

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 SENATE BILL 476

By: Branan

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5  
6 AS INTRODUCED

7 An Act relating to labor organizations; amending  
8 Rules 1-1-2 and 10-1-2 of the Rules of the Ethics  
9 Commission (74 O.S. Supp. 2006, Ch. 62, App.), which  
10 relate to definitions and contributions; modifying  
11 definitions and defining terms; imposing certain  
12 restrictions on organizations accepting contributions  
13 or making expenditures; specifying certain duties of  
14 organizations; requiring certain notice to employees;  
15 allowing union dues to be used for certain purposes;  
16 providing for administration of organization funds;  
17 specifying unlawful acts; providing penalties;  
18 providing for codification; and providing an  
19 effective date.

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

21 SECTION 1. AMENDATORY Rule 1-1-2 of the Rules of the  
22 Ethics Commission (74 O.S. Supp. 2006, Ch. 62, App.), is amended to  
23 read as follows:

24 Rule 1-1-2. Masculine words, whenever used in this title, shall  
include the feminine and neuter, and the singular includes the  
plural, unless otherwise specified. In addition, the following  
words or terms, when used in this title, shall have the following  
meaning, unless the context clearly indicates otherwise:

1 "Accept", with reference to a contribution, means failure by a  
2 candidate, treasurer, deputy treasurer or agent of a committee to  
3 expressly and unconditionally reject and return a tendered  
4 contribution to the contributor within six (6) business days from  
5 receipt of the tender.

6 "Act" means the Ethics Commission Act, Section 4200 et seq. of  
7 Title 74 of the Oklahoma Statutes.

8 "Address" means mailing address unless otherwise specified in  
9 this title.

10 "Affiliated" or "Connected entity" means any entity which  
11 directly or indirectly establishes, administers or financially  
12 supports a political entity.

13 "Anything of value", "Thing of value" or "Things of value"

14 (1) These terms, to the extent that consideration of equal or  
15 greater value is not received, include the following:

16 (A) a pecuniary item, including money, or a bank bill or  
17 note;

18 (B) a promissory note, bill of exchange, order, draft,  
19 warrant, check, or bond given for the payment of  
20 money;

21 (C) a contract, agreement, promise, or other obligation  
22 for an advance, conveyance, forgiveness of  
23 indebtedness, deposit, distribution, loan, payment,  
24 gift, pledge, or transfer of money;

- 1 (D) a stock, bond, note, or other investment interest in  
2 an entity;
- 3 (E) a receipt given for the payment of money or other  
4 property;
- 5 (F) a right in action;
- 6 (G) a gift, tangible good, chattel, or an interest in a  
7 gift, tangible good, or chattel, except as provided in  
8 subparagraphs (C), (D) and (N) of Paragraph (2) of  
9 this definition;
- 10 (H) a loan or forgiveness of indebtedness, except as  
11 otherwise provided in subparagraph (I) of Paragraph  
12 (2) of this definition;
- 13 (I) a work of art, antique, or collectible;
- 14 (J) an automobile or other means of personal  
15 transportation;
- 16 (K) real property or an interest in real property,  
17 including title to realty, a fee simple or partial  
18 interest, present or future, contingent or vested in  
19 realty, a leasehold interest, or other beneficial  
20 interest in realty;
- 21 (L) an honorarium or compensation for services, except as  
22 otherwise provided in subparagraph (M) of Paragraph  
23 (2) of this definition;
- 24

- 1 (M) a rebate or discount in the price of anything of value  
2 or the sale or trade of something for reasonable  
3 compensation that would ordinarily not be available to  
4 a member of the public, except as provided in  
5 subparagraph (J) of Paragraph (2) of this definition;  
6 (N) a promise or offer of employment;  
7 (O) transportation, lodging or entertainment; or  
8 (P) any other thing of value not excluded by Paragraph (2)  
9 of this definition.

10 (2) These terms do not include:

- 11 (A) a campaign contribution properly received and  
12 reported;  
13 (B) any books, written materials, audio tapes, videotapes,  
14 or other informational promotional material related to  
15 the performance of a state officer's or state  
16 employee's official duties;  
17 (C) a gift that:  
18 (i) is not used, and  
19 (ii) no later than thirty (30) days after receipt, is  
20 returned to the donor or delivered to a  
21 charitable organization and is not claimed as a  
22 charitable contribution for federal income tax  
23 purposes;  
24

1 (D) a gift, devise, or inheritance from an individual's  
2 spouse, child, step-child, parent, step-parent,  
3 grandparent, step-grandparent, sibling, step-sibling,  
4 parent-in-law, sibling-in-law, nephew, niece, aunt,  
5 uncle, or first cousin or the spouse of that  
6 individual, if the donor is not acting as the agent or  
7 intermediary for someone other than a person covered  
8 by this subparagraph;

9 (E) a plaque or trophy with a value that does not exceed  
10 two hundred dollars (\$200);

11 (F) modest items of food and refreshments, such as soft  
12 drinks, coffee, and donuts, offered other than as part  
13 of a meal;

14 (G) food and beverage consumed on the occasion when  
15 participating in a charitable, civic, or community  
16 event, or at any event to which all members of the  
17 Legislature are invited, which bears a relationship to  
18 the state officer's or state employee's office and the  
19 officer or employee is attending in an official  
20 capacity;

21 (H) greeting cards and items with little intrinsic value,  
22 such as certificates, which are intended solely for  
23 presentation;

- 1 (I) loans from banks and other financial institutions on  
2 terms generally available to the public;
- 3 (J) opportunities and benefits, including favorable rates  
4 and commercial discounts, available to the public or  
5 to a class consisting of all state government  
6 employees, whether or not restricted on the basis of  
7 geographic consideration;
- 8 (K) rewards and prizes given to competitors in contests or  
9 events, including random drawings, which are open to  
10 the public; rewards and prizes from contests or events  
11 which are not open to the public are also excepted if  
12 the state officer's or state employee's entry into the  
13 contest is required as part of his official duties;
- 14 (L) pension and other benefits resulting from  
15 participation in a retirement plan offered by an  
16 employer or former employer of a state officer or  
17 state employee;
- 18 (M) anything which is paid for by the state government or  
19 secured by the state government under state government  
20 contract;
- 21 (N) any gift accepted on behalf of the state of Oklahoma  
22 or a governmental entity by the Governor under Section  
23 381 et seq. of Title 60 of the Oklahoma Statutes. In  
24 order to be deemed accepted, the Governor must be

1 notified in writing of any gift received by a  
2 governmental entity, or person on behalf of a  
3 governmental entity, within ten (10) days of receipt  
4 of the gift. Notice of acceptance must be received  
5 from the Governor within the next thirty (30) days.  
6 Upon lack of a response from the Governor within  
7 thirty (30) days of receipt of the notice, the gift is  
8 deemed rejected and must be returned to the donor;

