

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 1744 By: Griffin and Sparks of the  
Senate  
3  
4 and  
5 Russ of the House  
6  
7

8 An Act relating to campaign finance; amending 21 O.S.  
9 2011, Sections 187, 187.1 and 187.2, which relate to  
10 criminal penalties for unlawful campaign  
contributions and expenditures; \* \* \* and providing  
an effective date.

11  
12  
13 AUTHOR: Add the following Senate Coauthor: Ivester  
14 AMENDMENT NO. 1. Strike the title, enacting clause and entire bill  
and insert  
15

16 "An Act relating to campaign finance; amending 21  
17 O.S. 2011, Sections 187, 187.1 and 187.2, which  
18 relate to criminal penalties for unlawful campaign  
19 contributions and expenditures; modifying  
20 definitions; modifying amounts which may be  
21 contributed to political party committees, political  
22 action committees, candidate committees and  
23 candidates; modifying prohibitions relating to  
24 contributions made by corporations, labor unions,  
limited liability companies and partnerships;  
prohibiting certain entities from accepting unlawful  
contributions; and providing an effective date.

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

1 SECTION 1. AMENDATORY 21 O.S. 2011, Section 187, is  
2 amended to read as follows:

3 Section 187. As used in ~~Sections 1~~ this section through ~~3~~  
4 Section 187.2 of this act title:

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

10 2. ~~"Ballot measure" means an initiative, referendum,~~  
11 ~~legislative referendum, legislative initiative, state question, or~~  
12 ~~any proposition or measure submitted to voters for their approval or~~  
13 ~~rejection at a statewide election;~~

14 3. "Campaign" means and includes all activities for or against  
15 the election of a candidate ~~to a specific state or local office for~~  
16 ~~a specific term or the passage or defeat of a ballot measure from~~  
17 ~~the date of acceptance of the first contribution, the making of the~~  
18 ~~first expenditure, or the filing of a declaration of candidacy,~~  
19 ~~whichever is first, until a final campaign contributions and~~  
20 ~~expenditures report is filed~~ for elective state office or for or  
21 against a state question;

22 4. 2. "Candidate" means ~~a person who seeks nomination or~~  
23 ~~election to state or local office. An individual is a candidate~~  
24 ~~when the individual:~~

- 1           a. ~~has filed a declaration of candidacy for any state~~  
2           ~~office with the Secretary of the State Election Board,~~  
3           b. ~~has filed a declaration of candidacy for any local~~  
4           ~~office with the secretary of any county election~~  
5           ~~board,~~  
6           c. ~~has filed a declaration of candidacy with the~~  
7           ~~Secretary of State and has drawn active opposition,~~  
8           d. ~~is nominated as a "substitute candidate" pursuant to~~  
9           ~~Section 1-105 of Title 26 of the Oklahoma Statutes, or~~  
10          e. ~~solicits or accepts contributions, makes expenditures~~  
11          ~~or gives consent to an individual, organization, party~~  
12          ~~committee, or other committee to solicit or accept~~  
13          ~~contributions or make expenditures to secure election~~  
14          ~~to any state or local office at any time, whether or~~  
15          ~~not the office for which the individual will seek~~  
16          ~~nomination or election is known when the:~~  
17                ~~(1) solicitation is made,~~  
18                ~~(2) contribution is accepted, or~~  
19                ~~(3) expenditure is made.~~

20 ~~The term "candidate" shall include a person whose candidacy is~~  
21 ~~unopposed an individual who has filed or should have filed a~~  
22 ~~statement of organization for a candidate committee for state office~~  
23 ~~with the Ethics Commission as required by its Rules. A candidate~~  
24 ~~committee shall include committees for candidates for partisan~~

1 elective offices, for nonpartisan judicial offices and for judicial  
2 retention offices;

3 ~~5. 3. "Candidate committee" means the committee, consisting of~~  
4 ~~one or more persons who may be the candidate only, designated by a~~  
5 ~~candidate to promote the candidate's candidacy and serve as the~~  
6 ~~recipient of all contributions and the disbursing officer of all expenditures~~  
7 ~~for the candidate~~ the only committee authorized by a candidate to  
8 accept contributions or make expenditures on behalf of the  
9 candidate's campaign, including the campaign of a judicial retention  
10 candidate;

11 ~~6. "Committee" means a candidate committee, political action~~  
12 ~~committee, or party committee;~~

13 ~~7. a.~~

14 4. "Contribution" means and includes:

15 ~~(1) a gift, subscription, loan, guarantee or~~  
16 ~~forgiveness of a loan, conveyance, advance,~~  
17 ~~payment, distribution, or deposit of money or~~  
18 ~~anything of value made to and with the knowledge~~  
19 ~~and for the benefit of a committee for use in a~~  
20 ~~campaign, or for reducing the debt of a~~  
21 ~~committee,~~

22 ~~(2) an expenditure made by a person or committee,~~  
23 ~~other than a candidate committee, with the~~  
24 ~~cooperation of, or in consultation with, a~~

1 ~~committee, a candidate, candidate committee, or~~  
2 ~~candidate's agent or that is made in concert~~  
3 ~~with, or at the request or suggestion of, a~~  
4 ~~candidate, candidate committee, or candidate's~~  
5 ~~agent,~~

6 ~~(3) the difference between the payment to a person,~~  
7 ~~other than a candidate or committee, of~~  
8 ~~compensation for personal services or products to~~  
9 ~~the candidate or committee, and the reasonable~~  
10 ~~and customary rate charged by the person for like~~  
11 ~~services or products in like quantities when the~~  
12 ~~candidate or committee has knowledge of the~~  
13 ~~discounted services or products,~~

14 ~~(4) anything of value received by a committee that is~~  
15 ~~transferred from another committee or other~~  
16 ~~source,~~

17 ~~(5) sums paid for tickets for a political event such~~  
18 ~~as a reception, rally, or a similar fundraising~~  
19 ~~event; however, the amount of any such~~  
20 ~~contribution may be reduced for the purpose of~~  
21 ~~complying with the reporting and contribution~~  
22 ~~limitations requirements of Section 2 of this~~  
23 ~~act, by the actual cost of consumables furnished~~  
24 ~~by the committee in connection with the purchase~~

1 ~~of the tickets, and only the excess over the~~  
2 ~~actual cost of the consumables shall be deemed a~~  
3 ~~contribution,~~

4 ~~(6) the candidate's own money used on behalf of that~~  
5 ~~candidate's candidacy, and~~

6 ~~(7) the difference between the open market value and~~  
7 ~~a discount or rebate:~~

8 ~~(a) not extended to the public generally, or~~

9 ~~(b) by a television or radio station not~~  
10 ~~extended equally to all candidates for the~~  
11 ~~same office.~~

12 ~~b. The term "contribution" shall not include:~~

13 ~~(1) the value of services provided without~~  
14 ~~compensation by any individual who volunteers on~~  
15 ~~behalf of a candidate or committee,~~

16 ~~(2) for purposes of the contribution limits set forth~~  
17 ~~in Section 2 of this act, the transfer of any~~  
18 ~~funds by a political action committee to another~~  
19 ~~political action committee, provided the~~  
20 ~~committees have been established as provided by~~  
21 ~~law and the transferring committee and the~~  
22 ~~receiving committee have been established,~~  
23 ~~directly or indirectly, and are administered or~~  
24

1 ~~financially supported, directly or indirectly, by~~  
2 ~~a common entity,~~

3 ~~(3) any payment or obligation incurred by a~~  
4 ~~corporation, labor organization, membership~~  
5 ~~organization, cooperative or corporation without~~  
6 ~~capital stock for the establishment,~~  
7 ~~administration, and solicitation of contributions~~  
8 ~~to a separate segregated fund or political action~~  
9 ~~committee to be utilized for political purposes,~~

10 ~~(4) a nonreimbursed payment made by an individual for~~  
11 ~~the individual's own travel expenses on behalf of~~  
12 ~~a committee,~~

13 ~~(5) a payment made by an occupant of a residence or~~  
14 ~~office for costs related to a meeting or~~  
15 ~~fundraising event held in the occupant's~~  
16 ~~residence or office if the costs for the meeting~~  
17 ~~or fundraising event do not exceed Five Hundred~~  
18 ~~Dollars (\$500.00). However, if the occupant~~  
19 ~~hosts more than one event in an election cycle~~  
20 ~~for the same beneficiary, all subsequent payments~~  
21 ~~that exceed Five Hundred Dollars (\$500.00) in the~~  
22 ~~aggregate are contributions,~~

23 ~~(6) a loan of money made in the ordinary course of~~  
24 ~~business by a financial institution authorized to~~

