

CAMPAIGN FINANCE AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Luz Robles

House Sponsor: _____

LONG TITLE

General Description:

This bill establishes campaign finance limits.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ establishes contribution limits;
- ▶ makes a violation of contribution limits a class A misdemeanor; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

20A-11-101, as last amended by Laws of Utah 2012, Chapter 230

ENACTS:

20A-11-604, Utah Code Annotated 1953

20A-11-705, Utah Code Annotated 1953

20A-11-1504, Utah Code Annotated 1953

20A-11-1701, Utah Code Annotated 1953



28 20A-11-1702, Utah Code Annotated 1953

29 20A-11-1703, Utah Code Annotated 1953



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

32 Section 1. Section 20A-11-101 is amended to read:

33 **20A-11-101. Definitions.**

34 As used in this chapter:

35 (1) "Address" means the number and street where an individual resides or where a
36 reporting entity has its principal office.

37 (2) "Ballot proposition" includes initiatives, referenda, proposed constitutional
38 amendments, and any other ballot propositions submitted to the voters that are authorized by
39 the Utah Code Annotated 1953.

40 (3) "Candidate" means any person who:

41 (a) files a declaration of candidacy for a public office; or

42 (b) receives contributions, makes expenditures, or gives consent for any other person to
43 receive contributions or make expenditures to bring about the person's nomination or election
44 to a public office.

45 (4) "Cash" means currency or coinage that constitutes legal tender.

46 [~~4~~] (5) "Chief election officer" means:

47 (a) the lieutenant governor for state office candidates, legislative office candidates,
48 officeholders, political parties, political action committees, corporations, political issues
49 committees, state school board candidates, judges, and labor organizations, as defined in
50 Section 20A-11-1501; and

51 (b) the county clerk for local school board candidates.

52 [~~5~~] (6) (a) "Contribution" means any of the following when done for political
53 purposes:

54 (i) a gift, subscription, donation, loan, advance, or deposit of money or anything of
55 value given to the filing entity;

56 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,
57 subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or
58 anything of value to the filing entity;

- 59 (iii) any transfer of funds from another reporting entity to the filing entity;
- 60 (iv) compensation paid by any person or reporting entity other than the filing entity for
61 personal services provided without charge to the filing entity;
- 62 (v) remuneration from:
- 63 (A) any organization or its directly affiliated organization that has a registered lobbyist;
- 64 or
- 65 (B) any agency or subdivision of the state, including school districts; and
- 66 (vi) goods or services provided to or for the benefit of the filing entity at less than fair
67 market value.
- 68 (b) "Contribution" does not include:
- 69 (i) services provided without compensation by individuals volunteering a portion or all
70 of their time on behalf of the filing entity;
- 71 (ii) money lent to the filing entity by a financial institution in the ordinary course of
72 business; or
- 73 (iii) goods or services provided for the benefit of a candidate or political party at less
74 than fair market value that are not authorized by or coordinated with the candidate or political
75 party.
- 76 (7) "Contribution cycle" means a two-year period of time:
- 77 (a) beginning January 1, 2015, and each January 1 of an odd-numbered year thereafter;
78 and
- 79 (b) ending December 31 of an even-numbered year immediately following an
80 odd-numbered year described in Subsection (7)(a).
- 81 ~~[(6)]~~ (8) "Coordinated with" means that goods or services provided for the benefit of a
82 candidate or political party are provided:
- 83 (a) with the candidate's or political party's prior knowledge, if the candidate or political
84 party does not object;
- 85 (b) by agreement with the candidate or political party;
- 86 (c) in coordination with the candidate or political party; or
- 87 (d) using official logos, slogans, and similar elements belonging to a candidate or
88 political party.
- 89 ~~[(7)]~~ (9) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business

90 organization that is registered as a corporation or is authorized to do business in a state and
91 makes any expenditure from corporate funds for:

- 92 (i) the purpose of expressly advocating for political purposes; or
- 93 (ii) the purpose of expressly advocating the approval or the defeat of any ballot
94 proposition.

95 (b) "Corporation" does not mean:

- 96 (i) a business organization's political action committee or political issues committee; or
- 97 (ii) a business entity organized as a partnership or a sole proprietorship.

98 ~~[(8)]~~ (10) "County political party" means, for each registered political party, all of the
99 persons within a single county who, under definitions established by the political party, are
100 members of the registered political party.

101 ~~[(9)]~~ (11) "County political party officer" means a person whose name is required to be
102 submitted by a county political party to the lieutenant governor in accordance with Section
103 20A-8-402.