9 (O) anything for which market value is paid or secured by  
10 written contract to be paid by the state officer or  
11 state employee no later than 30 days of receipt;

12 (P) transportation furnished to a state officer or state  
13 employee for the purpose of assisting the officer or  
14 employee in the performance of the officer's or  
15 employee's official duties and from which the officer  
16 or employee receives only incidental personal benefits  
17 ancillary to said purpose;

18 (Q) food, transportation or entertainment provided by a  
19 governmental agency or governmental enterprise of a  
20 foreign nation as a gesture of hospitality;

21 (R) prescription drugs or similar items given to the  
22 recipient for distribution to patients in need of  
23 treatment which are not used by the recipient;

24

1 (S) a meal or other food served at a meeting at which the  
2 state officer or state employee is an invited guest;  
3 and

4 (T) any gratuity provided at a meeting, conference, or  
5 seminar by sponsors, exhibitors, etc., the cost of  
6 which is not borne by a registrant to such meeting,  
7 conference, or seminar.

8 "Associated", when used with reference to an entity, includes an  
9 entity in which an individual or a member of his or her immediate  
10 family is a director, officer, fiduciary, trustee, agent, or  
11 partner, or owns or controls, in the aggregate, at least two percent  
12 (2%) or a value of five thousand dollars (\$5,000) of the outstanding  
13 equity.

14 "Ballot measure" means an initiative, referendum, legislative  
15 referendum, legislative initiative, state question, or any  
16 proposition or measure submitted to voters for their approval or  
17 rejection at a statewide election.

18 "Business" means any corporation, limited liability company,  
19 partnership, limited liability partnership, limited partnership,  
20 sole proprietorship, firm, enterprise, franchise, association, self-  
21 employed individual, holding company, joint stock company,  
22 receivership, trust, or any legal entity through which business is  
23 conducted for profit.



1 "Business day" means any day except a Saturday, Sunday or a  
2 legal holiday designated in Section 82.1 of Title 25 of the Oklahoma  
3 Statutes.

4 "Campaign" means and includes all activities for or against the  
5 election of a candidate to a specific state office for a specific  
6 term or the passage or defeat of a ballot measure from the date of  
7 acceptance of the first contribution, the making of the first  
8 expenditure, or the filing of a declaration of candidacy, whichever  
9 is first, until a final campaign contributions and expenditures  
10 report is filed.

11 "Campaign expenditure" is an expenditure not otherwise  
12 prohibited which is used to defray the costs of a candidate's  
13 campaign including, without limitation, advertising, travel and food  
14 while campaigning, and costs for campaign workers, whether paid or  
15 volunteers.

16 "Candidate" means a person who seeks nomination or election to  
17 state office. An individual is a candidate when the individual:

18 (1) has filed a declaration of candidacy for any state office  
19 with the Secretary of the State Election Board;

20 (2) has filed a declaration of candidacy with the Secretary of  
21 State and has drawn active opposition;

22 (3) is nominated as a "substitute candidate" pursuant to  
23 Section 1-105 of Title 26 of the Oklahoma Statutes; or  
24

1 (4) solicits or accepts contributions, makes expenditures or  
2 gives consent to an individual, organization, party committee, or  
3 other committee to solicit or accept contributions or make  
4 expenditures to secure election to any state office at any time,  
5 whether or not the office for which the individual will seek  
6 nomination or election is known when the:

7 (A) solicitation is made;

8 (B) contribution is accepted; or

9 (C) expenditure is made.

10 The term "candidate" shall include a person whose candidacy is  
11 unopposed.

12 "Candidate committee" means the committee, consisting of one or  
13 more persons who may be the candidate only, designated by a  
14 candidate to promote the candidate's candidacy and serve as the  
15 recipient of all contributions and the disbursing officer of all expenditures  
16 for the candidate.

17 "Charitable organization" means an entity described in 501 (c)  
18 (3) of Title 26 of the United States Code, 26 U.S.C., Section 501  
19 (c) (3), as it currently exists or as it may be amended.

20 "Classified employee" means a state employee or a state employee  
21 on leave from employment who is under the jurisdiction of the Merit  
22 System of Personnel Administration as provided in the Oklahoma  
23 Personnel Act, Section 840.1 et seq. of Title 74 of the Oklahoma  
24 Statutes.

1 "Commission" means the Ethics Commission.

2 "Committee" means a candidate committee, political action  
3 committee, or party committee.

4 "Compensation"

5 (1) means:

6 (A) an advance, conveyance, forgiveness of indebtedness,  
7 deposit, distribution, loan, payment, pledge, or  
8 transfer of money or anything of value; or

9 (B) a contract, agreement, promise, or other obligation  
10 for an advance, conveyance, forgiveness of  
11 indebtedness, deposit, distribution, loan, payment,  
12 pledge, or transfer of money or anything of value,

13 for services rendered or to be rendered.

14 (2) The term does not include reimbursement of expenses:

15 (A) if the reimbursement:

16 (i) does not exceed the amount expended for the  
17 expenses; and

18 (ii) is substantiated by an itemization of expenses;  
19 or

20 (B) if the reimbursement is authorized by law.

21 "Contribution"

22 (1) means and includes:

23 (A) a gift, subscription, loan, guarantee or forgiveness  
24 of a loan, conveyance, advance, payment, distribution,

1 or deposit of money or anything of value made to and  
2 with the knowledge and for the benefit of a committee,  
3 which expressly advocates the election or defeat of a  
4 clearly identified candidate or candidates or the  
5 passage or defeat of a ballot measure or ballot  
6 measures, or for reducing the debt of such committee;

7 (B) an expenditure expressly advocating the election or  
8 defeat of a clearly identified candidate or candidates  
9 or the passage or defeat of a ballot measure or ballot  
10 measures made by a person or committee, other than a  
11 candidate committee, with the cooperation of, or in  
12 consultation with, a committee, a candidate, candidate  
13 committee, or candidate's agent or that is made in  
14 concert with, or at the request or suggestion of, a  
15 candidate, candidate committee, or candidate's agent;

16 (C) the difference between the payment to a person, other  
17 than a candidate or committee, of compensation for  
18 personal services or products to the candidate or  
19 committee, and the reasonable and customary rate  
20 charged by the person for like services or products in  
21 like quantities when the candidate or committee has  
22 knowledge of the discounted services or products;

23 (D) anything of value received by a committee that is  
24 transferred from another committee or other source;

1 (E) sums paid for tickets for a political event such as a  
2 reception, rally, or a similar fundraising event;  
3 however, the amount of any such contribution may be  
4 reduced for the purpose of complying with the  
5 reporting and contribution limitations requirements of  
6 Chapter 10 of this title, by the actual cost of  
7 consumables furnished by the committee in connection  
8 with the purchase of the tickets, and only the excess  
9 over the actual cost of the consumables shall be  
10 deemed a contribution;

11 (F) the candidate's own money used on behalf of that  
12 candidate's candidacy; and

13 (G) the difference between the open market value and a  
14 discount or rebate:

15 (i) not extended to the public generally; or

16 (ii) by a television or radio station not extended  
17 equally to all candidates for the same office.