1 ~~transact business in this state at terms and~~  
2 ~~interest rates generally available to a member of~~  
3 ~~the public without regard to that person's status~~  
4 ~~as a state or local officer or state or local~~  
5 ~~employee or a candidate for state or local office~~  
6 ~~by the institution,~~

7 ~~(7) a communication by a corporation, labor~~  
8 ~~organization, or association aimed at its~~  
9 ~~members, owners, stockholders, directors,~~  
10 ~~executive administrative personnel, or their~~  
11 ~~families, or~~

12 ~~(8) a tender of a contribution if the tender is not~~  
13 ~~accepted, including use as collateral, or is~~  
14 ~~transferred to the state as provided in Rule 10-~~  
15 ~~1-2 of the Rules of the Ethics Commission, 74~~  
16 ~~O.S. Supp. 1994, Chapter 62, App. any gift,~~  
17 ~~subscription, loan, guarantee or forgiveness of a~~  
18 ~~loan, conveyance, advance, payment, distribution~~  
19 ~~or deposit of money made to, or anything of value~~  
20 ~~given to, or an expenditure other than an~~  
21 ~~independent expenditure made on behalf of a~~  
22 ~~political party, political action committee or~~  
23 ~~candidate committee, but shall not include the~~  
24



1                    value of services provided without compensation  
2                    by an individual who volunteers those services;

3        ~~§. 5.~~ "Expenditure" means a purchase, payment, distribution,  
4 loan, advance, compensation, reimbursement, fee deposit, ~~transfer of~~  
5 ~~funds between committees,~~ or a gift made by a committee. ~~An~~  
6 ~~expenditure does not include the following:~~

- 7            a. ~~a loan of money, made in the ordinary course of~~  
8            ~~business, by a financial institution authorized to~~  
9            ~~transact business in this state,~~
- 10          b. ~~a communication by a corporation, labor organization,~~  
11          ~~or association aimed at its members, owners,~~  
12          ~~stockholders, executive administrative personnel, or~~  
13          ~~their families, except a communication by the~~  
14          ~~corporation's political action committee promoting or~~  
15          ~~opposing a candidate or candidates,~~
- 16          c. ~~uncompensated services provided by an individual~~  
17          ~~volunteering the individual's time, or~~
- 18          d. ~~a transfer of funds to another committee if such~~  
19          ~~transfer is not accepted political party, political~~  
20          ~~action committee, candidate committee or other~~  
21          ~~individual or entity that is used to expressly~~  
22          ~~advocate the election, retention or defeat of one or~~  
23          ~~more clearly identified candidates or for or against~~  
24          ~~one or more state questions;~~

1       ~~9. "Family" means an individual, his or her spouse, if any, and~~  
2 ~~all children under the age of eighteen (18) years residing in the~~  
3 ~~same household;~~

4       ~~10. 6. "Limited committee" means a political action committee~~  
5 ~~organized to make contributions to candidates; a limited committee~~  
6 ~~may make independent expenditures or electioneering communications,~~  
7 ~~but may not accept contributions in excess of the limits prescribed~~  
8 ~~for limited committees;~~

9       ~~7. "Local office" means all elective offices for which a~~  
10 ~~declaration of candidacy is filed with the secretary of any county~~  
11 ~~election board;~~

12       ~~11. "Party committee" means a political party or any affiliated~~  
13 ~~or connected entity;~~

14       ~~12. "Person" means an individual, corporation, association,~~  
15 ~~proprietorship, firm, partnership, limited partnership, joint~~  
16 ~~venture, joint stock company, syndicate, business trust, estate,~~  
17 ~~trust, company, organization, committee, or club, or a group of~~  
18 ~~persons who are voluntarily acting in concert;~~

19       ~~13. 8. "Political action committee"±~~

20           ~~a. means a combination of at least two individuals, or a~~  
21           ~~person other than an individual:~~

22           ~~(1) with the primary purpose of:~~

23                   ~~(a) supporting or opposing a candidate or~~

24                           ~~candidates, or a party committee, except~~

1                   ~~those required to file with the Federal~~  
2                   ~~Election Commission, or~~

3                   ~~(b) supporting or opposing a ballot measure, and~~  
4                   ~~(2) which accepts or gives contributions or makes~~  
5                   ~~expenditures from a joint account aggregating at~~  
6                   ~~least Five Hundred Dollars (\$500.00) during a~~  
7                   ~~calendar year, and~~