104 ~~[(10)]~~ (12) "Detailed listing" means:

105 (a) for each contribution or public service assistance:

106 (i) the name and address of the individual or source making the contribution or public
107 service assistance;

108 (ii) the amount or value of the contribution or public service assistance; and

109 (iii) the date the contribution or public service assistance was made; and

110 (b) for each expenditure:

111 (i) the amount of the expenditure;

112 (ii) the person or entity to whom it was disbursed;

113 (iii) the specific purpose, item, or service acquired by the expenditure; and

114 (iv) the date the expenditure was made.

115 ~~[(11)]~~ (13) "Election" means each:

116 (a) regular general election;

117 (b) regular primary election; and

118 (c) special election at which candidates are eliminated and selected.

119 ~~[(12)]~~ (14) "Electioneering communication" means a communication that:

120 (a) has at least a value of \$10,000;

- 121 (b) clearly identifies a candidate or judge; and
- 122 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising
123 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly
124 identified candidate's or judge's election date.
- 125 ~~[(13)]~~ (15) (a) "Expenditure" means:
- 126 (i) any disbursement from contributions, receipts, or from the separate bank account
127 required by this chapter;
- 128 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
129 or anything of value made for political purposes;
- 130 (iii) an express, legally enforceable contract, promise, or agreement to make any
131 purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of
132 value for political purposes;
- 133 (iv) compensation paid by a filing entity for personal services rendered by a person
134 without charge to a reporting entity;
- 135 (v) a transfer of funds between the filing entity and a candidate's personal campaign
136 committee; or
- 137 (vi) goods or services provided by the filing entity to or for the benefit of another
138 reporting entity for political purposes at less than fair market value.
- 139 (b) "Expenditure" does not include:
- 140 (i) services provided without compensation by individuals volunteering a portion or all
141 of their time on behalf of a reporting entity;
- 142 (ii) money lent to a reporting entity by a financial institution in the ordinary course of
143 business; or
- 144 (iii) anything listed in Subsection ~~[(13)]~~ (15)(a) that is given by a reporting entity to
145 candidates for office or officeholders in states other than Utah.
- 146 ~~[(14)]~~ (16) "Federal office" means the office of President of the United States, United
147 States Senator, or United States Representative.
- 148 ~~[(15)]~~ (17) "Filing entity" means the reporting entity that is required to file a financial
149 statement required by this chapter or ~~[Chapter 12, Part 2, Judicial Retention Elections]~~ Section
150 20A-12-201.
- 151 ~~[(16)]~~ (18) "Financial statement" includes any summary report, interim report, verified

152 financial statement, or other statement disclosing contributions, expenditures, receipts,
153 donations, or disbursements that is required by this chapter or [~~Chapter 12, Part 2, Judicial~~
154 ~~Retention Elections~~] Section 20A-12-201.

155 [~~(17)~~] (19) "Governing board" means the individual or group of individuals that
156 determine the candidates and committees that will receive expenditures from a political action
157 committee, political party, or corporation.

158 [~~(18)~~] (20) "Incorporation" means the process established by Title 10, Chapter 2, Part
159 1, Incorporation, by which a geographical area becomes legally recognized as a city or town.

160 [~~(19)~~] (21) "Incorporation election" means the election authorized by Section 10-2-111.

161 [~~(20)~~] (22) "Incorporation petition" means a petition authorized by Section 10-2-109.

162 [~~(21)~~] (23) "Individual" means a natural person.

163 [~~(22)~~] (24) "Interim report" means a report identifying the contributions received and
164 expenditures made since the last report.

165 [~~(23)~~] (25) "Legislative office" means the office of state senator, state representative,
166 speaker of the House of Representatives, president of the Senate, and the leader, whip, and
167 assistant whip of any party caucus in either house of the Legislature.

168 [~~(24)~~] (26) "Legislative office candidate" means a person who:

169 (a) files a declaration of candidacy for the office of state senator or state representative;

170 (b) declares oneself to be a candidate for, or actively campaigns for, the position of
171 speaker of the House of Representatives, president of the Senate, or the leader, whip, and
172 assistant whip of any party caucus in either house of the Legislature; or

173 (c) receives contributions, makes expenditures, or gives consent for any other person to
174 receive contributions or make expenditures to bring about the person's nomination or election
175 to a legislative office.

176 [~~(25)~~] (27) "Officeholder" means a person who holds a public office.

177 [~~(26)~~] (28) "Party committee" means any committee organized by or authorized by the
178 governing board of a registered political party.