18 (2) The term "contribution" shall not include:

19 (A) the value of services provided without compensation by  
20 any individual who volunteers on behalf of a candidate  
21 or committee;

22 (B) for purposes of the contribution limits set forth in  
23 Section 2 of Chapter 10, the transfer of any funds by  
24 a political action committee to an affiliated or

1 connected political action committee or by a party  
2 committee to an affiliated or connected party  
3 committee, provided the committees have been  
4 established as provided by law and the transferring  
5 committee and the receiving committee have been  
6 established, directly or indirectly, and are  
7 administered or financially supported, directly or  
8 indirectly, by a common entity; or

9 (C) any payment or obligation incurred by a corporation,  
10 labor organization, membership organization,  
11 cooperative or corporation without capital stock for  
12 the establishment, administration, and solicitation of  
13 contributions to a separate segregated fund or  
14 political action committee to be utilized for  
15 political purposes;

16 (D) a nonreimbursed payment made by an individual for the  
17 individual's own travel expenses on behalf of a  
18 committee;

19 (E) a payment made by an occupant of a residence or office  
20 for costs related to a meeting or fundraising event  
21 held in the occupant's residence or office if the  
22 costs for the meeting or fundraising event do not  
23 exceed five hundred dollars (\$500). However, if the  
24 occupant hosts more than one (1) event in an election

1 cycle for the same beneficiary, all subsequent  
2 payments that exceed five hundred dollars (\$500) in  
3 the aggregate are contributions;

4 (F) a loan of money made in the ordinary course of  
5 business by a financial institution authorized to  
6 transact business in this state at terms and interest  
7 rates generally available to a member of the public  
8 without regard to that person's status as a state  
9 officer or state employee or a candidate for state  
10 office by the institution;

11 (G) a communication by a corporation, labor organization,  
12 or association aimed at its members, owners,  
13 stockholders, directors, executive administrative  
14 personnel, or their families;

15 (H) a tender of a contribution if the tender is not  
16 accepted, including use as collateral, or is  
17 transferred to the state as provided in Subsection (i)  
18 of Section 2 of Chapter 10 of this title;

19 (I) the fair market value earnings of a sole  
20 proprietorship, partnership, limited partnership,  
21 limited liability partnership, or limited liability  
22 company; or

23 (J) a communication which does not expressly advocate the  
24 election or defeat of a clearly identified candidate

1 or candidates or the passage or defeat of a ballot  
2 measure or ballot measures.

3 (3) If any person makes, or contracts to make, any disbursement  
4 for any electioneering communication as defined in this section; and  
5 such disbursement is coordinated with a:

6 (A) candidate or authorized committee of such candidate,  
7 or agent or official of any such candidate, such  
8 disbursement or contracting shall be treated as a  
9 contribution to the candidate supported by the  
10 electioneering communication and as an expenditure by  
11 that candidate committee.

12 (B) state or local political party or committee thereof,  
13 or agent or official of such political party, such  
14 disbursement or contracting shall be treated as a  
15 contribution to the political party of the candidate  
16 or candidates supported by the electioneering  
17 communication and as an expenditure by that  
18 candidate's or candidates' party; or

19 (C) ballot measure committee, or an agent or official of  
20 any such ballot measure committee; such disbursement  
21 or contracting shall be treated as a contribution to  
22 the ballot measure committee supported by the  
23 electioneering communication and as an expenditure by  
24 that ballot measure committee.



1 "Contributor" means and includes every person who makes a  
2 contribution.

3 "Day" means calendar day, except that in instances where a  
4 report or other document is required to be filed with the Commission  
5 and the calendar day upon which such a report or document must be  
6 filed falls on a day other than a business day, any such report or  
7 document may be filed on the immediate next business day.

8 "Economic interest" means a personal financial interest in a  
9 state purchase, sale, lease, contract, option, or other transaction  
10 or arrangement involving property or services when the person who  
11 has the economic interest is taking action to influence the state  
12 purchase, sale, lease, contract, option, or other transaction or  
13 arrangement involving property or services.

14 "Election" means a Primary, Run-off Primary, General, or Special  
15 Election in which a candidate or ballot measure is on the ballot.

16 "Election board" means the State Election Board in reference to  
17 candidates who file a declaration of candidacy with the State  
18 Election Board.

19 "Election cycle" means the period beginning the day after the  
20 General Election, up to and including the following General  
21 Election, including a Primary, Special Primary and the following  
22 Special General Election.

23 "Electioneering Communication"  
24

1 (1) means any communication that is sent by handbill or direct  
2 mail; broadcast by radio, television, cable or satellite; or appears  
3 in a newspaper, magazine or on a billboard which -

4 (A) refers to one or more clearly identified candidates  
5 for state office or one or more ballot measures;

6 (B) is made within -

7 (i) 60 days before a general or special election for  
8 the office sought by the candidate or candidates  
9 or the ballot measure or ballot measures; or

10 (ii) 30 days before a primary or runoff primary  
11 election for the office sought by the candidate  
12 or candidates; and

13 (C) is targeted to the relevant electorate;

14 (2) does not mean -

15 (A) a communication appearing in a news story, commentary,  
16 or editorial distributed through the facilities of any  
17 broadcasting station, newspaper, magazine, or other  
18 periodical publication, unless such facilities are  
19 owned or controlled by any political party, political  
20 action committee, candidate, candidate committee or  
21 ballot measure committee;

22 (B) a communication which constitutes an expenditure or an  
23 independent expenditure under this chapter; or

24

1 (C) a communication which constitutes a candidate debate  
2 or forum or which solely promotes such a debate or  
3 forum and is made by or on behalf of the person  
4 sponsoring the debate or forum;

5 (3) For purposes of this definition, a communication which  
6 refers to one or more clearly identified candidates for state office  
7 or one or more ballot measures is "targeted to the relevant  
8 electorate" if the communication has been or can be received by -

9 (A) 2,500 or more persons in the district the candidate  
10 seeks to represent in the case of a candidate for the  
11 Oklahoma State House of Representatives;

12 (B) 5,000 or more in the district the candidate seeks to  
13 represent in the case of a candidate for district  
14 attorney, district judge, associate district judge, or  
15 the Oklahoma State Senate; or

16 (C) 25,000 or more persons in the State of Oklahoma in the  
17 case of a candidate for a statewide elective office or  
18 ballot measure.

