

## **Summary of Changes to the Arkansas Ethics Commission's Rules on Campaign Finance & Disclosure**

**§200** – Pursuant to Act 2006 of 2005, the definition of “approved political action committee” was changed to mean “any person who receives contributions from one or more persons in order to make contributions to candidates, ballot question committees, legislative question committees, political parties, county political party committees, or other political action committees; does not accept any contribution or cumulative contributions in excess of five thousand dollars (\$5,000) from any person in any calendar year; and has registered pursuant to Ark. Code Ann. § 7-6-215 prior to making contributions. Approved political action committee does not include political parties, county political party committees, the candidate’s own campaign committee, exploratory committees, or ballot or legislative question committees.”

The definition of “county political party committee” was added to mean “a person that is organized at the county level for the purpose of supporting its affiliate party and making contributions; is recognized by an organized political party, as defined in Ark. Code Ann. § 7-1-101, as being affiliated with that political party; receives contributions from one (1) or more persons in order to make contributions to candidates, ballot question committees, legislative question committees, political parties, political action committees, or other county political party committees; does not accept any contribution or cumulative contributions in excess of five thousand dollars (\$5,000) from any person in any calendar year; and registers pursuant to Ark. Code Ann. § 7-6-226 prior to making contributions.”

The definition of “independent expenditure” was added to mean “any expenditure which is not a contribution and expressly advocates the election or defeat of a clearly identified candidate for office; is made without arrangement, cooperation, or consultation between any candidate or any authorized committee or agent of the candidate and the person making the expenditure or any authorized agent of that person; and is not made in concert with or at the request or suggestion of any candidate or any authorized committee or agent of the candidate.”

The definition of “independent expenditure committee” was added to mean “any person who receives contribution from one (1) or more persons in order to make an independent expenditure and is registered pursuant to Ark. Code Ann. § 7-6-215 prior to making expenditures.

The definition of “legislative caucus committee” was added to mean “a person that is composed exclusively of members of the General Assembly, that elects or appoints officers and recognizes identified legislators as members of the organization, and that exists for research and other support of policy development and interests that the membership hold in common. A legislative caucus committee includes, but is not limited to, a political party caucus of the General Assembly, the Senate, or the House of Representatives. An organization whose only nonlegislator members are the Lieutenant Governor or the Governor is a legislative caucus committee under these rules.”

The definition of “person” was amended to mean “any individual, proprietorship, firm, partnership, joint venture, syndicate, labor union, business trust, company, corporation, association, committee, or any other organization or group of persons acting in concert. It shall also include organized political parties as defined in Ark. Code Ann. § 7-6-101, county political party committees, and legislative caucus committees.”

The definition of “prohibited political action committee” was amended to mean “any person who receives contributions from one or more persons in order to make contributions to candidates but who does not meet the requirements of an approved political action committee. Prohibited political action committee shall not include an organized political party as defined in Ark. Code Ann. § 7-1-101, the candidate’s own campaign committee, a county political party committee, an exploratory committee, or a ballot or legislative question committee.”

The definition of “small donor political action committee” was deleted.

**§202** – This section was changed to clarify that no contribution shall be made to a candidate, an approved political action committee, a county political party committee, an independent expenditure committee, an exploratory committee, or a political party unless such contribution is made directly to the intended recipient, provided that it shall be permissible to make a contribution to a candidate’s campaign committee instead of directly to the candidate, and that no contribution shall be knowingly accepted by a candidate or his or her campaign committee, an approved political action committee, a county political party committee, an independent expenditure committee, an exploratory committee, or a political party unless the contribution is made in the name by which the person providing the funds for the contribution is identified for legal purposes.

**§203** – Pursuant to Act 1695 of 2005, this section was changed to raise the amount for contributions to campaigns from \$1,000 to \$2,000. In addition, the provision concerning contributions by a small donor political action committees was deleted.

**§208** – This section was changed to clarify that a candidate who uses campaign funds to fulfill any commitment, obligation, or expense that would exist regardless of the candidate’s campaign and an officeholder who uses campaign funds (retained as carryover funds) to fulfill any commitment, obligation, or expense that would exist regardless of the duties and responsibilities of his or her office shall be deemed to have taken campaign funds as personal income.

**§209** – This section was changed to clarify that personal expenses do not include payments made by a member of the General Assembly with respect to an apartment leased solely for use while in the capitol on official business so long as the apartment is not maintained as the officeholder’s primary personal residence and per diem is used to pay a proportional share of the rent and utilities incurred in connection with maintaining the apartment. In addition, that share shall be determined using a fraction, the numerator of which shall be the number of days per diem was received in a particular month and the denominator of which shall be the total number of days in that month. Furthermore, the

prohibition does not apply to charges for long distance telephone calls made for campaign or officeholder purposes which may originate from the candidate's residence.

