

2025 South Dakota Legislature

Senate Bill 11

Introduced by: Senator Rohl

An Act to limit the amount of money that a political committee may accept from an inactive candidate campaign committee.

- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 12-27-1 be AMENDED:

5		12-27	'-1. Terms used in this chapter mean:
6	(1)	<u>"Auxili</u>	ary organization," an association or other group of persons acting in concert
7		design	ated by the political party's bylaws or constitution, provided the term does
8		not me	ean an association or other group of persons acting in concert that:
9		<u>(a)</u>	Only accepts contributions to support the volunteer activities of the
LO			association or group; and
l1		<u>(b)</u>	Does not contribute any money, donated goods or services, or independent
12			communication expenditures to any political committee except a political
13			party;
L4	(2)	_"Ballot	question," any referendum, initiative, proposed constitutional initiated
15		measu	ire, initiated amendment to the South Dakota Constitution, or other measure
16		submit	tted to voters at any election;
L7	(2) (3)	"Ballot	question committee," a person or entity that raises, collects, or disburses
18		contrib	outions:
19		(a)	As a proponent for the placement of one or more ballot questions on the
20			ballot;
21		(b)	As an opponent to the placement of one or more ballot questions on the
22			ballot; or
23		(c)	For the adoption or defeat of one or more ballot questions.
24		A ballo	ot question committee is not a person or political committee that makes a
25		contrib	oution to a ballot question committee. A ballot question committee is not an

1		entity that makes a contribution to a ballot question committee from treasury
2		funds;
3	(3) (4)	"Candidate campaign committee," any committee organized by a candidate to
4		receive contributions and make expenditures for the candidate. Only one candidate
5		campaign committee may be organized for each candidate and only one statewide
6		candidate campaign committee may be organized for each candidate. A candidate
7		may, simultaneously, have both a legislative campaign committee and a statewide
8		campaign committee;
9	(4) (5)	"Candidate," any person who seeks nomination for or election to public office. A
10		person is a candidate if the person raises, and:
11		(a) Raises, collects, or disburses contributions in excess of five hundred dollars;
12		has
13		(b) Has authorized the solicitation of contributions or the making of
14		expenditures; has
15		(c) Has been certified as a candidate by a political party; has
16		(d) Has created a candidate campaign committee for the purpose of obtaining
17		public office; or -has
18		(\underline{e}) Has taken all actions required by state law to qualify for nomination for or
19		election to public office;
20	(5) (6)	"Clearly identified," the appearance of the name, nickname, a photograph or a
21		drawing of a candidate or public office holder, or the unambiguous reference to the $% \left(1\right) =\left(1\right) \left(1$
22		identity of a candidate or public office holder;
23	(6) (7)	"Contribution," any gift, advance, distribution, deposit, or payment of money or
24		any other valuable consideration, or any contract, promise or agreement to do so;
25		any discount or rebate not available to the general public; any forgiveness of
26		indebtedness or payment of indebtedness by another person; or any use of
27		services or property, other than services or property provided by a person
28		volunteering for or on behalf of a candidate or political committee, including the
29		$\underline{\text{free or discounted use of the person's residence,}}$ without full payment or that is
30		provided by any person or political committee whose primary business is to provide $% \left(1\right) =\left(1\right) \left(1\right$
31		services or property, made for the purpose of influencing:
32		(a) The nomination, election, or re-election of any person to public office; or
33		(b) The placement of a ballot question on the ballot or the adoption or defeat
34		of any ballot question submitted.