19 "Elective officer" means an individual elected to a state office  
20 or an individual who is appointed to fill a vacancy in a state  
21 office.

22 "Expenditure":

23 (1) means a purchase, payment, distribution, loan, advance,  
24 compensation, reimbursement, fee deposit, transfer of funds between

1 committees, or a gift made by a committee which is used to expressly  
2 advocate the election or defeat of a clearly identified candidate or  
3 candidates or the passage or defeat of a ballot measure or ballot  
4 measures.

5 (2) An expenditure does not include the following:

6 (A) a loan of money, made in the ordinary course of  
7 business, by a financial institution authorized to  
8 transact business in this state;

9 (B) a communication by a corporation, labor organization,  
10 or association aimed at its members, owners,  
11 stockholders, executive administrative personnel, or  
12 their families, except a communication by the  
13 corporation's political action committee promoting or  
14 opposing a candidate or candidates;

15 (C) uncompensated services provided by an individual  
16 volunteering the individual's time; or

17 (D) a transfer of funds to another committee if such  
18 transfer is not accepted; or

19 (E) any news story, commentary, or editorial distributed  
20 through the facilities of any broadcasting station,  
21 newspaper, magazine, or other periodical publication,  
22 unless such facilities are owned or controlled by any  
23 political party, political action committee,  
24

1 candidate, candidate committee or ballot measure  
2 committee.

3 "Expenditures incurred" means an amount owed to a creditor for  
4 purchase of delivered goods or completed services.

5 "Family" means an individual, his or her spouse, if any, and all  
6 children under the age of eighteen (18) years residing in the same  
7 household.

8 "Filer" means an individual who is required to file a report or  
9 statement pursuant to this title.

10 "Gift" means "anything of value", as defined in this section, to  
11 the extent that consideration of equal or greater value is not  
12 received in exchange therefor.

13 "Governmental entity"

14 (1) means any department, commission, authority, council,  
15 board, bureau, committee, legislative body, agency, state beneficial  
16 public trust, or other establishment of the executive, legislative  
17 or judicial branch of the State of Oklahoma.

18 (2) shall not mean entities of political subdivisions of the  
19 State of Oklahoma.

20 "Immediate family" means a child under the age of eighteen (18)  
21 years residing in a state officer's or state employee's household, a  
22 spouse of a state officer or state employee, and an individual  
23 claimed by the state officer or state employee or the state  
24

1 officer's or state employee's spouse as a dependent for tax  
2 purposes.

3 "Income" means any money or thing of value received, or to be  
4 received as a claim on future services, whether in the form of a  
5 fee, salary, gift, expense, allowance, forbearance, forgiveness,  
6 interest, dividend, royalty, rent, capital gain, or any other form  
7 of recompense or any combination thereof; provided, the term  
8 "income" shall not include campaign contributions.

9 "Independent expenditure" means an expenditure made by a person  
10 to advocate the election or defeat of a clearly identified candidate  
11 or candidates or a ballot measure or ballot measures, but which is  
12 not made to, controlled by, coordinated with, requested by, or made  
13 upon consultation with a candidate, committee, treasurer, deputy  
14 treasurer or agent of a candidate committee or ballot measure  
15 committee.

16 "In-kind contribution or expenditure" means goods or services  
17 provided to or by a person at no charge or for less than their fair  
18 market value, but shall not include services provided by a  
19 volunteer.

20 "Judicial office" means all elective offices for district judge,  
21 associate district judge and offices for which declarations of  
22 candidacy are filed with the secretary of state.

23 "Legislation" means a bill, resolution, amendment, nomination or  
24 other matter pending in either house of the Legislature; any other

1 matter which may be the subject of action by either house of the  
2 Legislature, including the introduction, consideration, passage,  
3 defeat, approval or veto of the matter; or any matter pending in or  
4 which may be the subject of action by a constitutional convention.

5 "Loan" means a transfer of money, property, guarantee, or  
6 anything of value in exchange for an obligation, conditional or not,  
7 to repay in whole or part.

8 "Lobbying", or any derivative of the word thereof, means any  
9 oral or written communication with a member of the Legislature or  
10 with the Governor or with a member of the judiciary or with an  
11 employee of the Legislature or the Governor or the judiciary on  
12 behalf of a lobbyist principal with regard to the passage, defeat,  
13 formulation, modification, interpretation, amendment, adoption,  
14 approval or veto of any legislation, rules, regulation, executive  
15 order or any other program, policy or position of the state  
16 government; provided, however, it shall not mean testimony given  
17 before, or submitted in writing to, a committee or subcommittee of  
18 the Legislature, nor a speech, article, publication or other  
19 material that is widely distributed, published in newspapers,  
20 magazines or similar publications or broadcast on radio or  
21 television; provided further, it shall not mean representation of  
22 himself or a client by an attorney, acting in a professional  
23 capacity as an attorney, in a court proceeding or quasi-judicial  
24 proceeding.

1 "Lobbyist" means any individual who is employed or retained by  
2 another for financial or other compensation to perform services that  
3 include lobbying, other than an individual whose lobbying activities  
4 are only incidental to, and are not a significant part of, the  
5 services provided by such individual to the client, except as  
6 exempted by Section 4228 of Title 74 of the Oklahoma Statutes or as  
7 it may hereafter be renumbered or recodified.

8 "Lobbyist principal" means any person who employs or retains  
9 another person for financial or other compensation to conduct  
10 lobbying activities on behalf of the lobbyist principal; provided,  
11 however, it shall not mean any individual members, partners,  
12 officers or shareholders of a corporation, association, firm, joint  
13 venture, joint stock company, syndicate, business trust, estate,  
14 trust, company, partnership, limited partnership, organization,  
15 committee, or club, or a group of persons who are voluntarily acting  
16 in concert.

17 "Official action" means any judicial, executive, legislative or  
18 administrative action which shall include, but is not limited to,  
19 the promulgation of rules and regulations and the setting of rates.

20 "Organization" means a:

- 21 (1) labor organization;
- 22 (2) collective bargaining organization;

23

24



1 (3) local, state, or national organization to which a labor  
2 organization pays membership or per capita fees, based upon its  
3 affiliation and membership; or

4 (4) trade or professional association that receives its funds  
5 exclusively from membership dues or service fees, whether organized  
6 inside or outside the state.

