

1 HB346
2 190611-1
3 By Representatives Harbison, Butler and Ellis
4 RFD: Ethics and Campaign Finance
5 First Read: 01-FEB-18

2
3
4
5
6
7
8 SYNOPSIS: Under existing law, candidates and political
9 action committees who raise \$5,000 or less per
10 election cycle are not required to file campaign
11 finance reports with the Secretary of State.

12 This bill would require a principal campaign
13 committee or political action committee that meets
14 the threshold for filing campaign finance reports
15 to file the reports electronically with the
16 Secretary of State.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 Relating to campaign finance reports; to amend
23 Section 17-5-8, Code of Alabama 1975, to require all principal
24 campaign committees and political action committees that meet
25 the threshold for filing campaign finance reports to file
26 reports electronically.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 17-5-8, Code of Alabama 1975, is
2 amended to read as follows:

3 "§17-5-8.

4 "(a) The treasurer, designated filing agent, or
5 candidate, shall file with the Secretary of State or judge of
6 probate, as designated in Section 17-5-9, periodic reports of
7 contributions and expenditures at the following times once a
8 principal campaign committee files its statement under Section
9 17-5-4 or a political action committee files its statement of
10 organization under Section 17-5-5:

11 "~~(1) Beginning after the 2012 election cycle,~~
12 ~~regardless~~ Regardless of whether a candidate has opposition in
13 any election, monthly reports not later than the second
14 business day of the subsequent month, beginning 12 months
15 before the date of any primary, special, runoff, or general
16 election for which a political action committee or principal
17 campaign committee receives contributions or makes
18 expenditures with a view toward influencing such election's
19 result. A monthly report shall include all reportable
20 transactions for the previous full month period. Reports shall
21 be required as provided in subdivisions (2) and (3). Reports
22 shall be submitted electronically to the Secretary of State by
23 any principal campaign committee or political action
24 committee, except for municipal candidates and elected
25 officials.

26 "(2) With regard to a primary, special, runoff, or
27 general election, a report shall be required weekly on the

1 Monday of the succeeding week for each of the four weeks
2 before the election that includes all reportable activities
3 for the previous week.

4 "(3)a. In addition to the reporting dates specified
5 in subdivisions (1) and (2), reports required to be filed with
6 the Secretary of State shall be filed with the Secretary of
7 State on the eighth, seventh, sixth, fifth, fourth, third, and
8 second day preceding a legislative, state school board, or
9 other statewide primary, special, runoff, or general election,
10 and by 12:01 p.m. on the day preceding a legislative, state
11 school board, or statewide, primary, special, runoff, or
12 general election if any principal campaign committee or
13 political action committee receives or spends in the aggregate
14 five thousand dollars (\$5,000) or more on that day with a view
15 toward influencing an election's results. If a daily report is
16 required pursuant to this subdivision, the report shall
17 include all reportable activity occurring on the day of the
18 report as well as all reportable activity that has occurred on
19 each day since the most recent prior report. ~~Principal~~
20 ~~campaign committees and political action committees that are~~
21 ~~exempt from electronic filing and principal campaign~~
22 ~~committees and political action committees required to make~~
23 ~~daily reports pursuant to this subdivision for the 2012~~
24 ~~election cycle may file reports by facsimile (FAX)~~
25 ~~transmission provided they keep proper documentation in their~~
26 ~~office.~~

1 ~~"b. Electronic filing on the Secretary of State's~~
2 ~~website may be implemented sooner than the 2014 election cycle~~
3 ~~as an alternative method of reporting; however, electronic~~
4 ~~filing shall be required beginning with the 2014 election~~
5 ~~cycle.~~ Electronic filings shall be available to the public on
6 a searchable database maintained on the Secretary of State's
7 website.

8 "(b) Except as provided in subsection (k), each
9 principal campaign committee, political action committee, and
10 elected state and local official covered under the provisions
11 of this chapter who has not closed his or her principal
12 campaign committee, shall annually file with the Secretary of
13 State or judge of probate, as designated in Section 17-5-9,
14 reports of contributions and expenditures made during that
15 year. No annual report is required to be filed by a person who
16 holds office because he or she was appointed to serve the
17 remainder of a term vacated by another person, until the
18 person serving has created a principal campaign committee. The
19 annual reports required under this subsection shall be made on
20 or before January 31 of the succeeding year.

21 "(c) Each report under this section shall disclose:

22 "(1) The amount of cash or other assets on hand at
23 the beginning of the reporting period and forward until the
24 end of that reporting period and disbursements made from same.

25 "(2) The identification of each person who has made
26 contributions to such committee or candidate within the
27 calendar year in an aggregate amount greater than one hundred

1 dollars (\$100), together with the amount and date of all such
2 contributions; provided, however, in the case of a political
3 action committee identification shall mean the name and city
4 of residence of each person who has made contributions within
5 the calendar year in an aggregate amount greater than one
6 hundred dollars (\$100).

7 "(3) The total amount of other contributions
8 received during the calendar year but not reported under
9 subdivision (c) (2) of this section.

