

An Act

ENROLLED SENATE
BILL NO. 1745

By: Griffin, Sparks and Ivester
of the Senate

and

Russ of the House

An Act relating to campaign finance and financial disclosure; stating legislative findings; creating campaign finance and financial disclosure acts for counties, municipalities, technology center districts and school districts; providing short titles; defining terms; requiring candidates to establish campaign committee and setting forth procedures; requiring statement of organization and reports of contributions and expenditures; making certain documents public records and setting forth schedule for maintenance; requiring posting to websites; requiring certain persons to file statements of financial interests; providing for enforcement and setting forth procedures; providing for protests of assessments; specifying duties of Ethics Commission; providing for division thereof; authorizing Executive Director to employ or contract for staff; creating Political Subdivisions Enforcement Fund; providing for deposits thereto and expenditures therefrom; providing for certain transfers; providing for cessation of enforcement under certain circumstances; repealing 51 O.S. 2011, Sections 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324 and 325, which relate to the Political Subdivisions Ethics Act; providing for codification; providing for noncodification; and providing an effective date.

SUBJECT: Campaign finance

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

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

A. This act shall be known as the "Local Government Campaign Finance and Financial Disclosure Act". The Local Government Campaign Finance and Financial Disclosure Act shall be codified in those titles of the Oklahoma Statutes relating to the various levels of local government to which the act applies.

B. The Legislature hereby finds that:

1. The Oklahoma Constitution requires that all elections shall be free and equal and prohibits local and special laws for the conduct of elections;

2. The conduct of campaigns for county, municipal, technology center district and independent school district elections is inextricably intertwined with the elections themselves and that the conduct of such campaigns is a matter of statewide concern;

3. For the citizens of this state to be adequately informed regarding possible conflicts of interest, financial disclosure by candidates, elected officials and other officials of certain county and municipal governments is necessary;

4. Information regarding campaigns for county, municipal, technology center district and independent school district elections and financial disclosure documents should be made available locally to be more accessible to the electorate; and

5. Enforcement of laws governing campaigns for elective office for counties, municipalities, technology center districts and independent school districts should be uniform statewide.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.11 of Title 19, unless there is created a duplication in numbering, reads as follows:

Sections 2 through 10 of this act shall be the provisions of the Local Government Campaign Finance and Financial Disclosure Act

applicable to counties and shall be known as the "County Campaign Finance and Financial Disclosure Act".

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.12 of Title 19, unless there is created a duplication in numbering, reads as follows:

A. Definitions of terms used in the County Campaign Finance and Financial Disclosure Act shall be the same as those terms are defined in Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, unless otherwise provided herein.

B. As used in the County Campaign Finance and Financial Disclosure Act:

1. "Campaign committee" means a committee which may be composed of one or more persons the purpose of which is to support the election of a specific candidate to county office, whose name as it will appear on the ballot shall appear in the name of the committee;

2. "County office" means any elective county office for which Declarations of Candidacy are filed with the secretary of the county election board as required by Section 5-103 of Title 26 of the Oklahoma Statutes; and

3. "County political committee" means any committee composed of one or more persons whose purpose includes the election or defeat of one or more candidates for county office but which is not required to register with the Ethics Commission or the Federal Election Commission.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.13 of Title 19, unless there is created a duplication in numbering, reads as follows:

Each campaign committee shall file a notarized statement of organization with the county election board subject to the same requirements as set forth for candidate committees for state office to file statements of organization with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited

to time for filing and contents, except as otherwise provided in the County Campaign Finance and Financial Disclosure Act. The statement of organization shall be accompanied by a check drawn upon the campaign committee's account in the amount of Fifty Dollars (\$50.00) as a nonrefundable processing fee to be deposited in the County Election Board Special Depository Account. Expenditures from such fees may be made by the secretary of the county election board for any lawful purpose.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.14 of Title 19, unless there is created a duplication in numbering, reads as follows:

Every county political committee shall file a notarized statement of organization with the county election board subject to the same requirements as set forth for political committees required to file statements of organization with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.15 of Title 19, unless there is created a duplication in numbering, reads as follows:

Every campaign committee and every county political committee shall file reports of contributions and expenditures with the county election board subject to the same requirements as set forth for reports of contributions and expenditures filed with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.16 of Title 19, unless there is created a duplication in numbering, reads as follows:

Statements of organization and reports of contributions and expenditures required under the County Campaign Finance and Financial Disclosure Act shall be public records. The county election board shall maintain statements of organization and reports of contributions and expenditures for four (4) years after the date

on which they are filed or prepared, if not posted on the county's website as provided herein, at which time the documents may be destroyed or retained at the discretion of the county election board. If the county in which the statements of organization are filed maintains an Internet website, the county election board may post on the website copies of statements of organization and reports of contributions and expenditures.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.17 of Title 19, unless there is created a duplication in numbering, reads as follows:

All candidates for county office and all elected county officers shall be required to file a notarized statement of financial interests with the county election board subject to the same requirements as set forth for statements of financial interests filed with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.18 of Title 19, unless there is created a duplication in numbering, reads as follows:

Statements of financial interests required under the County Campaign Finance and Financial Disclosure Act shall be public records. The county election board shall maintain statements of financial interests for four (4) years after the date on which they are filed, at which time the documents may be destroyed or retained at the discretion of the county election board.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 138.19 of Title 19, unless there is created a duplication in numbering, reads as follows:

The County Campaign Finance and Financial Disclosure Act shall be enforced by the Ethics Commission in the same manner as Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution are enforced, including but not limited to acceptance of complaints, civil prosecutions, settlement agreements and any other compliance practices or requirements. Complaints may be received by the Ethics Commission alleging filing

of statements required to be filed under the County Campaign Finance and Financial Disclosure Act later than the prescribed time for filing or failure to produce reports required to be available for public inspection and copying. Such complaints shall be in the same form as other complaints. Upon receipt of such complaints, the Ethics Commission shall investigate whether the allegation or allegations are true and, if so, shall assess a late reporting penalty of up to One Hundred Dollars (\$100.00) per day, not to exceed a maximum of One Thousand Dollars (\$1,000.00) for the filing of any statement or report. If the Ethics Commission determines the allegation or allegations are not true, it shall take no further action. Persons assessed a late reporting penalty may protest the assessment subject to provisions of the Administrative Procedures Act.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-101 of Title 11, unless there is created a duplication in numbering, reads as follows:

Sections 11 through 20 of this act shall be the provisions of the Local Government Campaign Finance and Financial Disclosure Act applicable to municipalities and shall be known as the "Municipal Campaign Finance and Financial Disclosure Act".

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-102 of Title 11, unless there is created a duplication in numbering, reads as follows:

A. Definitions of terms used in the Municipal Campaign Finance and Financial Disclosure Act shall be the same as those terms are defined in Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, unless otherwise provided herein.

B. As used in the Municipal Campaign Finance and Financial Disclosure Act:

1. "Campaign committee" means a committee which may be composed of one or more persons the purpose of which is to support the election of a specific candidate to municipal office, whose name as it will appear on the ballot shall appear in the name of the committee;

2. "Municipal office" means any elective municipal office for which Declarations of Candidacy are filed with the secretary of the county election board as required by Sections 16-109 and 16-110 of Title 11 of the Oklahoma Statutes; and

3. "Municipal political committee" means any committee composed of one or more persons whose purpose includes the election or defeat of one or more candidates for municipal office but which is not required to register with the Ethics Commission or the Federal Election Commission.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-103 of Title 11, unless there is created a duplication in numbering, reads as follows:

The Municipal Campaign Finance and Financial Disclosure Act shall apply only to municipalities with a population of more than ten thousand (10,000) according to the most recent Federal Decennial Census and a general fund expenditure budget in excess of Ten Million Dollars (\$10,000,000.00) in the fiscal year in which the municipal elections are held.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-104 of Title 11, unless there is created a duplication in numbering, reads as follows:

Each campaign committee shall file a statement of organization with the municipal clerk subject to the same requirements as set forth for candidate committees for state office required to file statements of organization with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-105 of Title 11, unless there is created a duplication in numbering, reads as follows:

Every municipal political committee shall file a statement of organization with the municipal clerk subject to the same requirements as set forth for political committees required to file

statements of organization with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-106 of Title 11, unless there is created a duplication in numbering, reads as follows:

Every campaign committee and every municipal political committee shall file a report of contributions and expenditures with the municipal clerk subject to the same requirements as set forth for candidate committees and political action committees, respectively, required to file reports of contributions and expenditures with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-107 of Title 11, unless there is created a duplication in numbering, reads as follows:

Statements of organization and reports of contributions and expenditures required to be filed with the municipal clerk under the Municipal Campaign Finance and Financial Disclosure Act shall be public records. The municipal clerk shall maintain statements of organization and reports of contributions and expenditures for four (4) years after the date on which they are filed, if not posted on the municipality's website as provided herein, at which time the documents may be destroyed or retained subject to the discretion of the municipal clerk. If the municipality in which the statements of organization and reports of contributions and expenditures are filed maintains an Internet website, the municipal clerk may post on the website copies of statements of organization and reports of contributions and expenditures.