7 The term "organization" shall include any association or  
8 organization of employees, and any agency, employee representation  
9 committee, or plan in which employees participate that exists, in  
10 whole or in part, to advocate on behalf of employees about  
11 grievances, labor disputes, wages, rates of pay, hours or conditions  
12 of employment. The term "organization" shall also include each  
13 employee association and union for employees of public and private  
14 sector employers. For purposes of subsection (p) of Section 2 of  
15 Chapter 10 of this title, the term "organization" shall not include  
16 any organization covered by the National Labor Relations Act, 29  
17 U.S.C., Section 151 et seq., or the Railway Labor Act, 45 U.S.C.,  
18 Section 151 et seq.

19 "Organization fund" means a separate segregated fund established  
20 by an organization for political purposes according to the  
21 procedures and requirements set forth in subsection (p) of Section 2  
22 of Chapter 10 of this title.

23 "Participation" includes decision, approval, disapproval,  
24 recommendation, the rendering of advice, or vote.

1 "Particular matter" includes a judicial or other proceeding,  
2 application, request for a ruling or other determination, contract,  
3 claim, controversy, inquiry, investigation, charge, accusation,  
4 arrest, rulemaking, or legislation.

5 "Party committee" means a political party or any affiliated or  
6 connected entity.

7 "Person" means an individual, corporation, limited liability  
8 company, association, proprietorship, firm, partnership, limited  
9 liability partnership, limited partnership, joint venture, joint  
10 stock company, syndicate, business trust, estate, trust, company,  
11 organization, committee, or club, or a group of persons who are  
12 voluntarily acting in concert.

13 "Political action committee"

14 (1) means a combination of at least two individuals, or a  
15 person other than an individual:

16 (A) with the primary purpose of:

17 (i) expressly supporting or opposing a clearly  
18 identified candidate or candidates, or a party  
19 committee, except those required to file with the  
20 Federal Election Commission, or

21 (ii) supporting or opposing a ballot measure; and

22 (B) which accepts or gives contributions or makes  
23 expenditures from a joint account aggregating at least  
24 five hundred dollars (\$500) during a calendar year.

1 (2) does not include:

2 (A) a party committee or a candidate committee;

3 (B) a person other than an individual, when that person

4 makes an expenditure or expenditures from an account

5 to which contributions have not been solicited or

6 accepted from any other persons or individuals; and,

7 the expenditure or expenditures are required by these

8 rules to be reported by the recipient committee or

9 committees as a contribution or contributions; and

10 (C) a combination of individuals, or a person other than

11 an individual, if the combination of individuals, or a

12 person other than an individual, solicits

13 contributions on behalf of a committee; and, any

14 contributions received as a result of the solicitation

15 are forwarded to the committee without being deposited

16 in any account; and, the contributions are required by

17 these rules to be reported by the committee that

18 receives the contributions.

19 "Political activities", for purposes of subsection (p) of

20 Section 2 of Chapter 10 of this title, means electoral activities,

21 independent expenditures or contributions made to any candidate,

22 party committee, political action committee, voter registration

23 effort or any other political or legislative cause, including ballot

24 measures.

1 "Political party" means any political party so recognized for  
2 the purpose of having candidates appear on the ballot.

3 "Public member" means a member appointed to a compensated or  
4 uncompensated part-time position on a board, commission, council,  
5 authority, bureau, committee, state beneficial public trust, or  
6 other establishment of the executive, legislative or judicial branch  
7 of the State of Oklahoma.

8 (1) A public member does not lose this status by receiving  
9 reimbursement of expenses or a per diem payment for services.

10 (2) A public member does not include:

11 (A) members of advisory bodies to the legislative,  
12 executive, or judicial branch of state government;

13 (B) Postadjudication Review Board members appointed  
14 pursuant to Section 1116.2 of Title 10 of the Oklahoma  
15 Statutes;

16 (C) board members of guaranty associations created  
17 pursuant to state statute; and

18 (D) precinct inspectors, judges, clerks and counters.

19 "Registered lobbyist" means a person that has filed as a  
20 lobbyist with the Commission.

21 "Represent" or "representation" means any formal or informal  
22 attendance before, or any written or oral communication with, or the  
23 filing of documents with any governmental entity on behalf of a  
24 person or organization whether gratuitous or for compensation.

1 "Securities" means evidences of debts, property or obligations  
2 to pay money or of rights to participate in earnings and  
3 distribution of corporate trust, and other property, including but  
4 not limited to, stocks, bonds, notes, convertible debentures,  
5 warrants, or other documents that represent a share in a company or  
6 a debt owed by a company.

7 "State employee"

8 (1) means:

9 (A) an elective or appointed officer or an employee of any  
10 governmental entity, except members of the House of  
11 Representatives or State Senate; and

12 (B) an employee, other than an adjunct professor, in the  
13 service of an institution of higher education  
14 comprising the Oklahoma State System of Higher  
15 Education.

16 (2) does not mean a public member.

17 "State office" means all elective offices for which declarations  
18 of candidacy are filed with the Secretary of the State Election  
19 Board.

20 "State officer" means an elective, appointed or employed  
21 officer, including a public member, in the executive, judicial or  
22 legislative branch of the State of Oklahoma.

23 "Substantial financial interest" means an interest that could  
24 result in directly or indirectly receiving a substantial pecuniary

1 gain or sustaining a substantial pecuniary loss as a result of  
2 ownership or interest in a business entity, or as a result of  
3 salary, gratuity or other compensation or remuneration from any  
4 person, partnership, organization or association. The term  
5 "substantial financial interest" includes, but is not limited to, an  
6 ownership interest of five percent (5%) or more in a business  
7 enterprise or an interest in an entity from which dividends of one  
8 thousand dollars (\$1,000.00) or more were derived during the  
9 preceding calendar year.

10 "Surplus funds" arise:

11 (1) when a candidate committee has an unexpended balance of  
12 funds not otherwise obligated for the purposes specified in  
13 Paragraph (1) of Subsection (a) of Section 20 of Chapter 10 of this  
14 title; or

15 (2) when a committee formed to support or oppose a ballot  
16 measure has an unexpended balance of funds not otherwise obligated  
17 for any campaign expenditure; or

18 (3) when a committee, other than a candidate committee or a  
19 ballot measure committee, has an unexpended balance of funds not  
20 otherwise obligated to further the committee's purposes.

21 "Transfer" means the movement or exchange of anything of value  
22 between committees, except the disposition of surplus funds or  
23 material assets by a candidate committee to a party committee in  
24

1 accordance with the dissolution procedure in Sections 19 and 20 of  
2 Chapter 10 of this title.

3 "Union dues" means dues, fees or other monies required as a  
4 condition of membership in an organization.