25.64.14 3 11

1		The term does not include services provided by a person as a volunteer for or on
2		behalf of any candidate or political committee including the free or discounted use
3		of a person's residence. Nor does the, made for the purpose of influencing the
4		nomination, election, or re-election of any person to public office, the placement
5		of a ballot question on the ballot, or the adoption or defeat of any ballot question
6		submitted, provided the term does not include the:
7		(a) The purchase of any item of value or service from any political committee-
8		The purchase price of the item may not exceed at the fair market value and
9		may not include an intent to contribute of the item of service, if the political
LO		committee does not intend to provide anything to the purchaser beyond the
l1		item's value. A contribution does not include administration of the item or
12		service;
L3		(b) Administration and solicitation of a contribution for a political action
L4		committee established by an entity or its associated expenses, nor the use;
L5		(c) The use of an entity's real or personal property located on its business
L6		premises for-such the purposes. A contribution does not include nominal of
L7		administering and soliciting a contribution for the political action committee
18		established by an entity; or
L9		(d) The nominal use of a:
20		 (i) A candidate's real or personal property or nominal use of resources;
21		<u>or</u>
22		(ii) Resources available at a candidate's primary place of business;
23	(7) (8)	"County office," any elected office at a county in this state;
24	(8) (9)	"Election," any election for public office; any general, special, primary, or runoff
25		election; and any election on a ballot question;
26	(10)	"Entity," any group of persons other than a candidate, public office holder, or
27		political committee;
28	(9) (11) "Expressly advocate," any communication that:
29		(a) <u>Uses words to explicitly advocate for election, passage, or defeat, including:</u>
30		(i) Vote;
31		(ii) Re-elect;
32		(iii) Support;
33		(iv) Cast your ballot for;
34		(v) Reject; or
35		(vi) Defeat; and

25.64.14 4 11

1	(b) In context has no other reasonable meaning than to urge the election or
2	defeat of one or more clearly identified candidates, or public office holders,
3	or the:
4	(i) The election or defeat of a candidate or public office holder;
5	(ii) The placement of a ballot question on the ballot or the; or
6	(iii) The adoption or defeat of any ballot question using explicit words
7	of advocacy of election or defeat such as: vote, re-elect, support,
8	cast your ballot for, reject, and defeat; or
9	(b)(c) If taken as a whole and with limited reference to external events, such as
LO	the proximity to the election, may only be interpreted by a reasonable
l 1	person as containing advocacy of urging the election or defeat of one or
12	more clearly identified candidates or public office holders,-or the placement
L3	of a ballot question on the ballot, or the adoption or defeat of any ballot
L4	question because:
L5	(i) The electoral portion of the communication is unmistakable,
16	unambiguous, and suggestive of suggests only one meaning; and
L7	(ii) Reasonable minds could not differ as to whether it the
18	communication encourages actions to elect or defeat one or more
L9	clearly identified candidates or public office holders,—or the
20	placement of a ballot question on the ballot, or the adoption or defeat
21	of any ballot question, or encourages some other kind of action;
22	(10)(12) "Immediate family," a a person who is:
23	(a) The spouse of a candidate or public office holder; a
24	(b) A person under the age of eighteen years who is claimed by that candidate
25	or public office holder or that candidate's or public office holder's spouse as
26	a dependent for federal income tax purposes; or-any
27	(c) Any relative within the third degree of kinship of the candidate or the
28	candidate's spouse, and the spouses of such the relatives;
29	(13) "Inactive candidate campaign committee," the candidate campaign committee of a
30	<u>candidate who:</u>
31	(a) Is not actively pursuing nomination for or election to a public office, has
32	failed to secure the nomination for a public office, or has lost the election
33	for that office; and
34	(b) Has not filed a termination report pursuant to § 12-27-25;

1	(11)(14) "Independent communication expenditure," an expenditure, including the
2	payment of money or exchange of other valuable consideration or promise, made
3	by a person, entity, or political committee for a communication concerning a
4	candidate or a ballot question-which that is not made to, controlled by, coordinated
5	with, requested by, or made upon consultation with that candidate, political
6	committee, or agent of a candidate or political committee. The, provided the term
7	does not include-administration:
8	(a) Administration and solicitation of any contribution for a political action
9	committee established by an entity and associated expenses, nor the
10	(b) The use of an entity's real or personal property located on its business
11	premises for such purposes. The term does not include any of administering
12	and soliciting any contribution for a political action committee established
13	by the entity;
14	(c) Any communication by a person made in the regular course and scope of
15	the person's business or ministry or any; or
16	(d) Any communication made by a membership organization solely to any
17	member of the organization and the member's family;
18	$\frac{(12)(15)}{(15)}$ "Donated good or service," a good or service provided at no charge or for less
19	than its fair market value. The, provided the term does not include the value of
20	services provided by a person as a volunteer for or on behalf of any candidate or
21	political committee including the free or discounted use of the volunteer's residence
22	or office;
23	$\frac{(13)(16)}{(16)}$ "Legislative office," the Senate and the House of Representatives of the South
24	Dakota Legislature;
25	$\frac{(14)(17)}{(17)}$ "Loan," a transfer of money, property, guarantee, or anything of value in
26	exchange for an obligation, conditional or not, to repay in whole or part;
27	(14A)(18) "Mailing address," includes street or PO Box, city, state, and zip code;
28	(15) "Entity," any organized or unorganized association, business corporation, limited
29	liability company, nonprofit corporation, limited liability partnership, limited liability
30	limited partnership, limited partnership, partnership, cooperative, trust except for
31	a trust account representing or containing only a contributor's personal funds, a
32	business trust, association, club, labor union, or collective bargaining organization;
33	any local, state, or national organization to which a labor organization pays
34	membership or per capita fees, based upon its affiliation and membership; any

