

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 3056

By: Sims

COMMITTEE SUBSTITUTE

An Act relating to cities and towns; amending 11 O.S. 2021, Section 56-102, which relates to definitions in the Municipal Campaign Finance and Financial Disclosure Act; modifying term; amending 11 O.S. 2021, Section 56-103, which relates to municipalities subject to the Municipal Campaign Finance and Financial Disclosure Act; modifying applicability of act; amending 11 O.S. 2021, Section 56-110, which relates to enforcement, complaints, investigations, penalties and protest of penalty; clarifying enforcement jurisdiction; setting penalty for violation; enabling court discretion; and providing an effective date.

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

SECTION 1. AMENDATORY 11 O.S. 2021, Section 56-102, is amended to read as follows:

Section 56-102. 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.

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

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

8 2. "Municipal office" means any elective municipal office
9 established under state or municipal law; and

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

15 SECTION 2. AMENDATORY 11 O.S. 2021, Section 56-103, is
16 amended to read as follows:

17 Section 56-103. A. The Municipal Campaign Finance and
18 Financial Disclosure Act shall apply only to municipalities with a
19 population of more than ten thousand (10,000) according to the most
20 recent Federal Decennial Census and a general fund expenditure
21 budget in excess of Ten Million Dollars (\$10,000,000.00) in the
22 fiscal year in which the municipal elections are held.

23 Notwithstanding, the requirements provided in this act shall
24 additionally apply to committees and candidates when the

1 municipality is not covered by this act based on the population and
2 budget requirements of this subsection, but the candidate or
3 committee expends or receives more than One Thousand Dollars
4 (\$1,000.00) in donations or in-kind expenditures.

5 B. A municipality described in subsection A of this section may
6 enact a comprehensive code of campaign finance and personal
7 financial disclosure ordinances, including provisions for
8 enforcement thereof, in which case the Municipal Campaign Finance
9 and Financial Disclosure Act shall not apply to the municipality.
10 Any municipality enacting such a code shall file a notice of its
11 action with the Ethics Commission, which shall have no enforcement
12 responsibilities under the code.

13 SECTION 3. AMENDATORY 11 O.S. 2021, Section 56-110, is
14 amended to read as follows:

15 Section 56-110. The Municipal Campaign Finance and Financial
16 Disclosure Act shall be enforced by the Ethics Commission in the
17 same manner as Rules of the Ethics Commission promulgated pursuant
18 to Section 3 of Article XXIX of the Oklahoma Constitution are
19 enforced, including but not limited to acceptance of complaints,
20 civil prosecutions, settlement agreements and any other compliance
21 practices or requirements. Complaints may be received by the Ethics
22 Commission alleging filing of statements or reports required to be
23 filed under the Municipal Campaign Finance and Financial Disclosure
24 Act later than the prescribed time for filing. Such complaints

1 shall be in the same form as other complaints. Upon receipt of such
2 complaints of late filing, the Ethics Commission shall investigate
3 whether the allegation or allegations are true and, if so, shall
4 assess a late filing penalty of One Hundred Dollars (\$100.00) per
5 day, not to exceed a maximum of One Thousand Dollars (\$1,000.00) for
6 the filing of any statement or report. If the Ethics Commission
7 determines the allegation or allegations are not true, it shall take
8 no further action. Persons assessed a late filing fee may protest
9 the assessment subject to provisions of the Administrative
10 Procedures Act. The Ethics Commission shall not have enforcement
11 jurisdiction concerning candidates or committees that are covered by
12 this act based on expenditures alone, as outlined in subsection A of
13 Section 56-103 of this title. Any violation of this act may be
14 prosecuted by the district attorney or a locally adopted policy. An
15 omission or failure to report expenditures in compliance with this
16 act shall constitute a misdemeanor with a fine of up to One Hundred
17 Dollars (\$100.00) per day, not to exceed a maximum of One Thousand
18 Dollars (\$1,000.00). The court shall have discretion as to the fine
19 amount with the intent of the fine to obtain compliance with
20 reporting requirements. Willful noncompliance with the act shall
21 constitute a misdemeanor offense with a fine of One Thousand Dollars
22 (\$1,000.00) with the intent of the fine to deter unlawful activity
23 and punish willful offenders.

SECTION 4. This act shall become effective November 1, 2022.

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