notwithstanding other provisions of law, participating and  
15 certified candidates shall report any money received, including all  
16 previously unreported qualifying contributions, all campaign  
17 expenditures, obligations, and related activities to the Board  
18 according to procedures developed by the Board. A certified  
19 candidate who ceases to be certified or ceases to be a candidate or  
20 who loses an election shall file a final report with the Board and  
21 return any unspent revenues received from the fund. In developing  
22 these procedures, the Board shall utilize existing campaign  
23 reporting procedures set forth in the Rules of the Oklahoma Ethics  
24 Commission whenever practical.

1 C. The Board shall ensure prompt public access to the reports  
2 received in accordance with the Oklahoma Insurance Commissioner  
3 Campaign Contributions and Expenditures Limitation Act. The Board  
4 may utilize electronic means of reporting and storing information.

5 SECTION 22. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 4281 of Title 74, unless there  
7 is created a duplication in numbering, reads as follows:

8 A. When any report or group of reports shows that funds in  
9 opposition to a certified candidate or in support of an opponent to  
10 that candidate, as described in this section, exceed the trigger for  
11 rescue funds, as defined in Section 16 of this act, the State  
12 Election Board shall issue immediately to that certified candidate  
13 an additional amount equal to the reported excess within the limits  
14 set forth in this section. Funds in opposition to a certified  
15 candidate or in support of an opponent to that candidate shall be  
16 equal to the sum of the following:

17 1. Campaign expenditures or obligations made, or funds raised  
18 or borrowed, whichever is greater, reported by any one noncertified  
19 opponent of a certified candidate. Where a certified candidate has  
20 more than one noncertified opponent, the measure shall be taken from  
21 the noncertified candidate showing the highest relevant dollar  
22 amount; and

23 2. The sum of all expenditures reported in accordance with  
24 Section 21 of this act of entities making independent expenditures

1 in opposition to the certified candidate or in support of any  
2 opponent of that certified candidate.

3 B. Total rescue funds to a certified candidate in a contested  
4 primary or general election shall be limited to an amount equal to  
5 two (2) times the amount described in Section 19 of this act.

6 SECTION 23. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 4282 of Title 74, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. The State Election Board, with the advice of the Advisory  
10 Council for the Oklahoma Insurance Commissioner Campaign Financing  
11 Fund, shall administer the provisions of the Oklahoma Insurance  
12 Commissioner Campaign Contributions and Expenditures Limitation Act.

13 B. There is established under the Board the "Advisory Council  
14 for the Oklahoma Insurance Commissioner Campaign Financing Fund" to  
15 advise the Board on the rules, procedures, and opinions it adopts  
16 for the enforcement and administration of the Oklahoma Insurance  
17 Commissioner Campaign Contributions and Expenditures Limitation Act  
18 and on the funding needs and operation of the Oklahoma Insurance  
19 Commissioner Campaign Financing Fund. The Advisory Council shall  
20 consist of five (5) members to be appointed as follows:

21 1. The Governor shall name two members from a list of  
22 individuals nominated by the state chair of the political party with  
23 which the greatest number of registered voters is affiliated. The  
24

1 state chair of that party shall submit to the Governor the names of  
2 five nominees;

3 2. The Governor shall name two members from a list of  
4 individuals nominated by the state chair of the political party with  
5 which the second greatest number of registered voters is affiliated.  
6 The state chair of that party shall submit to the Governor the names  
7 of five nominees; and

8 3. The Board shall name one member by unanimous vote of all  
9 members of the Board. If the Board cannot reach unanimity on the  
10 appointment of that member, the Advisory Council shall consist of  
11 the remaining members.

12 No individual shall be eligible to be a member of the Advisory  
13 Council who would be ineligible to serve on a county election board.  
14 The initial members shall be appointed as set forth above, with each  
15 new member appointed in the same manner as the member whose term  
16 expired. Of the initial appointees, two shall be appointed for one-  
17 year terms, two shall be appointed for two-year terms, and one shall  
18 be appointed for a three-year term according to random lot.  
19 Thereafter, appointees shall be appointed to serve four-year terms.  
20 An individual may not serve more than two full terms. The appointed  
21 members shall receive reimbursement for actual and necessary  
22 expenses incurred with respect to attending meetings of the Advisory  
23 Council in accordance with the State Travel Reimbursement Act. One  
24 of the Advisory Council members shall be elected by the members as

1 Chair. A vacancy during an unexpired term shall be filled in the  
2 same manner as the regular appointment for that term, but a vacancy  
3 appointment shall only be for the unexpired portion of the term.

4 C. The initial decision on an issue concerning qualification,  
5 certification, or distribution of funds under the Oklahoma Insurance  
6 Commissioner Campaign Contributions and Expenditures Limitation Act  
7 shall be made by the Secretary of the State Election Board. The  
8 procedure for challenging that decision shall be as follows:

9 1. An individual or entity aggrieved by a decision by the  
10 Secretary may appeal to the full Board within three (3) business  
11 days of the decision. The appeal shall be in writing and shall set  
12 forth the reasons for the appeal; and

13 2. Within five (5) business days after an appeal is properly  
14 made, and after due notice is given to the parties, the Board shall  
15 hold a hearing. The appellant shall have the burden of providing  
16 evidence to demonstrate that the decision of the Secretary was  
17 improper. The Board shall rule on the appeal within three (3)  
18 business days after the completion of the hearing.