trade or professional association that receives its funds from membership dues or

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25.64.14 6 11

service fees, whether organized inside or outside the state; any other entity of any

2	kind, except a natural person that is, has been, or could be recognized by law; or
3	any group of persons acting in concert that is not defined as a political committee
4	in this chapter except, an entity is not a candidate, a public office holder, or a
5	political committee;
6	(16)(19) "Person," a natural person;
7	(17)(20) "Political action committee," any person or entity that raises, collects or
8	disburses contributions to influence the outcome of an election and who is not a
9	candidate, public officer holder, candidate campaign committee, ballot question
10	committee, or a political party. A political action committee is not any:
11	(a) Person who makes a contribution to a political committee; or
12	(b) Entity that makes a contribution to a ballot question committee from
13	treasury funds;
14	(18)(21) "Political committee," any candidate campaign committee, political action
15	committee, political party, or ballot question committee;
16	(19)(22) "Political party," any state or county—political party association organized
17	pursuant to chapter 12-5 and qualified to participate in a primary or general
18	election, including any auxiliary organization of such a political party;
19	(19A) "Auxiliary organization," any organization designated as an auxiliary organization
20	in the political party's bylaws or constitution except any auxiliary organization that
21	only accepts contributions to support volunteer activities of the organization and
22	does not make monetary contributions or contribute donated goods or services or
23	any independent communication expenditures to any political committee except a
24	political party;
25	(20)(23) "Statewide office," the office of Governor, lieutenant governor, secretary of
26	state, attorney general, state auditor, state treasurer, commissioner of school and
27	public lands, and public utilities commissioner;
28	(21)(24) "Treasurer," the treasurer is the person who is designated as and has agreed
29	to-serve as the person be responsible for each required filing that a committee is
30	required to make under this title;
31	(22)(25) "Treasury funds," funds of moneys of an entity not raised or collected from any
32	other source for the purpose of influencing a ballot question; and
33	(23)(26) "Volunteer," any person who provides services free of charge.

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12-27-7. A statewide candidate or the candidate's campaign committee may accept contributions during any calendar year as follows:

- (1) Not to exceed four thousand dollars from a person, unless the person is the candidate or a member of the candidate's immediate family, in which case contributions may be made without limit;
- (2) Not to exceed four thousand dollars from an entity;
- (3) Not to exceed four thousand dollars from an inactive candidate campaign committee;
 - (4) Without limit from a political action committee;
- $\frac{(4)(5)}{(5)}$ Without limit from a political party; and

11 (5)(6) Without limit from a candidate campaign committee.

Any contribution from a ballot question committee is prohibited. Any contribution from a person who is an unemancipated minor—shall—be_is_deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents.

A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

Section 3. That § 12-27-8 be AMENDED:

- **12-27-8.** A legislative or county candidate or the candidate's campaign committee may accept contributions during any calendar year as follows:
- (1) Not to exceed one thousand dollars from a person, unless the person is the candidate or a member of the candidate's immediate family, in which case contributions may be made without limit;
- (2) Not to exceed one thousand dollars from an entity;
- 25 (3) <u>Not to exceed one thousand dollars from an inactive candidate campaign</u> 26 <u>committee;</u>
 - (4) Without limit from a political action committee;
 - (4)(5) Without limit from a political party; and
- (5)(6) Without limit from a candidate campaign committee.