179 [~~(27)~~] (29) "Person" means both natural and legal persons, including individuals,
180 business organizations, personal campaign committees, party committees, political action
181 committees, political issues committees, and labor organizations, as defined in Section
182 20A-11-1501.

183 [~~(28)~~] (30) "Personal campaign committee" means the committee appointed by a
184 candidate to act for the candidate as provided in this chapter.

185 [~~(29)~~] (31) "Personal use expenditure" has the same meaning as provided under Section
186 20A-11-104.

187 [~~(30)~~] (32) (a) "Political action committee" means an entity, or any group of
188 individuals or entities within or outside this state, a major purpose of which is to:

189 (i) solicit or receive contributions from any other person, group, or entity for political
190 purposes; or

191 (ii) make expenditures to expressly advocate for any person to refrain from voting or to
192 vote for or against any candidate or person seeking election to a municipal or county office.

193 (b) "Political action committee" includes groups affiliated with a registered political
194 party but not authorized or organized by the governing board of the registered political party
195 that receive contributions or makes expenditures for political purposes.

196 (c) "Political action committee" does not mean:

197 (i) a party committee;

198 (ii) any entity that provides goods or services to a candidate or committee in the regular
199 course of its business at the same price that would be provided to the general public;

200 (iii) an individual;

201 (iv) individuals who are related and who make contributions from a joint checking
202 account;

203 (v) a corporation, except a corporation a major purpose of which is to act as a political
204 action committee; or

205 (vi) a personal campaign committee.

206 [~~(31)~~] (33) "Political convention" means a county or state political convention held by
207 a registered political party to select candidates.

208 [~~(32)~~] (34) (a) "Political issues committee" means an entity, or any group of individuals
209 or entities within or outside this state, a major purpose of which is to:

210 (i) solicit or receive donations from any other person, group, or entity to assist in
211 placing a ballot proposition on the ballot, assist in keeping a ballot proposition off the ballot, or
212 to advocate that a voter refrain from voting or vote for or vote against any ballot proposition;

213 (ii) make expenditures to expressly advocate for any person to sign or refuse to sign a

214 ballot proposition or incorporation petition or refrain from voting, vote for, or vote against any
215 proposed ballot proposition or an incorporation in an incorporation election; or

216 (iii) make expenditures to assist in qualifying or placing a ballot proposition on the
217 ballot or to assist in keeping a ballot proposition off the ballot.

218 (b) "Political issues committee" does not mean:

219 (i) a registered political party or a party committee;

220 (ii) any entity that provides goods or services to an individual or committee in the
221 regular course of its business at the same price that would be provided to the general public;

222 (iii) an individual;

223 (iv) individuals who are related and who make contributions from a joint checking
224 account; or

225 (v) a corporation, except a corporation a major purpose of which is to act as a political
226 issues committee.

227 [~~33~~] (35) (a) "Political issues contribution" means any of the following:

228 (i) a gift, subscription, unpaid or partially unpaid loan, advance, or deposit of money or
229 anything of value given to a political issues committee;

230 (ii) an express, legally enforceable contract, promise, or agreement to make a political
231 issues donation to influence the approval or defeat of any ballot proposition;

232 (iii) any transfer of funds received by a political issues committee from a reporting
233 entity;

234 (iv) compensation paid by another reporting entity for personal services rendered
235 without charge to a political issues committee; and

236 (v) goods or services provided to or for the benefit of a political issues committee at
237 less than fair market value.

238 (b) "Political issues contribution" does not include:

239 (i) services provided without compensation by individuals volunteering a portion or all
240 of their time on behalf of a political issues committee; or

241 (ii) money lent to a political issues committee by a financial institution in the ordinary
242 course of business.

243 [~~34~~] (36) (a) "Political issues expenditure" means any of the following:

244 (i) any payment from political issues contributions made for the purpose of influencing

245 the approval or the defeat of:

246 (A) a ballot proposition; or

247 (B) an incorporation petition or incorporation election;

248 (ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for

249 the express purpose of influencing the approval or the defeat of:

250 (A) a ballot proposition; or

251 (B) an incorporation petition or incorporation election;

252 (iii) an express, legally enforceable contract, promise, or agreement to make any

253 political issues expenditure;

254 (iv) compensation paid by a reporting entity for personal services rendered by a person

255 without charge to a political issues committee; or

256 (v) goods or services provided to or for the benefit of another reporting entity at less

257 than fair market value.

258 (b) "Political issues expenditure" does not include:

259 (i) services provided without compensation by individuals volunteering a portion or all

260 of their time on behalf of a political issues committee; or

261 (ii) money lent to a political issues committee by a financial institution in the ordinary

262 course of business.