5 SECTION 2. AMENDATORY Rule 10-1-2 of the Rules of the  
6 Ethics Commission (74 O.S. Supp. 2006, Ch. 62, App.), is amended to  
7 read as follows:

8 Rule 10-1-2. (a) Limitations on contributions from a person.

9 (1) No person or family may contribute more than five thousand  
10 dollars (\$5,000) to a political action committee or a party  
11 committee in any calendar year. No political action committee or  
12 party committee shall knowingly accept a contribution from a person  
13 or family in excess of five thousand dollars (\$5,000) in a calendar  
14 year. Contributions to be used for federal election activity, as  
15 defined in 2 U.S.C. § 431(20), and subject to the requirements of 2  
16 U.S.C. § 441i, commonly referred to as "Levin Funds", shall not be  
17 aggregated with other contributions to a party committee.

18 (2) No person or family may contribute more than five thousand  
19 dollars (\$5,000) to a candidate for state office or to a candidate  
20 committee authorized by such a candidate to accept contributions or  
21 make expenditures on his behalf during a campaign as defined in  
22 Chapter 1, Section 2 and as provided in Paragraphs (4) and (5) of  
23 this subsection. No candidate or candidate committee shall  
24

1 knowingly accept a contribution in excess of five thousand dollars  
2 (\$5,000) from a person or family during a campaign.

3 (3) These restrictions do not apply to:

4 (A) a committee supporting or opposing a ballot measure;  
5 or

6 (B) a candidate making a contribution of his or her own  
7 funds, to his or her campaign; or

8 (C) a political party making a contribution according to  
9 the restrictions set forth in Subsection (b) of this  
10 section.

11 (4) For purposes of this subsection, if a candidate:

12 (A) begins a campaign for a specific state office;

13 (B) accepts one or more contributions for such campaign  
14 but prior to the election therefor chooses not to run  
15 for such office and becomes a candidate for a  
16 different office; and

17 (C) transfers all or any part of the contributions  
18 accepted for the first campaign to the second  
19 campaign;

20 the second campaign shall be deemed to have begun when the candidate  
21 began the first campaign.

22 (5) For purposes of this subsection, if a candidate:

23 (A) does not dissolve his or her candidate committee after  
24 the election at which the office at stake is decided;



1 (B) accepts one or more contributions for such committee  
2 after such election; and

3 (C) begins a campaign for the same or another office in a  
4 subsequent election cycle;

5 any contributions accepted within six (6) months prior to the  
6 beginning of the campaign for the same or another office in a  
7 subsequent election cycle shall be applied to the limit specified in  
8 Paragraph (2) of this subsection for such campaign.

9 (6) The \$5,000 limitation is to be applied collectively and  
10 cumulatively so that any contribution made by the entities as set  
11 forth in the definition of "person" in Section 2 of Chapter 1 of  
12 this title, shall be allocated to the individuals owning such  
13 entities in their percentage of ownership. Once the limit of \$5,000  
14 is reached, applying all sources to the individual or family, no  
15 further contributions can be made during the campaign or calendar  
16 year.

17 (b) Limitations on contributions from a political party  
18 committee. A candidate committee shall not accept contributions  
19 from a political party of more than:

20 (1) fifty thousand dollars (\$50,000) per campaign in the case  
21 of a candidate for governor; and

22 (2) twenty-five thousand dollars (\$25,000) per campaign in the  
23 case of a candidate for other non-federal statewide elective office.

24

1 CAVEAT: This provision, increasing the amount of contributions  
2 a political party may give to its statewide candidates, is  
3 inconsistent with Section 187.1 of Title 21 of the Oklahoma  
4 Statutes, which attaches a criminal penalty to contributions from  
5 any person or family to a state candidate in excess of \$5,000.

6 (c) Contributor statement. Within ten (10) business days of  
7 accepting a single contribution exceeding fifty dollars (\$50.00), or  
8 before accepting multiple contributions from a single source which  
9 exceed fifty dollars (\$50.00) in the aggregate, persons accepting  
10 contributions must obtain from each contributor a statement which  
11 shall include:

12 (1) the date the contribution was given;

13 (2) the name and address, occupation [e.g. "retail sales clerk"]  
14 and employer [e.g. "Dillard"], or principal business activity of the  
15 contributor; a contribution from a person other than an individual  
16 or a committee shall be reported by the name of the person or  
17 committee and not the individual who signed the check;

18 (3) the amount; if in-kind, a description of the contribution  
19 and a good faith estimate of its fair market value;

20 (4) a declaration that the contribution is freely and  
21 voluntarily given from the contributor's personal property, if an  
22 individual, or the person or committee's property, if other than an  
23 individual;

24

1 (5) a declaration that the contributor has not been directly or  
2 indirectly compensated or reimbursed for the contribution, if an  
3 individual, and, if a person other than an individual or a  
4 committee, that the person or committee has not been compensated or  
5 reimbursed for the contribution by persons:

6 (A) other than those from whom contributor statements have  
7 been received and of whom disclosure has or will be  
8 made; or

9 (B) if from persons exempted from the definition of  
10 political action committee, by other persons; and

11 (6) the signature of the contributor, or in the case of a  
12 committee, the treasurer or, in the treasurer's absence, the deputy  
13 treasurer of the committee.

14 Persons accepting contributions from contributors who contribute  
15 by payroll deduction, dues check-off, or similar process shall be  
16 required to obtain only one contributor statement annually or at  
17 such other times as a change is made in the deduction, check-off, or  
18 similar process.

19 (d) Prohibitions and exceptions to corporate contributions.

20 (1) No corporation shall contribute to any campaign fund of any  
21 party committee of this state or to any other person for the benefit  
22 of such party committee or its candidates, nor shall it, through any  
23 agent, officer, representative, employee, attorney, or any other  
24 person or persons, so contribute. Nor shall any such corporation,

1 directly or through such other person, make any loan of money or  
2 anything of value, or give or furnish any privilege, favor or other  
3 thing of value to any party committee, or to any representative of a  
4 party committee, or to any other person for it, or to any candidate  
5 upon the ticket of any political party.

6 (2) A corporation shall not make a contribution or an  
7 expenditure to, or for the benefit of, a candidate or committee in  
8 connection with an election, except that this provision shall not  
9 apply to:

10 (A) a campaign or committee solely for or against a ballot  
11 measure or local question; or

12 (B) the establishment, administration, and solicitation of  
13 contributions to a political action committee to be  
14 utilized for political purposes by a corporation.

15 (3) No candidate, candidate committee or other committee shall  
16 knowingly accept contributions given in violation of the provisions  
17 of Paragraphs (1) and (2) of this subsection.

18 (4) The provisions of this subsection shall not apply to a  
19 bank, savings and loan association or credit union loaning money to  
20 a candidate in connection with his own campaign which is to be  
21 repaid with interest at a rate comparable to that of equivalent  
22 loans for other purposes.