Any contribution from a ballot question committee is prohibited. Any contribution from a person who is an unemancipated minor—shall—be_is deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents. A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

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1 Section 4. That § 12-27-9 be AMENDED:

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- 2 **12-27-9.** A political action committee may accept contributions during any calendar year as follows:
 - (1) Not to exceed ten thousand dollars from a person;
- 5 (2) Not to exceed ten thousand dollars from an entity;
- 6 (3) Not to exceed ten thousand dollars from an inactive candidate campaign
 7 committee;
- 8 (4) Without limit from a political action committee;
- 9 (4)(5) Without limit from a political party;
- 10 (5)(6) Without limit from a candidate campaign committee; and
- 11 $\frac{(6)(7)}{(6)(7)}$ Not to exceed ten thousand dollars from a ballot question committee.

Any contribution from a person who is an unemancipated minor-shall be is deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents. A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

Section 5. That § 12-27-10 be AMENDED:

- 17 **12-27-10.** A political party may accept contributions during any calendar year as follows:
 - (1) Not to exceed ten thousand dollars from a person;
- 20 (2) Not to exceed ten thousand dollars from an entity;
- 21 (3) Not to exceed ten thousand dollars from an inactive candidate campaign 22 committee;
- 23 (4) Without limit from a political action committee;
- 24 $\frac{(4)(5)}{(4)}$ Without limit from a political party; and
- 25 (5)(6) Without limit from a candidate campaign committee.

Any contribution from a ballot question committee is prohibited. Any contribution from a person who is an unemancipated minor—shall—be_is_deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents. A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

Section 6. That § 12-27-22 be AMENDED:

12-27-22. A The treasurer of an entity listed below shall file a campaign finance disclosure statement shall be submitted to or report with the secretary of state. The treasurer of each as follows:

- (1) Candidate or For a candidate, candidate campaign committee, or inactive candidate campaign committee for any statewide office shall, file a pre-primary, pre-general, year-end, and, if applicable, supplemental report and amendments in even numbered years. In and in odd numbered years shall file a year-end report and, if applicable, amendments. A termination report may be submitted at any time;
- (2) All candidates running For a candidate, candidate campaign committee, or inactive candidate campaign committee for a legislative or county office with a recognized political party-shall, file a pre-primary report if there is any primary race for that particular office in the legislative district or county, and for all candidates or candidate campaign committees for a legislative or county office-shall file a pregeneral, year-end and, if applicable, supplemental report and amendments in even numbered years. A termination report may be submitted at any time;
- (3) Statewide For a statewide political action committee shall, file a pre-primary, pregeneral, year-end, and, if applicable, supplemental report and amendments in even numbered years. In and odd numbered years shall file a year-end-or report and, if applicable, amendments. A termination report may be submitted at any time;
- (4) Statewide For a statewide political party—shall, file a pre-primary, pre-general, year-end and, if applicable, supplemental report and amendments in even numbered years. In and odd numbered years shall file a year-end or amendments, if applicable. A termination report may be submitted at any time. A political party that loses its status as a qualified party shall file a termination statement by 5:00 p.m. central time the last Friday in January following the calendar year in which qualified party status was lost;
- (5) County For a county political party and auxiliary organization—shall, file a pregeneral and, if applicable, supplemental report and amendments in even numbered years. A termination report may be submitted at any time; and
- (6) Statewide For a statewide ballot question committee shall, file a pre-primary, pregeneral, year-end and, if applicable, supplemental report and amendments in even numbered years. In and in odd numbered years shall file a year-end and, if applicable, amendments. A termination report may be submitted at any time. If a statewide ballot question committee does not list any activity on the next required campaign finance report submitted to the secretary of state, that committee has

1 until the next reporting period to report activity. If that committee does not have
2 any activity to report by the next reporting period, the committee shall submit a
3 termination report by that reporting period deadline.

A campaign finance disclosure statement shall be submitted to the secretary of state by the treasurer of each committee who shall file the following financial disclosure reports in accordance with the time frames stated in this chapter: pre-primary, pregeneral, year end, amendment, supplemental, and a termination when a committee is terminating its existence. The treasurer of an entity listed in this section may submit a termination report at any time.

If a political party loses its status as a qualified party, the party must file a termination statement by five p.m. central time on the last Friday in January following the calendar year in which qualified party status was lost. If a statewide ballot question committee does not list any activity on the next required campaign finance report submitted to the secretary of state, that committee has until the next reporting period to report activity. If that committee does not have any activity to report by the next reporting period, the committee shall submit a termination report by that reporting period deadline.

A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.