SECTION 18. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-108 of Title 11, unless there is created a duplication in numbering, reads as follows:

All candidates for municipal office and all elected municipal officers shall be required to file a statement of financial

interests with the municipal clerk subject to the same requirements as set forth for candidates for state office required to file statements of financial interests with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-109 of Title 11, unless there is created a duplication in numbering, reads as follows:

Statements of financial interests required to be filed with the municipal clerk under the Municipal Campaign Finance and Financial Disclosure Act shall be public records. The municipal clerk shall maintain statements of financial interests for four (4) years after the date on which they are filed, if not posted on the municipality's website as provided herein, at which time the documents may be destroyed or retained subject to the discretion of the municipal clerk. If the municipality in which the statements of financial interests are filed maintains an Internet website, the municipal clerk may post on the website copies of statements of financial interests.

SECTION 20. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 56-110 of Title 11, unless there is created a duplication in numbering, reads as follows:

The Municipal Campaign Finance and Financial Disclosure Act shall be enforced by the Ethics Commission in the same manner as Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution are enforced, including but not limited to acceptance of complaints, civil prosecutions, settlement agreements and any other compliance practices or requirements. Complaints may be received by the Ethics Commission alleging filing of statements or reports required to be filed under the Municipal Campaign Finance and Financial Disclosure Act later than the prescribed time for filing. Such complaints shall be in the same form as other complaints. Upon receipt of such complaints of late filing, the Ethics Commission shall investigate whether the allegation or allegations are true and, if so, shall assess a late filing penalty of One Hundred Dollars (\$100.00) per day, not to exceed a maximum of One Thousand Dollars (\$1,000.00) for the filing

of any statement or report. If the Ethics Commission determines the allegation or allegations are not true, it shall take no further action. Persons assessed a late filing fee may protest the assessment subject to provisions of the Administrative Procedures Act.

SECTION 21. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-110 of Title 70, unless there is created a duplication in numbering, reads as follows:

Sections 21 through 30 of this act shall be the provisions of the Local Government Campaign Finance and Financial Disclosure Act applicable to technology center districts and independent school districts and shall be known as the "Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act".

SECTION 22. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-111 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Definitions of terms used in the Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act shall be the same as those terms are defined in Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, unless otherwise provided herein.

B. As used in the Technology Center District and Independent School District Campaign Finance and Disclosure Act:

1. "Campaign committee" means a committee which may be composed of one or more persons the purpose of which is to support the election of a specific candidate to school district office, whose name as it will appear on the ballot shall appear in the name of the committee;

2. "School district" means a technology center district or an independent school district;

3. "School district office" means any elective school district office for which Declarations of Candidacy are filed with the

secretary of the county election board as required by Section 13A-105 of Title 26 of the Oklahoma Statutes; and

4. "School district political committee" means any committee composed of one or more persons whose purpose includes the election or defeat of one or more candidates for school district office but which is not required to register with the Ethics Commission or the Federal Election Commission.

SECTION 23. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-112 of Title 70, unless there is created a duplication in numbering, reads as follows:

The Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act shall apply to all technology center districts and shall apply to all independent school districts.

SECTION 24. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-113 of Title 70, unless there is created a duplication in numbering, reads as follows:

Each campaign committee shall file a statement of organization with the school district clerk subject to the same requirements as set forth for candidate committees for state office required to file statements of organization with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 25. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-114 of Title 70, unless there is created a duplication in numbering, reads as follows:

Every school district political committee shall file a statement of organization with the school district clerk subject to the same requirements as set forth for political committees required to file statements of organization with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 26. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-115 of Title 70, unless there is created a duplication in numbering, reads as follows:

Every campaign committee and every school district political committee shall file a report of contributions and expenditures with the school district clerk subject to the same requirements as set forth for candidate committees and political action committees, respectively, required to file reports of contributions and expenditures with the Ethics Commission under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 27. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-116 of Title 70, unless there is created a duplication in numbering, reads as follows:

Statements of organization and reports of contributions and expenditures required to be filed with the school district clerk under the Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act shall be public records. The school district clerk shall maintain statements of organization and reports of contributions and expenditures for four (4) years after the date on which they are filed, if not posted on the school district's website as provided herein, at which time the documents may be destroyed or retained subject to the discretion of the school district clerk. If the school district in which the statements of organization and reports of contributions and expenditures are filed maintains an Internet website, the school district clerk may post on the website copies of statements of organization and reports of contributions and expenditures.