23 (5) The provisions of this subsection shall not apply to  
24 independent expenditures made by a corporation that:

1 (A) has as an express purpose promoting social,  
2 educational, or political ideas and not to generate  
3 business income;

4 (B) does not have shareholders or other persons which have  
5 a financial interest in its assets and earnings; and

6 (C) was not established by a business corporation or other  
7 business entity, by a professional association, or by  
8 a labor union and does not receive substantial revenue  
9 from such entities. Substantial revenue is rebuttably  
10 presumed to be more than ten percent (10%) of total  
11 revenues in a calendar year.

12 (e) Prohibitions relating to committee solicitations and funds.

13 It shall be prohibited for:

14 (1) a political action committee to accept a contribution or  
15 make an expenditure by using anything of value secured:

16 (A) by physical force, job discrimination, financial  
17 reprisals, or threat of the same; or

18 (B) by dues, fees, or other monies required as a condition  
19 of membership in a labor organization or as a  
20 condition of employment, unless the making of such  
21 contributions is authorized by the organization's  
22 members;

23 (2) a person to solicit a contribution from an employee in  
24 exchange for any advantage or promise of an advantage conditioned

1 upon making a contribution, or reprisal or threat of reprisal  
2 related to the failure to make a contribution;

3 (3) a corporation or political action committee of a  
4 corporation to solicit contributions to the political action  
5 committee from a person other than its members, shareholders,  
6 directors, executive and administrative personnel, and their  
7 families; and

8 (4) corporate contributions to a committee or person for or  
9 against a ballot measure to be commingled with a fund established by  
10 such person or committee to contribute to candidate committees or  
11 committees which support or oppose candidates.

12 (f) Prohibition on transfer of funds between committees.

13 (1) A candidate committee shall not make a contribution to  
14 another candidate or make an independent expenditure on behalf of  
15 another candidate. The principal candidate committee or an  
16 authorized committee of a person, as such terms are defined in  
17 Section 431 of Title 2 of the United States Code, shall not make a  
18 contribution to a candidate or make an independent expenditure on  
19 behalf of a candidate. A candidate or candidate committee shall not  
20 accept such a contribution.

21 (2) This subsection shall not prohibit a candidate or any other  
22 person from making a contribution from the candidate's or person's  
23 personal funds to his or her own candidate committee or on behalf of  
24

1 his or her own candidacy or to the committee of another candidate  
2 for a different office.

3 (3) This subsection shall not prohibit a candidate committee  
4 from providing its surplus funds or material assets to the state or  
5 local central committee of a political party in accordance with the  
6 procedures for dissolution of a candidate committee under Sections  
7 19 and 20 of this chapter.

8 (g) Aggregation of contributions. For purposes of the  
9 contribution limitations, the following apply:

10 (1) Two (2) or more political action committees or party  
11 committees are treated as a single entity if the committees:

12 (A) share the majority of members on their boards of  
13 directors;

14 (B) are owned or controlled by the same majority  
15 shareholder or shareholders;

16 (C) are in a parent subsidiary relationship; or

17 (D) have by laws so stating; or

18 (E) are affiliated or connected entities.

19 (2) A candidate committee and a committee other than a  
20 candidate committee are treated as a single committee if the  
21 committees both have the candidate or a member of the candidate's  
22 immediate family as an officer.

23 (h) Attribution and aggregation of family contributions.

24 (1) Contributions by a husband and wife are aggregated.

1 (2) Contributions by children under eighteen (18) years of age  
2 shall be considered to be contributions made by their parent,  
3 parents or legal guardian and shall be attributed to the family  
4 limit specified in Subsection (a) of this section. In the case of a  
5 single custodial parent, the total amount of such a contribution  
6 shall be considered to be a contribution made by the single  
7 custodial parent.

8 (i) Restrictions on loans.

9 (1) A loan is considered a contribution from the lender,  
10 guarantor, and endorser of the loan and is subject to the  
11 contribution limitations of this section.

12 (2) A loan to a candidate or the candidate committee shall be  
13 by written agreement.

14 (3) The proceeds of a loan, regardless of the amount, made to a  
15 candidate:

16 (A) by a commercial lending institution;

17 (B) made in the regular course of business;

18 (C) on the same terms ordinarily available to members of  
19 the public; and

20 (D) which is secured or guaranteed solely by the  
21 candidate;

22 are not subject to the contribution limits of this section.

23 (4) A loan from one committee to another is prohibited.

24 (j) Anonymous and earmarked contributions.



1 (1) A person shall not make to a committee and a committee  
2 shall not accept an anonymous contribution in excess of fifty  
3 dollars (\$50). The recipient of an anonymous contribution in excess  
4 of fifty dollars (\$50) shall, within two (2) business days, remit  
5 the contribution to the Commission to be deposited with the State  
6 Treasurer to the credit of the General Revenue Fund.

7 (2) For purposes of the contribution limitations imposed by  
8 this section, all contributions made by a person, either directly or  
9 indirectly, to or for the benefit of a particular candidate  
10 committee, including contributions which are in any way earmarked or  
11 otherwise directed through an intermediary or conduit to such  
12 candidate committee, shall be treated as contributions from such  
13 person to such candidate committee. It shall be prohibited for an  
14 intermediary or a conduit to make a contribution to a committee in  
15 his or her own name rather than the name of the original source of  
16 such contribution. For purposes of this paragraph, an intermediary  
17 or conduit means a person, who is not the treasurer, deputy  
18 treasurer or agent of a committee, but who is given a contribution  
19 by another with the understanding that it will be contributed to  
20 that committee. The reports shall show the correct name of the  
21 person actually making the contribution.

22 (k) Reimbursement for contribution prohibited. A person shall  
23 not, directly or indirectly, reimburse a person for a contribution  
24 to a candidate or committee.

1 (1) Cash contributions.

2 (1) An individual shall not make to a candidate committee or a  
3 committee supporting or opposing a ballot measure and a candidate  
4 committee or a committee supporting or opposing a ballot measure  
5 shall not accept a contribution of more than fifty dollars (\$50) in  
6 cash during a campaign as defined in Chapter 1, Section 2. Agents  
7 accepting and delivering cash shall deliver contributor statements  
8 disclosing cash contributions equal to the aggregate amount of cash  
9 delivered.

10 (2) A committee, or a person other than an individual, shall  
11 not make a contribution in cash.

12 (m) Certain contributions required to be by written instrument.

13 (1) An individual shall not make a contribution of more than  
14 fifty dollars (\$50), other than an in kind contribution, except by  
15 written instrument containing the name of the contributor and the  
16 name of the payee during a campaign as defined in Chapter 1, Section  
17 2.