19 D. The Board shall promulgate rules and issue opinions to  
20 ensure effective administration of the Oklahoma Insurance  
21 Commissioner Campaign Contributions and Expenditures Limitation Act.  
22 Such rules and opinions shall include, but not be limited to,  
23 procedures for obtaining qualifying contributions, certification of  
24 candidates, addressing circumstances involving special elections,

1 vacancies, recounts, withdrawals, or replacements, collection of  
2 revenues for the fund, distribution of fund revenue to certified  
3 candidates, return of unspent fund disbursements, and compliance  
4 with the Oklahoma Insurance Commissioner Campaign Contributions and  
5 Expenditures Limitation Act. The Board shall promulgate procedures  
6 for the distribution of rescue money that further the purpose and  
7 avoid the subversion of the Oklahoma Insurance Commissioner Campaign  
8 Contributions and Expenditures Limitation Act. For races involving  
9 special elections, recounts, vacancies, withdrawals, or replacement  
10 candidates, the Board shall establish procedures for qualification,  
11 certification, disbursement of fund revenues, and return of unspent  
12 fund revenues. The Board shall fulfill each of these duties in  
13 consultation with the Advisory Council for the Oklahoma Insurance  
14 Commissioner Campaign Financing Fund.

15 E. The Advisory Council for the Oklahoma Insurance Commissioner  
16 Campaign Financing Fund shall issue a report by March 1, 2010, and  
17 every four (4) years thereafter, that evaluates and makes  
18 recommendations about the implementation of the Oklahoma Insurance  
19 Commissioner Campaign Contributions and Expenditures Limitation Act.  
20 The Advisory Council shall also evaluate and make recommendations  
21 regarding how to address activities that could undermine the purpose  
22 of the Oklahoma Insurance Commissioner Campaign Contributions and  
23 Expenditures Limitation Act, including spending that appears to

24

1 target candidates receiving money from the fund but that does not  
2 meet the definition of independent expenditures.

3 SECTION 24. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 4283 of Title 74, unless there  
5 is created a duplication in numbering, reads as follows:

6 A. The State Election Board shall publish an Insurance  
7 Commissioner Voter Guide that explains the functions of the  
8 Insurance Commissioner and the laws concerning the election of  
9 Insurance Commissioner, the purpose and function of the Oklahoma  
10 Insurance Commissioner Campaign Financing Fund, and the laws  
11 concerning voter registration. The Board shall distribute the  
12 Insurance Commissioner Voter Guide to as many voting-age individuals  
13 in the state as practical, through a mailing to all residences or  
14 other means it deems effective. The distribution shall occur no  
15 more than twenty-eight (28) days nor fewer than seven (7) days  
16 before the primary and no more than twenty-eight (28) days nor fewer  
17 than seven (7) days before the general election.

18 B. The Insurance Commissioner Voter Guide shall include  
19 information concerning all candidates for the office of Insurance  
20 Commissioner, as provided by those candidates according to a format  
21 provided to the candidates by the Board. The Board shall request  
22 information for the Insurance Commissioner Voter Guide from each  
23 candidate according to the following format:

24 1. Place of residence;

1        2. Education;  
2        3. Occupation;  
3        4. Employer;  
4        5. Previous employers;  
5        6. Regulated industry experience; and  
6        7. Candidate statement, limited to one hundred fifty (150)  
7 words. Concerning that statement, the Board shall send to the  
8 candidates instructions as follows: "Your statement may include  
9 information such as your qualifications, your endorsements, your  
10 ratings, why you are seeking to be Insurance Commissioner, why you  
11 would make a good Insurance Commissioner, what distinguishes you  
12 from your opponent(s), your acceptance of spending and fund-raising  
13 limits to qualify to receive funds from the Oklahoma Insurance  
14 Commissioner Campaign Financing Fund, and any other information  
15 relevant to your candidacy. The State Election Board will reject  
16 any portion of any statement which it determines contains obscene,  
17 profane, or defamatory language. The candidate shall have three (3)  
18 days to resubmit the candidate statement if the Board rejects a  
19 portion of the statement."

20        C. The Insurance Commissioner Voter Guide shall contain the  
21 following statement: "The above statements do not express or  
22 reflect the opinions of the State Election Board."  
23  
24

1           SECTION 25.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 4284 of Title 74, unless there  
3 is created a duplication in numbering, reads as follows:

4           In addition to any other penalties that may be applicable, any  
5 individual, political committee, or other entity that violates any  
6 provision of the Oklahoma Insurance Commissioner Campaign  
7 Contributions and Expenditures Limitation Act shall be subject to a  
8 civil penalty of up to Ten Thousand Dollars (\$10,000.00) per  
9 violation or three (3) times the amount of any financial  
10 transactions involved in the violation, whichever is greater. In  
11 addition to any fine, for good cause shown, a candidate found in  
12 violation of the Oklahoma Insurance Commissioner Campaign  
13 Contributions and Expenditures Limitation Act may be required to  
14 return to the fund all amounts distributed to the candidate from the  
15 fund. If the State Election Board makes a determination that a  
16 violation of the Oklahoma Insurance Commissioner Campaign  
17 Contributions and Expenditures Limitation Act has occurred, the  
18 Board shall calculate and assess the amount of the civil penalty and  
19 shall notify the entity that is assessed the civil penalty of the  
20 amount that has been assessed. The Board shall then proceed in the  
21 manner prescribed in Section 23 of this act. In determining whether  
22 or not a candidate is in violation of the Oklahoma Insurance  
23 Commissioner Campaign Contributions and Expenditures Limitation Act,

24

1 the Board may consider as a mitigating factor any circumstances out  
2 of the candidate's control.

3 SECTION 26. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 4285 of Title 74, unless there  
5 is created a duplication in numbering, reads as follows:

6 Nothing in the Oklahoma Insurance Commissioner Campaign  
7 Contributions and Expenditures Limitation Act obligates the  
8 Legislature to appropriate funds to implement it now or in the  
9 future.

10 SECTION 27. This act shall become effective January 1, 2009.

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