

**CAMPAIGN FINANCE REVISIONS**

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kraig Powell**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends provisions of the Election Code relating to campaign contributions.

**Highlighted Provisions:**

This bill:

► provides that a state office candidate, a legislative office candidate, a school board office candidate, or a judge may not, during any two-year period, accept total contributions from the same individual or source in an amount of \$9,999 or more.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**20A-11-201**, as last amended by Laws of Utah 2012, Chapter 230

**20A-11-301**, as last amended by Laws of Utah 2012, Chapter 230

**20A-11-1301**, as last amended by Laws of Utah 2012, Chapter 230

**20A-12-303**, as last amended by Laws of Utah 2011, Chapter 396

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **20A-11-201** is amended to read:



28           **20A-11-201. State office candidate -- Separate bank account for campaign funds**  
29 **-- No personal use -- Report contributions within 30 days -- Report other accounts.**

30           (1) (a) Each state office candidate or the candidate's personal campaign committee  
31 shall deposit each contribution and public service assistance received in one or more separate  
32 campaign accounts in a financial institution.

33           (b) A state office candidate or a candidate's personal campaign committee may not use  
34 money deposited in a campaign account for:

- 35           (i) a personal use expenditure; or
- 36           (ii) an expenditure prohibited by law.

37           (2) A state office candidate or the candidate's personal campaign committee may not  
38 deposit or mingle any contributions received into a personal or business account.

39           (3) If a person who is no longer a state office candidate chooses not to expend the  
40 money remaining in a campaign account, the person shall continue to file the year-end  
41 summary report required by Section 20A-11-203 until the statement of dissolution and final  
42 summary report required by Section 20A-11-205 are filed with the lieutenant governor.

43           (4) (a) Except as provided in Subsection (4)(b) and Section 20A-11-402, a person who  
44 is no longer a state office candidate may not expend or transfer the money in a campaign  
45 account in a manner that would cause the former state office candidate to recognize the money  
46 as taxable income under federal tax law.

47           (b) A person who is no longer a state office candidate may transfer the money in a  
48 campaign account in a manner that would cause the former state office candidate to recognize  
49 the money as taxable income under federal tax law if the transfer is made to a campaign  
50 account for federal office.

51           (5) (a) As used in this Subsection (5) and Section 20A-11-204, "received" means:

52           (i) for a cash contribution, that the cash is given to a state office candidate or a member  
53 of the candidate's personal campaign committee;

54           (ii) for a contribution that is a negotiable instrument or check, that the negotiable  
55 instrument or check is negotiated; and

56           (iii) for any other type of contribution, that any portion of the contribution's benefit  
57 inures to the state office candidate.

58           (b) Each state office candidate shall report each contribution and public service

59 assistance to the lieutenant governor within 30 days after the contribution or public service  
60 assistance is received.

61 (6) (a) As used in this Subsection (6), "account" means an account in a financial  
62 institution:

63 (i) that is not described in Subsection (1)(a); and

64 (ii) into which or from which a person who, as a candidate for an office, other than the  
65 state office for which the person files a declaration of candidacy or federal office, or as a holder  
66 of an office, other than a state office for which the person files a declaration of candidacy or  
67 federal office, deposits a contribution or makes an expenditure.

68 (b) A state office candidate shall include on any financial statement filed in accordance  
69 with this part:

70 (i) a contribution deposited in an account:

71 (A) since the last campaign finance statement was filed; or

72 (B) that has not been reported under a statute or ordinance that governs the account; or

73 (ii) an expenditure made from an account:

74 (A) since the last campaign finance statement was filed; or

75 (B) that has not been reported under a statute or ordinance that governs the account.

76 (7) A state office candidate may not, during any two-year period, accept total  
77 contributions from the same individual or source in an amount of \$9,999 or more.

78 Section 2. Section **20A-11-301** is amended to read:

79 **20A-11-301. Legislative office candidate -- Campaign finance requirements --**  
80 **Candidate as a political action committee officer -- No personal use -- Report**  
81 **contributions within 30 days -- Report other accounts.**

82 (1) (a) (i) Each legislative office candidate shall deposit each contribution and public  
83 service assistance received in one or more separate accounts in a financial institution that are  
84 dedicated only to that purpose.