SECTION 28. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-117 of Title 70, unless there is created a duplication in numbering, reads as follows:

All candidates for school district office and all elected school district officers shall be required to file a statement of financial interests with the school district clerk subject to the same requirements as set forth for candidates for state office required to file statements of financial interests with the Ethics Commission

under Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution, including but not limited to time for filing and contents.

SECTION 29. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-118 of Title 70, unless there is created a duplication in numbering, reads as follows:

Statements of financial interests required to be filed with the school district clerk under the Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act shall be public records. The school district clerk shall maintain statements of financial interests for four (4) years after the date on which they are filed, if not posted on the school district's website as provided herein, at which time the documents may be destroyed or retained subject to the discretion of the school district clerk. If the school district in which the statements of financial interests are filed maintains an Internet website, the school district clerk may post on the website copies of statements of financial interests.

SECTION 30. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-119 of Title 70, unless there is created a duplication in numbering, reads as follows:

The Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act shall be enforced by the Ethics Commission in the same manner as Rules of the Ethics Commission promulgated pursuant to Section 3 of Article XXIX of the Oklahoma Constitution are enforced, including but not limited to acceptance of complaints, civil prosecutions, settlement agreements and any other compliance practices or requirements. Complaints may be received by the Ethics Commission alleging filing of statements or reports required to be filed under the Technology Center District and Independent School District Campaign Finance and Disclosure Act later than the prescribed time for filing. Such complaints shall be in the same form as other complaints. Upon receipt of such complaints of late filing, the Ethics Commission shall investigate whether the allegation or allegations are true and, if so, shall assess a late filing penalty of One Hundred Dollars (\$100.00) per day, not to exceed a maximum of One Thousand Dollars (\$1,000.00) for the filing of any statement or report. If the Ethics Commission

determines the allegation or allegations are not true, it shall take no further action. Persons assessed a late filing fee may protest the assessment subject to provisions of the Administrative Procedures Act.

SECTION 31. 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 Ethics Commission shall design all forms required for compliance with the County Campaign Finance and Financial Disclosure Act, the Municipal Campaign Finance and Financial Disclosure Act and the Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act. Such forms shall be made available in electronic form on the Commission's Internet website.

SECTION 32. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4262 of Title 74, unless there is created a duplication in numbering, reads as follows:

For purposes of enforcing the County Campaign Finance and Financial Disclosure Act, the Municipal Campaign Finance and Financial Disclosure Act, and the Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act, the Ethics Commission shall establish a special division to be known as the "Political Subdivisions Enforcement Division". The Executive Director of the Ethics Commission may employ staff for the Political Subdivisions Enforcement Division, or may contract for services to be performed by the Division, or both.

SECTION 33. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4258.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Ethics Commission to be designated the "Political Subdivisions Enforcement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all funds appropriated by the Legislature to the fund and all late filing fees, fines from settlement agreements and fines assessed by the District Court for violations of the County Campaign Finance and

Financial Disclosure Act, the Municipal Campaign Finance and Financial Disclosure Act, and the Technology Center District and Independent School District Campaign Finance and Financial Disclosure Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission for any expenses incurred by the Political Subdivisions Enforcement Division. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. No later than January 31, 2016, and every year thereafter, the State Treasurer shall transfer to the General Revenue Fund of the state any monies in the fund in excess of One Hundred Fifty Thousand Dollars (\$150,000.00). If at any time the amount of money in the fund is less than One Hundred Thousand Dollars (\$100,000.00), the Executive Director of the Commission may order that there be no further enforcement by the Political Subdivisions Enforcement Division until the amount of money in the fund is more than One Hundred Thousand Dollars (\$100,000.00).

SECTION 34. REPEALER 51 O.S. 2011, Sections 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324 and 325, are hereby repealed.

SECTION 35. This act shall become effective January 1, 2015.

Passed the Senate the 13th day of May, 2014.

Presiding Officer of the Senate

Passed the House of Representatives the 23rd day of April, 2014.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____