18 (2) A committee, or a person other than an individual, shall  
19 not make a contribution, other than in-kind, except by written  
20 instrument containing the name of the contributor and the name of  
21 the payee.

22 (n) Use of other funds.

23 (1) Anything of value which is solicited from the public in the  
24 name of or for the benefit of an elective officer or candidate, and

1 which is accepted by an elective officer or candidate, shall be  
2 subject to the reporting requirements of this chapter. This would  
3 include, but not be limited to, things of value given for an  
4 inauguration or renovation of public property. Anything of value  
5 accepted by an agent or representative of an elective officer or  
6 candidate or by a committee established by, in the name of, or for  
7 the benefit of, an elective officer or candidate shall be deemed to  
8 be accepted by such elective officer or candidate for purposes of  
9 this section.

10 (2) The use of such things of value shall be limited to the  
11 stated purpose or purposes for which such things of value were  
12 solicited.

13 (3) Any surplus things of value which are not needed for the  
14 stated purpose or purposes shall be returned to the donors pursuant  
15 to a formula by which no donor receives more than his or her  
16 original donation or deposited with the State Treasurer to the  
17 credit of the General Revenue Fund.

18 (o) Auctions. When an auction is held by a committee as a  
19 fundraiser, a contributor statement shall be required with respect  
20 to each person donating an item to be auctioned and shall include  
21 the fair market value of each item donated.

22 (1) If an item is sold for a price in excess of the established  
23 fair market value, the buyer thereof shall be deemed to have made a  
24 contribution in the amount of the price paid in excess of the

1 established fair market value and the donor thereof shall be deemed  
2 to have made a contribution in the amount of the established fair  
3 market value.

4 (2) If an item is sold at the established fair market value,  
5 the donor thereof shall be deemed to have made a contribution in the  
6 amount of the established fair market value and the buyer thereof  
7 shall not be deemed to have made a contribution.

8 (3) If an item is sold at less than the established fair market  
9 value, the fair market value shall be reduced to the actual sale  
10 price and the donor thereof shall be deemed to have made a  
11 contribution in the amount of the sale price and the buyer thereof  
12 shall not be deemed to have made a contribution.

13 (p) Organization contributions and expenditures.

14 (1) An organization may only accept contributions or make  
15 expenditures for political activities if the organization  
16 establishes a separate, segregated fund that meets the requirements  
17 of this subsection.

18 (2) An organization shall ensure that:

19 (A) In soliciting contributions for an organization fund, the  
20 person soliciting discloses, in clear and unambiguous language on  
21 the face of the solicitation, that contributions are voluntary and  
22 that the organization fund is a political fund and will be expended  
23 for political activities;

24

1       (B) Union dues are not used for political activities,  
2 transferred to an organization fund, or commingled in any way with  
3 monies in an organization fund;

4       (C) The cost of administering an organization fund is paid from  
5 fund contributions and not from union dues; and

6       (D) Each contribution is voluntary and shall be made by the  
7 member and may not come from or be remitted by the employer of the  
8 member.

9       (3) At the time the organization is soliciting contributions  
10 for an organization fund from an employee, the organization shall:

11       (A) Affirmatively inform the employee, orally or in writing, of  
12 the fund's political purpose; and

13       (B) Affirmatively inform the employee, orally or in writing, of  
14 the employee's right to refuse to contribute without fear of  
15 reprisal or loss of membership in the organization.

16       (4) The organization has the burden of proof to establish that  
17 the requirements of Paragraphs (2) and (3) of this subsection are  
18 met.

19       (5) Notwithstanding the requirements of subparagraph (B) of  
20 Paragraph (2) of this subsection, an organization may use union dues  
21 to communicate directly with its members about political candidates,  
22 ballot measures and other political issues.

23       (6) Each organization fund established by an organization shall  
24 be administered by a separate political action committee established

1 by the organization. Each such political action committee shall be  
2 required to file a statement of organization and file all  
3 appropriate reports as required by this chapter.

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

7 A. As used in this section:

8 1. "Contribution" means and includes anything of value given or  
9 conveyed to an organization to be used for political activities and  
10 reportable as a campaign contribution under the Rules of the Ethics  
11 Commission;

12 2. "Expenditure" means a purchase, payment or distribution by  
13 an organization for political activities and reportable as an  
14 expenditure under the Rules of the Ethics Commission;

15 3. "Organization" means:

16 a. labor organization,

17 b. collective bargaining organization,

18 c. local, state, or national organization to which a  
19 labor organization pays membership or per capita fees,  
20 based upon its affiliation and membership, or

21 d. trade or professional association that receives its  
22 funds exclusively from membership dues or service  
23 fees, whether organized inside or outside the state.

24

1       The term "organization" shall include any association or  
2 organization of employees, and any agency, employee representation  
3 committee, or plan in which employees participate that exists, in  
4 whole or in part, to advocate on behalf of employees about  
5 grievances, labor disputes, wages, rates of pay, hours or conditions  
6 of employment. The term "organization" shall also include each  
7 employee association and union for employees of public and private  
8 sector employers. The term "organization" shall not include any  
9 organization covered by the National Labor Relations Act, 29 U.S.C.,  
10 Section 151 et seq., or the Railway Labor Act, 45 U.S.C., Section  
11 151 et seq.;

12       4. "Organization fund" means a separate segregated fund  
13 established by an organization for political purposes according to  
14 the procedures and requirements set forth in subsection (p) of Rule  
15 10-1-2 of the Rules of the Ethics Commission;

16       5. "Political activities" means electoral activities,  
17 independent expenditures or contributions made to any candidate,  
18 party committee, political action committee, voter registration  
19 effort or any other political or legislative cause, including ballot  
20 measures; and

21       6. "Union dues" means dues, fees or other monies required as a  
22 condition of membership in an organization.

23       B. It is unlawful for an organization to make expenditures for  
24 political activities by using contributions:

1           1. Secured by physical force or threat of force, job  
2 discrimination or threat of job discrimination, or economic  
3 reprisals or threat of economic reprisals; or

4           2. From union dues.

5           C. When an organization is soliciting contributions for an  
6 organization fund from an employee, it is unlawful for an  
7 organization to fail to:

8           1. Affirmatively inform the employee, orally or in writing, of  
9 the fund's political purpose; and

10           2. Affirmatively inform the employee, orally or in writing, of  
11 the employee's right to refuse to contribute without fear of  
12 reprisal or loss of membership in the organization.

13           D. It is unlawful for an organization to pay a member for  
14 contributing to an organization fund by providing a bonus, expense  
15 account, rebate of union dues, or by any other form of direct or  
16 indirect compensation.

17           E. Any person violating the provisions of this section shall be  
18 guilty of a misdemeanor.

19           SECTION 4. This act shall become effective November 1, 2007.

20

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