263 [~~(35)~~] (37) "Political purposes" means an act done with the intent or in a way to
264 influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote
265 for or against any candidate or a person seeking a municipal or county office at any caucus,
266 political convention, or election.

267 [~~(36)~~] (38) "Primary election" means any regular primary election held under the
268 election laws.

269 [~~(37)~~] (39) "Public office" means the office of governor, lieutenant governor, state
270 auditor, state treasurer, attorney general, state or local school board member, state senator, state
271 representative, speaker of the House of Representatives, president of the Senate, and the leader,
272 whip, and assistant whip of any party caucus in either house of the Legislature.

273 [~~(38)~~] (40) (a) "Public service assistance" means the following when given or provided
274 to an officeholder to defray the costs of functioning in a public office or aid the officeholder to
275 communicate with the officeholder's constituents:

276 (i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of
277 money or anything of value to an officeholder; or

278 (ii) goods or services provided at less than fair market value to or for the benefit of the
279 officeholder.

280 (b) "Public service assistance" does not include:

281 (i) anything provided by the state;

282 (ii) services provided without compensation by individuals volunteering a portion or all
283 of their time on behalf of an officeholder;

284 (iii) money lent to an officeholder by a financial institution in the ordinary course of
285 business;

286 (iv) news coverage or any publication by the news media; or

287 (v) any article, story, or other coverage as part of any regular publication of any
288 organization unless substantially all the publication is devoted to information about the
289 officeholder.

290 [~~(39)~~] (41) "Publicly identified class of individuals" means a group of 50 or more
291 individuals sharing a common occupation, interest, or association that contribute to a political
292 action committee or political issues committee and whose names can be obtained by contacting
293 the political action committee or political issues committee upon whose financial statement the
294 individuals are listed.

295 [~~(40)~~] (42) "Receipts" means contributions and public service assistance.

296 [~~(41)~~] (43) "Registered lobbyist" means a person registered under Title 36, Chapter 11,
297 Lobbyist Disclosure and Regulation Act.

298 [~~(42)~~] (44) "Registered political action committee" means any political action
299 committee that is required by this chapter to file a statement of organization with the lieutenant
300 governor's office.

301 [~~(43)~~] (45) "Registered political issues committee" means any political issues
302 committee that is required by this chapter to file a statement of organization with the lieutenant
303 governor's office.

304 [~~(44)~~] (46) "Registered political party" means an organization of voters that:

305 (a) participated in the last regular general election and polled a total vote equal to 2%
306 or more of the total votes cast for all candidates for the United States House of Representatives

307 for any of its candidates for any office; or

308 (b) has complied with the petition and organizing procedures of Chapter 8, Political
309 Party Formation and Procedures.

310 [~~(45)~~] (47) (a) "Remuneration" means a payment:

311 (i) made to a legislator for the period the Legislature is in session; and

312 (ii) that is approximately equivalent to an amount a legislator would have earned
313 during the period the Legislature is in session in the legislator's ordinary course of business.

314 (b) "Remuneration" does not mean anything of economic value given to a legislator by:

315 (i) the legislator's primary employer in the ordinary course of business; or

316 (ii) a person or entity in the ordinary course of business:

317 (A) because of the legislator's ownership interest in the entity; or

318 (B) for services rendered by the legislator on behalf of the person or entity.

319 [~~(46)~~] (48) "Reporting entity" means a candidate, a candidate's personal campaign
320 committee, a judge, a judge's personal campaign committee, an officeholder, a party
321 committee, a political action committee, a political issues committee, a corporation, or a labor
322 organization, as defined in Section 20A-11-1501.

323 [~~(47)~~] (49) "School board office" means the office of state school board or local school
324 board.

325 [~~(48)~~] (50) (a) "Source" means the person or entity that is the legal owner of the
326 tangible or intangible asset that comprises the contribution.

327 (b) "Source" means, for political action committees and corporations, the political
328 action committee and the corporation as entities, not the contributors to the political action
329 committee or the owners or shareholders of the corporation.

330 [~~(49)~~] (51) "State office" means the offices of governor, lieutenant governor, attorney
331 general, state auditor, and state treasurer.

332 [~~(50)~~] (52) "State office candidate" means a person who:

333 (a) files a declaration of candidacy for a state office; or

334 (b) receives contributions, makes expenditures, or gives consent for any other person to
335 receive contributions or make expenditures to bring about the person's nomination or election
336 to a state office.

