

1 SB497

2 140542-1

3 By Senators Orr and Brooks

4 RFD: *Constitution, Campaign Finance, Ethics, and Elections*

5 First Read: 10-APR-12

1 140542-1:n:04/10/2012:MCS/th LRS2012-2389

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8 SYNOPSIS: This bill would amend campaign finance  
9 reporting requirements to eliminate duplicate or  
10 multiple filings for certain time periods  
11 previously reported; would provide that monthly and  
12 weekly reports include activity for the full prior  
13 month or week; would provide that required daily  
14 reports would include the reporting day and all  
15 days not previously reported; and would provide  
16 that all required periodic reports include all  
17 information for the time periods not previously  
18 reported.

19  
20 A BILL

21 TO BE ENTITLED

22 AN ACT

23

24 To amend Section 17-5-8, Code of Alabama 1975, as  
25 amended by Act 2011-687, 2011 Regular Session (Acts 2011, p.  
26 2071), relating to the periodic filing of campaign finance

1 disclosure reports; to eliminate duplicative and multiple  
2 filings of the same information covered in certain prior  
3 reports; to specify that daily reports would include all  
4 activity occurring since the most recent prior report; to  
5 specify that weekly and monthly filing requirements shall  
6 cover the entire preceding week or month; and to provide that  
7 the monetary balance of each committee reporting shall begin  
8 at the same monetary balance reported in the most recent prior  
9 report.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11                   Section 1. Section 17-5-8 of the Code of Alabama  
12 1975, as amended by Act 2011-687, 2011 Regular Session (Acts  
13 2011, p. 2071), is amended to read as follows:

14                   "§17-5-8.

15                   "(a) Each principal campaign committee or political  
16 action committee shall file with the Secretary of State or  
17 judge of probate, as designated in Section 17-5-9, periodic  
18 reports of contributions and expenditures at the following  
19 times once a principal campaign committee files its statement  
20 under Section 17-5-4 or a political action committee files its  
21 statement of organization under Section 17-5-5:

22                   "(1) Beginning with after the 2012 election cycle,  
23 regardless of whether ~~the a~~ candidate has opposition in any  
24 election, ~~on the last day of each month monthly reports not~~  
25 ~~later than the second business day of the subsequent month,~~  
26 beginning 12 months before the date of any primary, special,

1 runoff, or general election for which a political action  
2 committee or principal campaign committee receives  
3 contributions or makes expenditures with a view toward  
4 influencing such election's result. A monthly report shall  
5 include all reportable transactions for the previous full  
6 month period. Beginning with the month preceding the month in  
7 ~~which the election is held, each report Reports~~ shall be  
8 required as provided in subdivisions (2) and (3).

9 "(2) With regard to a primary, special, runoff, or  
10 general election, a report shall be required weekly on the  
11 ~~Friday Monday of the succeeding week for each week of the four~~  
12 ~~weeks before the election that includes all reportable~~  
13 ~~activities for the previous week.~~

14 "(3)a. In addition to the reporting dates specified  
15 in subdivisions (1) and (2), reports required to be filed with  
16 the Secretary of State shall be filed with the Secretary of  
17 State on the eighth, seventh, sixth, fifth, fourth, third, and  
18 second day preceding a legislative, state school board or  
19 other statewide primary, special, runoff, or general election,  
20 and by 12:01 a.m. on the day preceding a legislative, state  
21 school board, or statewide, primary, special, runoff, or  
22 general election if any principal campaign committee or  
23 political action committee receives or spends in the aggregate  
24 five thousand dollars (\$5,000) or more on any day with a view  
25 toward influencing an election's results. If a daily report is  
26 required pursuant to this subdivision, the report shall

1       include all reportable activity occurring on the day of the  
2       report as well as all reportable activity that has occurred on  
3       each day since the most recent prior report. Principal  
4       campaign committees and political action committees that are  
5       exempt from electronic filing and principal campaign  
6       committees and political action committees required to make  
7       daily reports pursuant to this subdivision for the 2012  
8       election cycle may file reports by facsimile (FAX)  
9       transmission provided they keep proper documentation in their  
10      office.

11                "b. Electronic filing on the Secretary of State's  
12       website may be implemented sooner than the 2014 election cycle  
13       as an alternative method of reporting; however, electronic  
14       filing shall be required beginning with the 2014 election  
15       cycle. Electronic filings shall be available to the public on  
16       a searchable database maintained on the Secretary of State's  
17       website.

18                "(b) Each Except as provided in subsection (1), each  
19       principal campaign committee, political action committee, and  
20       elected state and local official covered under the provisions  
21       of this chapter, shall annually file with the Secretary of  
22       State or judge of probate, as designated in Section 17-5-9,  
23       reports of contributions and expenditures made during that  
24       year. The annual reports required under this subsection shall  
25       be made on or before January 31 of the succeeding year.

