HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

1st Session of the 55th Legislature (2015)

COMMITTEE SUBSTITUTE

FOR

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HOUSE BILL NO. 1664

By: Dank

COMMITTEE SUBSTITUTE

An Act relating to state government; amending Rules 2.35, 2.50, 2.52, 2.107 and 2.108 of the Rules of the Ethics Commission (74 O.S. 2014, Chapter 62, App. 1), which relate to various rules of the Oklahoma Ethics Commission; creating the Ethics Disclosure and Transparency Act of 2015; stating legislative intent; requiring filing of certain reports to the Oklahoma Ethics Commission; removing certain amounts of independent expenditures; removing certain amounts of electioneering communications; providing for noncodification; and providing an effective date.

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 and may be cited as the "Ethics Disclosure and Transparency Act of 2015".

B. The Legislature hereby finds that:

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<u>UNDERLINED</u> language denotes Amendments to present Statutes. BOLD FACE CAPITALIZED language denotes Committee Amendments. Strike thru language denotes deletion from present Statutes. Page 1

1. The rules of the Oklahoma Ethics Commission should require all entities spending money in state and local political races to abide by the same donor and expenditure reporting rules as political action committees and individual candidates; and

2. The rules of the Oklahoma Ethics Commission should protect
the voters of our state and the integrity of our electoral process.
SECTION 2. AMENDATORY Rule 2.35 of the Rules of the
Ethics Commission (74 O.S. 2014, Chapter 62, App. 1), is amended to
read as follows:

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Rule 2.35 Contributions to and by Unlimited Committee.

Any person not otherwise prohibited by law, including but not 1 1 limited to individuals, partnerships, limited liability companies, 1 2 corporations and labor unions, may make contributions in any amount 1 3 to an unlimited committee organized exclusively for the purpose of 1 4 making independent expenditures or electioneering communications. 1 5 An unlimited committee organized exclusively for the purpose of 1 6 making independent expenditures or electioneering communications may 1 7 make contributions in any amount to another unlimited committee 1 8 organized exclusively for the purpose of making independent 1 9 expenditures or electioneering communications. Any contribution 2 0 made in accordance with this section shall be reported to the 2 1 Oklahoma Ethics Commission. The report shall contain the name of 2 2 each entity and the date and amount of each contribution received. 2 3

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SECTION 3. AMENDATORY Rule 2.50 of the Rules of the Ethics Commission (74 O.S. 2014, Chapter 62, App. 1), is amended to read as follows:

Rule 2.50 Unlimited Independent Expenditures.

An independent expenditure may be made in any amount by a political party committee, by a political action committee or by any other entity not otherwise prohibited by law or these Rules from making an independent expenditure. <u>Any entity making such</u> independent expenditure shall file a report with the Oklahoma Ethics <u>Commission listing the name of each entity and the date and amount</u> of the independent expenditure.

SECTION 4. AMENDATORY Rule 2.52 of the Rules of the Ethics Commission (74 O.S. 2014, Chapter 62, App. 1), is amended to read as follows:

Rule 2.52 Unlimited Electioneering Communications.

An electioneering communication may be made in any amount by a political party committee, by a political action committee or by any other entity not otherwise prohibited by law or these Rules from making an electioneering communication. <u>Any entity making such</u> electioneering communication shall file a report with the Oklahoma <u>Ethics Commission listing the name of each entity and the date and</u> amount of the electioneering communication.

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SECTION 5. AMENDATORY Rule 2.107 of the Rules of the Ethics Commission (74 O.S. 2014, Chapter 62, App. 1), is amended to read as follows:

Rule 2.107 Time and Requirements for Independent Expenditure
Reports.

(A) Any person other than an individual, including a political action committee, that makes an independent expenditure of Five Thousand Dollars (\$5,000.00) or more in the aggregate at least fifteen (15) days prior to any election shall be required to file a report with the Commission at the same time that candidate committees are required to file pre-election reports for the applicable election.