85 (ii) A legislative office candidate may:

86 (A) receive a contribution or public service assistance from a political action  
87 committee registered under Section 20A-11-601; and

88 (B) be designated by a political action committee as an officer who has primary  
89 decision-making authority as described in Section 20A-11-601.

90 (b) A legislative office candidate or the candidate's personal campaign committee may  
91 not use money deposited in an account described in Subsection (1)(a)(i) for:

- 92 (i) a personal use expenditure; or
- 93 (ii) an expenditure prohibited by law.

94 (2) A legislative office candidate may not deposit or mingle any contributions or public  
95 service assistance received into a personal or business account.

96 (3) If a person who is no longer a legislative candidate chooses not to expend the  
97 money remaining in a campaign account, the person shall continue to file the year-end  
98 summary report required by Section 20A-11-302 until the statement of dissolution and final  
99 summary report required by Section 20A-11-304 are filed with the lieutenant governor.

100 (4) (a) Except as provided in Subsection (4)(b) and Section 20A-11-402, a person who  
101 is no longer a legislative office candidate may not expend or transfer the money in a campaign  
102 account in a manner that would cause the former legislative office candidate to recognize the  
103 money as taxable income under federal tax law.

104 (b) A person who is no longer a legislative office candidate may transfer the money in  
105 a campaign account in a manner that would cause the former legislative office candidate to  
106 recognize the money as taxable income under federal tax law if the transfer is made to a  
107 campaign account for federal office.

108 (5) (a) As used in this Subsection (5) and Section 20A-11-303, "received" means:

- 109 (i) for a cash contribution, that the cash is given to a legislative office candidate or a  
110 member of the candidate's personal campaign committee;
- 111 (ii) for a contribution that is a negotiable instrument or check, that the negotiable  
112 instrument or check is negotiated; and
- 113 (iii) for any other type of contribution, that any portion of the contribution's benefit  
114 inures to the legislative office candidate.

115 (b) Each legislative office candidate shall report each contribution and public service  
116 assistance to the lieutenant governor within 30 days after the contribution or public service  
117 assistance is received.

118 (6) (a) As used in this Subsection (6), "account" means an account in a financial  
119 institution:

- 120 (i) that is not described in Subsection (1)(a)(i); and

121 (ii) into which or from which a person who, as a candidate for an office, other than a  
122 legislative office for which the person files a declaration of candidacy or federal office, or as a  
123 holder of an office, other than a legislative office for which the person files a declaration of  
124 candidacy or federal office, deposits a contribution or makes an expenditure.

125 (b) A legislative office candidate shall include on any financial statement filed in  
126 accordance with this part:

127 (i) a contribution deposited in an account:

128 (A) since the last campaign finance statement was filed; or

129 (B) that has not been reported under a statute or ordinance that governs the account; or

130 (ii) an expenditure made from an account:

131 (A) since the last campaign finance statement was filed; or

132 (B) that has not been reported under a statute or ordinance that governs the account.

133 (7) A legislative office candidate may not, during any two-year period, accept total  
134 contributions from the same individual or source in an amount of \$9,999 or more.

135 Section 3. Section **20A-11-1301** is amended to read:

136 **20A-11-1301. School board office candidate -- Campaign finance requirements --**  
137 **Candidate as a political action committee officer -- No personal use -- Report**  
138 **contributions within 30 days -- Report other accounts.**

139 (1) (a) (i) Each school board office candidate shall deposit each contribution and public  
140 service assistance received in one or more separate accounts in a financial institution that are  
141 dedicated only to that purpose.

142 (ii) A school board office candidate may:

143 (A) receive a contribution or public service assistance from a political action  
144 committee registered under Section 20A-11-601; and

145 (B) be designated by a political action committee as an officer who has primary  
146 decision-making authority as described in Section 20A-11-601.