10 "(4) Each loan to or from any person within the
11 calendar year in an aggregate amount greater than one hundred
12 dollars (\$100), together with the identification of the
13 lender, the identification of the endorsers, or guarantors, if
14 any, and the date and amount of such loans.

15 "(5) The total amount of receipts from any other
16 source during such calendar year.

17 "(6) The grand total of all receipts by or for such
18 committee during the calendar year.

19 "(7) The identification of each person to whom
20 expenditures have been made by or on behalf of such committee
21 or elected official within the calendar year in an aggregate
22 amount greater than one hundred dollars (\$100), the amount,
23 date, and purpose of each such expenditure, and, if
24 applicable, the designation of each constitutional amendment
25 or other proposition with respect to which an expenditure was
26 made.

1 "(8) The identification of each person to whom an
2 expenditure for personal services, salaries, and reimbursed
3 expenses greater than one hundred dollars (\$100) has been
4 made, and which is not otherwise reported or exempted from the
5 provisions of this chapter, including the amount, date, and
6 purpose of such expenditure.

7 "(9) The grand total of all expenditures made by
8 such committee or elected official during the calendar year.

9 "(10) The amount and nature of debts and obligations
10 owed by or to the committee or elected official, together with
11 a statement as to the circumstances and conditions under which
12 any such debt or obligation was extinguished and the
13 consideration therefor.

14 "(d) Each report required by this section shall be
15 signed and filed by the elected official or on behalf of the
16 political action committee by its chair or treasurer and, if
17 filed on behalf of a principal campaign committee, by the
18 candidate represented by such committee. There shall be
19 attached to each such report an affidavit subscribed and sworn
20 to by the official or chair or treasurer and, if filed by a
21 principal campaign committee, the candidate represented by
22 such committee, setting forth in substance that such report is
23 to the best of his or her knowledge and belief in all respects
24 true and complete, and, if made by a candidate, that he or she
25 has not received any contributions or made any expenditures
26 which are not set forth and covered by such report.

1 "~~(e) Commencing with the 2014 election cycle,~~
2 ~~electronic~~ Electronic filing of contributions and expenditures
3 for any legislative, state school board, and statewide
4 primary, special, runoff, or general election shall be
5 mandatory., ~~except as provided in subsection (g). The~~
6 ~~Secretary of State may provide electronic reporting sooner~~
7 ~~than the 2014 election cycle.~~ Electronic filing shall satisfy
8 any filing requirements of this chapter and no paper filing is
9 required for any report filed electronically.

10 "~~(f) In the 2012 election cycle the provisions for~~
11 ~~the time of filing contained in subsection (a) shall apply to~~
12 ~~the paper or facsimile (FAX) filings for any legislative,~~
13 ~~state school board, or statewide primary, special, runoff, or~~
14 ~~general election.~~

15 "~~(g) Electronic filing of reports shall not apply to~~
16 ~~any campaign, principal campaign committee, or political~~
17 ~~action committee receiving five thousand dollars (\$5,000) or~~
18 ~~less per election cycle.~~

19 "~~(h)~~ (f) In connection with any electioneering
20 communication paid for by a person, nonprofit corporation,
21 entity, principal campaign committee, or other political
22 committee or entity, the payor shall disclose its
23 contributions and expenditures in accordance with this
24 section. The disclosure shall be made in the same form and at
25 the same time as is required of political action committees in
26 this section; provided, however, no duplicate reporting shall
27 be required by a political committee.

1 "~~(i)~~(g) Notwithstanding any disclosure requirements
2 of subsection (h), churches are exempt from the requirements
3 of this section unless the church's expenditures are used to
4 influence the outcome of an election. Nothing herein shall
5 require a church to disclose the identities, donations, or
6 contributions of members of the church. As used in this
7 section, the term church is defined in accordance with and
8 recognized by Internal Revenue Service guidelines and
9 regulations.

10 "~~(j)~~(h) Notwithstanding the disclosure requirements
11 of this section, the provisions of this section shall not be
12 interpreted to nor shall they require any disclosure for
13 expenses incurred for any electioneering communication used by
14 any membership or trade organization to communicate with or
15 inform its members, its members' families, or its members'
16 employees or for any electioneering communication by a
17 business entity of any type to its employees or stockholders
18 or their families.

19 "~~(k)~~(i) Each report required by this section shall
20 include all reportable transactions occurring since the most
21 recent prior report; however, duplicate reporting is not
22 required by this section. A political action committee or
23 principal campaign committee that is required to file a daily
24 report is not required to also file a weekly report for the
25 week preceding an election specified in subdivision (3) of
26 subsection (a); a committee required to file a weekly report
27 is not required to also file a monthly report in the month in

1 which the election is held; and a committee required to file a
2 monthly report is not required to also file an annual report
3 in the year in which the election is held. The monetary
4 balance in a report of each committee shall begin at the
5 monetary amount appearing in the most recent prior report.

6 "~~(i)~~ (j) The Secretary of State may promulgate
7 administrative rules pursuant to the Alabama Administrative
8 Procedure Act as are necessary to implement and administer ~~the~~
9 ~~changes made to this section by Act 2012-477.~~"

10 Section 2. This act shall become effective January
11 1, 2019, following its passage and approval by the Governor,
12 or its otherwise becoming law.