(B) Any person other than an individual, including a political action committee, that makes an independent expenditure of Five Thousand Dollars (\$5,000.00) or more in the aggregate during the period beginning no more than fourteen (14) days prior to any election and ending on the day of the election shall make a report to the Commission no later than the business day following the day the expenditure is made.

(C) Each report filed by a person other than a political action committee shall include the name and address of the person making the independent expenditure and the name, street address, telephone number, and office or title of the individual filing the report.

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(D) Each report filed shall include the name of the political action committee or the person making the independent expenditure; the amount, date and a brief description or statement of each independent expenditure; and the name and office of the candidate supported or opposed, indicating whether the candidate was supported or opposed.

If the person making the independent expenditure, other (E) than a political action committee, received funds from any other 8 person for the purpose of making an independent expenditure or 9 expenditures, the report shall include the name, address and 1 0 principal business activity of each person contributing funds in 1 1 1 2 excess of Fifty Dollars (\$50.00) in the aggregate and the amount of any such contribution or contributions that have not been previously 1 3 reported, together with a cumulative total of all contributions made 1 4 by each person since the first report was filed for the election for 1 5 which the independent expenditure is being made. As used in this 1 6 section, "for the purpose of" means that the funds are either (1) 1 7 received by an organization or corporation in response to a 1 8 solicitation specifically requesting funds to pay for an independent 1 9 expenditure or (2) specifically designated for independent 2 0 expenditures by the donor. 2 1

(F) Reports required by this section shall not relieve the person making the report from filing other reports required by these Rules.

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SECTION 6. AMENDATORY Rule 2.108 of the Rules of the Ethics Commission (74 O.S. 2014, Chapter 62, App. 1), is amended to read as follows:

Rule 2.108 Time and Requirements for Electioneering
Communication Report.

(A) Any person other than an individual, including a political action committee, that makes an electioneering communication of Five Thousand Dollars (\$5,000.00) or more in the aggregate at least fifteen (15) days prior to any election shall be required to file a report with the Commission at the same time that candidate committees are required to file pre-election reports for the applicable election.

(B) Any person other than an individual, including a political action committee, that makes an electioneering communication of Five Thousand Dollars (\$5,000.00) or more in the aggregate during the period beginning no more than fourteen (14) days prior to any election and ending on the day of the election shall make a report to the Commission no later than the business day following the day the electioneering communication is made.

(C) Each report filed by a person other than a political action committee shall include the name and address of the person making the electioneering communication and the name, street address,

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telephone number, and office or title of the individual filing the report.

(D) Each report filed shall include the name of the political action committee or the person making the electioneering communication; the amount, date and a brief description or statement of each electioneering communication, and the name and office of the candidate supported or opposed, indicating whether the candidate was supported or opposed.

(E) If the person making the electioneering communication, 9 other than a political action committee, received funds from any 1 0 other person for the purpose of making an electioneering 1 1 communication or communications, the report shall include the name, 1 2 address and principal business activity of each person contributing 1 3 funds in excess of Fifty Dollars (\$50.00) in the aggregate and the 1 4 amount of any such contribution or contributions that have not been 1 5 previously reported, together with a cumulative total of all 1 6 contributions made by each person since the first report was filed 1 7 for the election for which the electioneering communication is being 1 8 made. As used in this section, "for the purpose of" means that the 1 9 funds are either: (1) received by an organization or corporation in 2 0 response to a solicitation specifically requesting funds to pay for 2 1 an electioneering communication or (2) specifically designated for 2 2 electioneering communications by the donor. 2 3

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1	(F) Reports required by this section shall not relieve the
2	person making the report from filing other reports required by these
3	Rules.
4	SECTION 7. This act shall become effective November 1, 2015.
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6	COMMITTEE REPORT BY: COMMITTEE ON ELECTIONS AND ETHICS, dated 02/18/2015 - DO PASS, As Amended.
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