8                   ~~b. does not include:~~

9                   ~~(1) a party committee or a candidate committee,~~  
10                   ~~(2) a person other than an individual, when that~~  
11                   ~~person makes an expenditure or expenditures from~~  
12                   ~~an account to which contributions have not been~~  
13                   ~~solicited or accepted from any other persons or~~  
14                   ~~individuals; and the expenditure or expenditures~~  
15                   ~~are required by law or by Chapter 10 of the Rules~~  
16                   ~~of the Ethics Commission to be reported by the~~  
17                   ~~recipient committee or committees as a~~  
18                   ~~contribution or contributions, and~~  
19                   ~~(3) a combination of individuals, or a person other~~  
20                   ~~than an individual, if the combination of~~  
21                   ~~individuals, or a person other than an~~  
22                   ~~individual, solicits contributions on behalf of a~~  
23                   ~~committee, and any contributions received as a~~  
24                   ~~result of the solicitation are forwarded to the~~

1 ~~committee without being deposited in any account;~~  
2 ~~and the contributions are required by law or by~~  
3 ~~Chapter 10 of the Rules of the Ethics Commission~~  
4 ~~to be reported by the committee that receives the~~  
5 ~~contributions~~ means a limited or unlimited  
6 committee that has filed or should have filed a  
7 statement of organization with the Ethics  
8 Commission as required by its Rules;

9 ~~14.~~ 9. "Political party" means ~~any~~ a political party ~~so~~  
10 ~~recognized for the purpose of having candidates appear on the ballot~~  
11 under the laws of this state; and

12 ~~15.~~ 10. "Political party committee" means a committee  
13 authorized by the political party to accept contributions or make  
14 expenditures on behalf of the political party; a political party  
15 committee may include a state committee, a Congressional District  
16 committee, a county committee, a precinct committee or any other  
17 committee or entity of the party officially recognized in the  
18 party's bylaws or similar governing document;

19 11. "State office" means all elective offices for which  
20 declarations of candidacy are filed with the Secretary of the State  
21 Election Board;

22 12. "State question" means an initiative or referendum petition  
23 for which the Governor has issued a proclamation setting the date on  
24

1 which an election shall be held or a legislative referendum referred  
2 by the Legislature for a vote of the people; and

3 13. "Unlimited committee" means an independent judicial  
4 retention committee, a political action committee organized  
5 exclusively for the purpose of making independent expenditures or  
6 electioneering communications or a political action committee  
7 organized exclusively for the purpose of advocating the approval or  
8 defeat of a state question.

9 SECTION 2. AMENDATORY 21 O.S. 2011, Section 187.1, is  
10 amended to read as follows:

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

12 1. ~~Five Thousand Dollars (\$5,000.00) in any calendar year~~ The  
13 limits set forth in the Rules of the Ethics Commission to a  
14 ~~committee other than a candidate committee~~ political party committee  
15 or political action committee;

16 2. ~~Five Thousand Dollars (\$5,000.00)~~ The limits set forth in  
17 the Rules of the Ethics Commission to a candidate committee for a  
18 ~~candidate for state office, to a candidate for municipal office in a~~  
19 ~~municipality with a population of over two hundred fifty thousand~~  
20 ~~(250,000) persons, according to the most recent Federal Decennial~~  
21 ~~Census, to a candidate for county office in a county with a~~  
22 ~~population of over two hundred fifty thousand (250,000) persons,~~  
23 ~~according to the most recent Federal Decennial Census, or to a~~  
24 ~~candidate committee authorized by such a candidate to receive~~

1 ~~contributions or make expenditures on his or her behalf, for any~~  
2 ~~campaign; or~~

3 3. ~~One Thousand Dollars (\$1,000.00) to a candidate for other~~  
4 ~~local office, or to a candidate committee authorized by such a~~  
5 ~~candidate to receive contributions or make expenditures on his or~~  
6 ~~her behalf, for any campaign~~ The limits set forth in the Rules of  
7 the Ethics Commission to a campaign committee for a candidate for  
8 municipal office or to a campaign committee for a candidate for  
9 county office or to a municipal or county political committee.

10 B. No candidate, candidate committee, or other committee shall  
11 knowingly accept contributions in excess of the amounts provided  
12 herein.