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

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

4                         "(2) The identification of each person who has made  
5 contributions to such committee or candidate within the  
6 calendar year in an aggregate amount greater than one hundred  
7 dollars (\$100), together with the amount and date of all such  
8 contributions; provided, however, in the case of a political  
9 action committee identification shall mean the name and city  
10 of residence of each person who has made contributions within  
11 the calendar year in an aggregate amount greater than one  
12 hundred dollars (\$100).

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

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

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

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

25                         "(7) The identification of each person to whom  
26 expenditures have been made by or on behalf of such committee

1 or elected official within the calendar year in an aggregate  
2 amount greater than one hundred dollars (\$100), the amount,  
3 date, and purpose of each such expenditure, and, if  
4 applicable, the designation of each constitutional amendment  
5 or other proposition with respect to which an expenditure was  
6 made.

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

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

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

20 "(d) Each report required by this section shall be  
21 signed and filed by the elected official or on behalf of the  
22 political action committee by its chair or treasurer and, if  
23 filed on behalf of a principal campaign committee, by the  
24 candidate represented by such committee. There shall be  
25 attached to each such report an affidavit subscribed and sworn  
26 to by the official or chair or treasurer and, if filed by a

1 principal campaign committee, the candidate represented by  
2 such committee, setting forth in substance that such report is  
3 to the best of his or her knowledge and belief in all respects  
4 true and complete, and, if made by a candidate, that he or she  
5 has not received any contributions or made any expenditures  
6 which are not set forth and covered by such report.

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

16                 "(f) In the 2012 election cycle the provisions for  
17 the time of filing contained in subsection (a) shall apply to  
18 the paper or facsimile (FAX) filings for any legislative,  
19 state school board, or statewide primary, special, runoff, or  
20 general election.

21                 "(g) Electronic filing of reports shall not apply to  
22 any campaign, principal campaign committee, or political  
23 action committee receiving ten thousand dollars (\$10,000) or  
24 less per election cycle.

25                 "(h) In connection with any electioneering  
26 communication paid for by a person, nonprofit corporation,

1 entity, principal campaign committee, or other political  
2 committee or entity, the payor shall disclose its  
3 contributions and expenditures in accordance with this  
4 section. The disclosure shall be made in the same form and at  
5 the same time as is required of political action committees in  
6 this section; provided, however, no duplicate reporting shall  
7 be required by a political committee.

8 "(i) Notwithstanding any disclosure requirements of  
9 subsection (h), churches are exempt from the requirements of  
10 this section unless the church's expenditures are used to  
11 influence the outcome of an election. Nothing herein shall  
12 require a church to disclose the identities, donations, or  
13 contributions of members of the church. As used in this  
14 section, the term church is defined in accordance with and  
15 recognized by Internal Revenue Service guidelines and  
16 regulations.

17 "(j) Notwithstanding the disclosure requirements of  
18 this section, the provisions of this section shall not be  
19 interpreted to nor shall they require any disclosure for  
20 expenses incurred for any electioneering communication used by  
21 any membership or trade organization to communicate with or  
22 inform its members, its members' families, or its members'  
23 employees.

24 "(k) The corporate contribution limits contained in  
25 Sections 10A-21-1.02, 10A-21-1.03, and 10A-21-1.04 shall not  
26 apply in any respect to an electioneering communication;

1 provided, however, the corporate contribution limits contained  
2 in Sections 10A-21-1.02, 10A-21-1.03, and 10A-21-1.04 shall  
3 continue in force and effect for contributions by corporations  
4 to principal campaign committees, political committees, and to  
5 political parties.

6                   "(1) Each report required by this section shall  
7                   include all reportable transactions occurring since the most  
8                   recent prior report; however, duplicate reporting is not  
9                   required by this section. A political action committee or  
10                   principal campaign committee that is required to file a daily  
11                   report is not required to also file a weekly report for the  
12                   week preceding an election specified in subdivision (3) of  
13                   subsection (a); a committee required to file a weekly report  
14                   is not required to also file a monthly report for the month in  
15                   which the election is held; and a committee required to file a  
16                   monthly report is not required to also file an annual report  
17                   for the year in which the election is held. The monetary  
18                   balance in a report of each committee shall begin at the  
19                   monetary amount appearing in the most recent prior report."

20                   Section 2. The Secretary of State may promulgate  
21                   administrative rules pursuant to the Alabama Administrative  
22                   Procedure Act as are necessary to implement and administer  
23                   this act.

24                   Section 3. This act shall become effective on the  
25                   first day of the third month following its passage and  
26                   approval by the Governor, or its otherwise becoming law.