337 [~~(51)~~] (53) "Summary report" means the year end report containing the summary of a

338 reporting entity's contributions and expenditures.

339 ~~[(52)]~~ (54) "Supervisory board" means the individual or group of individuals that
340 allocate expenditures from a political issues committee.

341 Section 2. Section **20A-11-604** is enacted to read:

342 **20A-11-604. Limits on contributions by political action committees.**

343 (1) A political action committee may not make contributions totaling more than the
344 following amounts per contribution cycle:

345 (a) \$10,000 to one state office candidate;

346 (b) \$5,000 to one legislative office candidate;

347 (c) \$5,000 to one school board office candidate;

348 (d) \$5,000 to one judge;

349 (e) \$40,000 to one registered political party;

350 (f) \$10,000 to one political action committee; or

351 (g) \$50,000 in the aggregate to one or more:

352 (i) registered political parties;

353 (ii) labor organizations; and

354 (iii) political action committees.

355 (2) A political action committee may not make a cash contribution in excess of \$100 in
356 a contribution cycle.

357 Section 3. Section **20A-11-705** is enacted to read:

358 **20A-11-705. Limits on contributions by corporations.**

359 (1) A corporation may not make contributions totaling more than the following
360 amounts per contribution cycle:

361 (a) \$10,000 to one state office candidate;

362 (b) \$5,000 to one legislative office candidate;

363 (c) \$5,000 to one school board office candidate;

364 (d) \$5,000 to one judge;

365 (e) \$40,000 to one registered political party;

366 (f) \$10,000 to one political action committee; or

367 (g) \$50,000 in the aggregate to one or more:

368 (i) registered political parties;

- 369 (ii) labor organizations; and
- 370 (iii) political action committees.

371 (2) A corporation may not make a cash contribution in excess of \$100 in a contribution
 372 cycle.

373 Section 4. Section **20A-11-1504** is enacted to read:

374 **20A-11-1504. Limits on contributions by a labor organization.**

375 (1) As used in this section, "labor organization" is as defined in Section 20A-11-1402.

376 (2) A labor organization may not make contributions totaling more than the following
 377 amounts per contribution cycle:

- 378 (a) \$10,000 to one state office candidate;
- 379 (b) \$5,000 to one legislative office candidate;
- 380 (c) \$5,000 to one school board office candidate;
- 381 (d) \$5,000 to one judge;
- 382 (e) \$40,000 to one registered political party;
- 383 (f) \$10,000 to one political action committee; or
- 384 (g) \$50,000 in the aggregate to one or more:
 - 385 (i) registered political parties;
 - 386 (ii) labor organizations; and
 - 387 (iii) political action committees.

388 (3) A labor organization may not make a cash contribution in excess of \$100 in a
 389 contribution cycle.

390 Section 5. Section **20A-11-1701** is enacted to read:

391 **Part 17. Contribution Limits**

392 **20A-11-1701. Limits on contributions by an individual.**

393 (1) An individual may not make contributions totaling more than the following
 394 amounts per contribution cycle:

- 395 (a) \$10,000 to one state office candidate;
- 396 (b) \$5,000 to one legislative office candidate;
- 397 (c) \$5,000 to one school board office candidate;
- 398 (d) \$5,000 to one judge;
- 399 (e) \$40,000 to one registered political party; or

400 (f) \$10,000 to one political action committee.

401 (2) An individual may not make a cash contribution in excess of \$100 in a contribution
402 cycle.

403 Section 6. Section **20A-11-1702** is enacted to read:

404 **20A-11-1702. Contribution limit transition.**

405 A person or individual, as applicable, may not make a contribution between May 14,
406 2013, and December 31, 2014, in excess of the contribution limits established in Section
407 20A-11-604, 20A-11-705, 20A-11-1501, or 20A-11-1504.

408 Section 7. Section **20A-11-1703** is enacted to read:

409 **20A-11-1703. Penalty for contributions in excess of limit.**

410 (1) A person or individual, as applicable, that makes a contribution in excess of the
411 contribution limits established in Section 20A-11-604, 20A-11-705, 20A-11-1504,
412 20A-11-1701, or 20A-11-1702 is guilty of a class A misdemeanor.

413 (2) A person or individual, as applicable, that accepts a contribution in excess of the
414 contribution limits established in Section 20A-11-604, 20A-11-705, 20A-11-1504,
415 20A-11-1701, or 20A-11-1702 is guilty of a class A misdemeanor.

Legislative Review Note
as of 2-13-13 7:09 PM

Office of Legislative Research and General Counsel