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

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

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

24

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

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

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

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

24

1 G. No lobbyist or lobbyist principal as defined in ~~Section 4249~~  
2 ~~of Title 74 of the Oklahoma Statutes~~ the Rules of the Ethics  
3 Commission shall make or promise to make a contribution to, or  
4 solicit or promise to solicit a contribution for a member of the  
5 Oklahoma Legislature or a candidate for a state legislative office  
6 during any regular legislative session, beginning the first Monday  
7 in February, through its adjournment, and for five (5) calendar days  
8 following sine die adjournment. A member of the Oklahoma  
9 Legislature or a candidate for a state legislative office shall not  
10 intentionally solicit or accept a contribution from a lobbyist or  
11 lobbyist principal as defined in ~~Section 4249 of Title 74 of the~~  
12 ~~Oklahoma Statutes~~ the Rules of the Ethics Commission during any  
13 regular legislative session and for five (5) calendar days after  
14 sine die adjournment. For the purposes of this subsection, a  
15 candidate shall mean any person who has filed a statement of  
16 organization for a state legislative office pursuant to ~~Oklahoma~~  
17 ~~Statutes, Title 74, Chapter 62 Appendix, Rule 257:10-1-8~~ the Rules  
18 of the Ethics Commission.

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

24



1 SECTION 3. AMENDATORY 21 O.S. 2011, Section 187.2, is  
2 amended to read as follows:

3 Section 187.2 A. 1. No corporation shall contribute to any  
4 campaign fund of any party committee of this state or to any other  
5 person for the benefit of such party committee or its candidates,  
6 nor shall it, through any agent, officer, representative, employee,  
7 attorney, or any other person or persons, so contribute. Nor shall  
8 any such corporation, directly or through such other person, make  
9 any loan of money or anything of value, or give or furnish any  
10 privilege, favor or other thing of value to any party committee, or  
11 to any representative of a party committee, or to any other person  
12 for it, or to any candidate upon the ticket of any political party.

13 B. A corporation shall not make a contribution or expenditure  
14 to, or for the benefit of, a candidate or committee in connection  
15 with an election, except that this provision shall not apply to:

16 1. A campaign or committee solely for or against a ballot  
17 measure or local question; or

18 2. The establishment, administration, and solicitation of  
19 contributions to a political action committee to be utilized for  
20 political purposes by a corporation or labor union may make a  
21 contribution to a political party, a political action committee or a  
22 candidate committee, and no political party committee, political  
23 action committee or candidate committee may accept a contribution  
24

1 from a corporation or labor union, except as permitted by law or the  
2 Rules of the Ethics Commission.

3 2. No limited liability company that has one or more  
4 incorporated members may make a contribution to a political party  
5 committee, a political action committee or a candidate committee,  
6 except as permitted by law or the Rules of the Ethics Commission.

7 3. No partnership that has one or more incorporated partners  
8 may make a contribution to a political party committee, a political  
9 action committee or a candidate committee, except as permitted by  
10 law or the Rules of the Ethics Commission.

11 ~~C.~~ B. No candidate, candidate committee, political party  
12 committee, political action committee or other committee shall  
13 knowingly accept contributions given in violation of the provisions  
14 of subsection A ~~or B~~ of this section.

15 ~~D.~~ C. The provisions of this section shall not apply to a bank,  
16 savings and loan association or credit union loaning money to a  
17 candidate in connection with his or her own campaign which is to be  
18 repaid with interest at a rate comparable to that of loans for  
19 equivalent amounts for other purposes.

20 ~~E.~~ D. Any person who knowingly and willfully violates any  
21 provision of this section where the aggregate amount contributed  
22 exceeds Five Thousand Dollars (\$5,000.00), upon conviction, shall be  
23 guilty of a felony punishable by a fine of up to four times the  
24 amount of the prohibited contribution or by imprisonment in the

1 State Penitentiary for up to one (1) year, or by both such fine and  
2 imprisonment.

3 ~~F.~~ E. Any person who knowingly and willfully violates any  
4 provision of this section where the aggregate amount contributed is  
5 Five Thousand Dollars (\$5,000.00) or less, upon conviction, shall be  
6 guilty of a misdemeanor punishable by a fine of not more than three  
7 times the amount of the prohibited contribution or One Thousand  
8 Dollars (\$1,000.00), whichever is greater, or by imprisonment in the  
9 county jail for up to one (1) year, or by both such fine and  
10 imprisonment.

11 SECTION 4. This act shall become effective January 1, 2015."  
12 Passed the House of Representatives the 24th day of April, 2014.

15 \_\_\_\_\_  
16 Presiding Officer of the House of  
Representatives

17 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2014.

20 \_\_\_\_\_  
Presiding Officer of the Senate