147 (b) A school board office candidate may not use money deposited in an account  
148 described in Subsection (1)(a)(i) for:

149 (i) a personal use expenditure; or

150 (ii) an expenditure prohibited by law.

151 (2) A school board office candidate may not deposit or mingle any contributions or

152 public service assistance received into a personal or business account.

153 (3) A school board office candidate may not make any political expenditures prohibited  
154 by law.

155 (4) If a person who is no longer a school board candidate chooses not to expend the  
156 money remaining in a campaign account, the person shall continue to file the year-end  
157 summary report required by Section 20A-11-1302 until the statement of dissolution and final  
158 summary report required by Section 20A-11-1304 are filed with:

159 (a) the lieutenant governor in the case of a state school board candidate; and

160 (b) the county clerk, in the case of a local school board candidate.

161 (5) (a) Except as provided in Subsection (5)(b) and Section 20A-11-402, a person who  
162 is no longer a school board candidate may not expend or transfer the money in a campaign  
163 account in a manner that would cause the former school board candidate to recognize the  
164 money as taxable income under federal tax law.

165 (b) A person who is no longer a school board candidate may transfer the money in a  
166 campaign account in a manner that would cause the former school board candidate to recognize  
167 the money as taxable income under federal tax law if the transfer is made to a campaign  
168 account for federal office.

169 (6) (a) As used in this Subsection (6) and Section 20A-11-1303, "received" means:

170 (i) for a cash contribution, that the cash is given to a school board office candidate or a  
171 member of the candidate's personal campaign committee;

172 (ii) for a contribution that is a negotiable instrument or check, that the negotiable  
173 instrument or check is negotiated; and

174 (iii) for any other type of contribution, that any portion of the contribution's benefit  
175 inures to the school board office candidate.

176 (b) Each school board office candidate shall report to the chief election officer each  
177 contribution and public service assistance within 30 days after the contribution or public  
178 service assistance is received.

179 (7) (a) As used in this Subsection (7), "account" means an account in a financial  
180 institution:

181 (i) that is not described in Subsection (1)(a)(i); and

182 (ii) into which or from which a person who, as a candidate for an office, other than a

183 school board office for which the person files a declaration of candidacy or federal office, or as  
184 a holder of an office, other than a school board office for which the person files a declaration of  
185 candidacy or federal office, deposits a contribution or makes an expenditure.

186 (b) A school board office candidate shall include on any financial statement filed in  
187 accordance with this part:

188 (i) a contribution deposited in an account:

189 (A) since the last campaign finance statement was filed; or

190 (B) that has not been reported under a statute or ordinance that governs the account; or

191 (ii) an expenditure made from an account:

192 (A) since the last campaign finance statement was filed; or

193 (B) that has not been reported under a statute or ordinance that governs the account.

194 (8) A school board office candidate may not, during any two-year period, accept total  
195 contributions from the same individual or source in an amount of \$9,999 or more.

196 Section 4. Section **20A-12-303** is amended to read:

197 **20A-12-303. Separate account for campaign funds -- Reporting contributions.**

198 (1) The judge or the judge's personal campaign committee shall deposit each  
199 contribution in one or more separate personal campaign accounts in a financial institution.

200 (2) The judge or the judge's personal campaign committee may not deposit or mingle  
201 any contributions received into a personal or business account.

202 (3) (a) As used in this Subsection (3) and Section 20A-12-305, "received" means:

203 (i) for a cash contribution, that the cash is given to a judge or the judge's personal  
204 campaign committee;

205 (ii) for a contribution that is a negotiable instrument or check, that the negotiable  
206 instrument or check is negotiated; and

207 (iii) for any other type of contribution, that any portion of the contribution's benefit  
208 inures to the judge.

209 (b) The judge or the judge's personal campaign committee shall report to the lieutenant  
210 governor each contribution within 30 days after the contribution is received.

211 (4) A judge may not, during any two-year period, accept total contributions from the  
212 same individual or source in an amount of \$9,999 or more.

**Legislative Review Note**  
**as of 3-5-13 6:06 PM**

**Office of Legislative Research and General Counsel**