

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 58th Legislature (2022)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 3056

By: Sims

7
8 COMMITTEE SUBSTITUTE

9 An Act relating to cities and towns; amending 11 O.S.
10 2021, Section 56-102, which relates to definitions in
11 the Municipal Campaign Finance and Financial
12 Disclosure Act; modifying term; amending 11 O.S.
13 2021, Section 56-103, which relates to municipalities
14 subject to the Municipal Campaign Finance and
15 Financial Disclosure Act; modifying applicability of
16 act; amending 11 O.S. 2021, Section 56-110, which
17 relates to enforcement, complaints, investigations,
18 penalties and protest of penalty; clarifying
19 enforcement jurisdiction; setting penalty for
20 violation; enabling court discretion; and providing
21 an effective date.

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

23 SECTION 1. AMENDATORY 11 O.S. 2021, Section 56-102, is
24 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

1 promulgated pursuant to Section 3 of Article XXIX of the Oklahoma
2 Constitution, unless otherwise provided herein.

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

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

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

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

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

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

1 Notwithstanding, the requirements provided in this act shall
2 additionally apply to committees and candidates when the
3 municipality is not covered by this act based on the population and
4 budget requirements of this subsection, but the candidate or
5 committee expends or receives more than One Thousand Dollars
6 (\$1,000.00) in donations or in-kind expenditures.

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

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

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

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

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1 (\$1,000.00) with the intent of the fine to deter unlawful activity
2 and punish willful offenders.

3 SECTION 4. This act shall become effective November 1, 2022.
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5 COMMITTEE REPORT BY: COMMITTEE ON ELECTIONS AND ETHICS, dated
6 03/02/2022 - DO PASS, As Amended.
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