

1 SB551
2 141486-1
3 By Senator Taylor
4 RFD: Constitution, Campaign Finance, Ethics, and Elections
5 First Read: 24-APR-12

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8 SYNOPSIS: Under existing law, political action
9 committees receiving funds from another political
10 action committee for a voting advocacy operation
11 are not required to pay an annual fee.

12 This bill would require each political
13 action committee receiving funds from another
14 political action committee to aid get-out-the vote
15 operations, voting rights advocacy, and voter
16 education to establish separate accounts apart from
17 the accounts whose funds are expended to
18 candidates.

19 This bill would require each political
20 action committee to report its activity,
21 separately, in accordance with current Fair
22 Campaign Practice Act laws.

23 This bill would require all political action
24 committees to pay an annual registration fee
25 determined on a uniform basis by the Alabama
26 Secretary of State in consultation with the Alabama
27 Ethics Commission.

1 This bill would provide that all funds
2 received from the annual registration fee would be
3 collected by the Alabama Secretary of State and all
4 proceeds transferred to the Alabama Ethics
5 Commission for funding a monitoring division within
6 the Alabama Ethics Commission.

7 This bill would provide that each political
8 action committee which fails to file in a timely or
9 compliant manner would be subject to a civil
10 penalty, and a second failure would result in an
11 increased penalty.

12 This bill would require the Ethics
13 Commission to report each failure to file a report,
14 and a third failure to file would be reported to
15 the Attorney General for criminal action.

16 This bill would require the Alabama Ethics
17 Commission to establish a new division to monitor
18 each registered candidate and political action
19 committee in accordance with the Fair Campaign
20 Practice Act and to provide for its duties.

21 This bill would require each candidate and
22 campaign committee to designate an individual, or
23 registered agent, and to provide for his or her
24 duties and responsibilities.

25
26 A BILL
27 TO BE ENTITLED

AN ACT

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3 Relating to political action committees; to require
4 each political action committee receiving funds from another
5 political action committee for get-out-the-vote operations,
6 voting rights advocacy, and voter education to establish
7 separate accounts apart from the accounts whose funds are
8 expended to candidates; to require each political action
9 committee to report its activity, separately, in accordance
10 with current Fair Campaign Practice Act laws; to require all
11 political action committees to pay an annual registration fee
12 determined on a uniform basis by the Alabama Secretary of
13 State in consultation with the Alabama Ethics Commission; to
14 provide that all funds received from the fee by the Secretary
15 of State would be transferred to the Alabama Ethics Commission
16 for funding a monitoring division within the Alabama Ethics
17 Commission; to provide that each political action committee
18 which fails to file in a timely or compliant manner would be
19 subject to a civil penalty; to require the Ethics Commission
20 to report each failure to file a report that it deemed
21 intentional; to require the Ethics Commission to report a
22 third failure to file to the Attorney General for criminal
23 action; to require the Alabama Ethics Commission to establish
24 a new division within the commission to monitor each
25 registered candidate and political action committee in
26 accordance with the Fair Campaign Practice Act and to provide
27 for its duties; and to require each candidate and campaign

1 committee to designate an individual, or registered agent, and
2 to provide for his or her duties and responsibilities.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. A political action committee receiving
5 funds from another political action committee to aid
6 get-out-the-vote operations, voting rights advocacy, or voter
7 education shall establish separate accounts so that no money
8 transferred from one political action committee to another can
9 be comingled with funds that are expended to candidates. Each
10 account shall report its activity in accordance with the Fair
11 Campaign Practice Act. Each account shall report separately.

12 Section 2. (a) On or after January 1, 2013, each
13 political action committee and each candidate shall pay an
14 annual registration fee to be determined by the Alabama
15 Secretary of State in consultation with the Alabama Ethics
16 Commission. These funds shall be earmarked for funding a
17 monitoring division within the Alabama Ethics Commission.

18 (b) Failure to file in a timely or compliant manner
19 shall result in a penalty of five hundred dollars (\$500) for
20 the first offense. If a second offense occurs, regardless of
21 the election cycle in which the first offense occurred, a
22 penalty of one thousand dollars (\$1,000) shall be imposed. Any
23 first or second offense deemed intentional by the Ethics
24 Commission shall be referred to the Attorney General for
25 further criminal action. A third offense shall automatically
26 be deemed intentional and referred to the Attorney General.

1 The funds from the fines shall be earmarked for the funding of
2 a monitoring division within the Ethics Commission.

3 (c) Beginning with the electronic filings for the
4 2014 election cycle, the Alabama Ethics Commission shall
5 establish a division to monitor each registered candidate and
6 political action committee in accordance with the Fair
7 Campaign Practice Act. The division shall alert the Attorney
8 General if any criminal action is deemed necessary.

9 (d) Each candidate and campaign committee shall
10 designate an individual, or registered agent, who shall be
11 held legally responsible for ensuring that reports are
12 accurate and in compliance with the Fair Campaign Practice
13 Act. The candidate and registered agent shall be held
14 responsible for any fines levied or criminal charges brought
15 against the candidate or campaign committee. Fines may be paid
16 out of campaign committee funds. The designation for a
17 political action committee shall be made when paying the
18 annual registration fee; campaign committees shall make the
19 designation when paying the registration fee. If any changes
20 are deemed necessary during that time, an additional change of
21 registered agent fee may be imposed.

22 Section 3. This act shall become effective upon its
23 passage and approval by the Governor, or its otherwise
24 becoming law.