

HB252 INTRODUCED



1 HB252
2 W1BRTE9-1
3 By Representatives Shaw, Hulsey
4 RFD: Ethics and Campaign Finance
5 First Read: 15-Jan-26



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4 SYNOPSIS:

5 The Fair Campaign Practices Act requires
6 political action committees and principal campaign
7 committees to deposit and hold campaign contributions
8 in and make expenditures from a banking account. The
9 law also states that contributions, along with any
10 proceeds made from investing the contributions, may be
11 used to pay expenditures. The law is otherwise silent
12 with regard to investing campaign contributions.

13 This bill would require all contributions to a
14 political action committee or principal campaign
15 committee to be held in a federally insured financial
16 institution.

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19 A BILL
20 TO BE ENTITLED
21 AN ACT

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23 Relating to the Fair Campaign Practices Act; to amend
24 Section 17-5-6, Code of Alabama 1975, to specify that campaign
25 contributions must be held in a federally insured financial
26 institution.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

28 Section 1. Section 17-5-6, Code of Alabama 1975, is



29 amended to read as follows:

30 "§17-5-6

31 (a) A political action committee and a principal
32 campaign committee shall maintain a checking account, money
33 market account, or other similar banking account and shall
34 deposit ~~any~~all contributions received by ~~such~~the committee
35 into ~~such~~that account. No expenditure of funds may be made by
36 any such a political action committee or principal campaign
37 committee except by check drawn on ~~such~~that account,
38 electronic transfer from ~~such~~that account, a credit card the
39 balance of which is paid from ~~such~~that account, or out of a
40 petty cash fund from which ~~it~~the committee may make
41 expenditures not in excess of one hundred dollars (\$100) to
42 any person in connection with a single purchase or
43 transaction.

44 (b) All contributions must be held in a federally
45 insured financial institution."

46 Section 2. This act shall become effective October 1,
47 2026.