**§215** – This section was changed to clarify that candidates may use campaign funds to reimburse themselves for attendance to in-state or out-of-state conferences or seminars on general political issues and that officeholders are permitted to use carryover funds to reimburse only themselves for travel associated with attending conferences or seminars on general political issues.

**§217** – This section was changed to clarify that the payment of filing fees may be in cash even though the amount exceeds \$50 and that the candidate shall obtain a receipt for the payment and shall report it as either a loan or contribution to the campaign and also as a campaign expenditure.

**§225** – This section was changed to clarify that during an election cycle, a candidate may use campaign contributions to reimburse the candidate for personal funds contributed to the campaign or to repay loans made by financial institutions to the candidate and applied to the campaign. In addition, after an election, a candidate may retain any campaign contributions required to reimburse the candidate for personal funds contributed to the campaign or to repay loans made by financial institutions to the candidate and applied to the campaign. Such contributions are subject to applicable campaign contribution limits.

**§226** – Pursuant to Act 1284 of 2005, this section was changed to clarify that with respect to unopposed candidates for nonpartisan judicial office, the candidate may dispose of any surplus campaign funds prior to a nonpartisan judicial general election by filing an affidavit declaring that the candidate agrees not to solicit further campaign contributions as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-10-103(d).

**§227** – Pursuant to Act 1413 of 2005, this section was changed to extend the period during which carryover funds may be retained to include not more than ten (10) years after the last day that person held office.

**§236** – This section was changed to clarify that the payment of a filing fee from a candidate's personal funds must be reported as either a loan or contribution to the campaign and also as a campaign expenditure but that such payment shall not be counted towards the \$500 reporting trigger.

**§238** – This section was changed to clarify that in calculating the amount of contributions received or expenditures made for purposes of filing reports, the payment of a filing fee from the candidate's personal funds shall not be counted towards the \$500 reporting trigger. Once a report becomes due, however, the payment of the filing fee from the candidate's personal funds must be reported as either a loan or contribution to the campaign and also as a campaign expenditure.

In addition, if an unopposed candidate agrees not to solicit further campaign contributions by filing an affidavit declaring such agreement, the candidate may dispose of any surplus campaign funds prior to a general election as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-5-205. For unopposed candidates for nonpartisan judicial office, the candidate may dispose of any surplus campaign funds prior to a nonpartisan judicial general election by filing such an affidavit as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-10-103(d). The affidavit shall be filed in the office where the candidate is required to file reports of contributions received and expenditures made. Unopposed candidates and defeated candidates who file the affidavit are exempt from further reporting requirements provided that the affidavit contains a statement that the candidate's fund has a zero balance.

**§239** – This section was changed to clarify that with respect to report filed by candidates for school district, township, or municipal office, a report is timely filed when it is received in the county clerk's office no later than the date the report is due.

**§241** – This section was changed to clarify that in calculating the amount of contributions received or expenditures made for purposes of filing reports, the payment of a filing fee from the candidate's own personal funds shall not be counted towards the \$500 reporting trigger. Once a report become due, however, the payment of the filing fee from the candidate's personal funds must be reported as either a loan or contribution to the campaign and also as a campaign expenditure.

In addition, if an unopposed candidate agrees not to solicit further campaign contributions by filing an affidavit declaring such agreement, the candidate may dispose of any surplus campaign funds prior to a general election as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-5-205. For unopposed candidates for nonpartisan judicial office, the candidate may dispose of any surplus campaign funds prior to a nonpartisan judicial general election by filing such an affidavit as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-10-103(d). The affidavit shall be filed in the office where the candidate is required to file reports of contributions received and expenditures made. Unopposed candidates and defeated candidates who file the affidavit are exempt from further reporting requirements provided that the affidavit contains a statement that the candidate's fund has a zero balance.

**§242** – This section was changed to clarify that with respect to reports filed by candidates for county office, a report is timely filed when it is received in the county clerk's office by no later than the date the report is due.

**§244** – This section was changed to clarify that in calculating the amount of contributions received or expenditures made for purposes of filing reports, the payment of a filing fee from the candidate's own personal funds shall not be counted towards the \$500 reporting trigger. Once a report become due, however, the payment of the filing fee from the

candidate's personal funds must be reported as either a loan or contribution to the campaign and also as a campaign expenditure.

In addition, if an unopposed candidate agrees not to solicit further campaign contributions by filing an affidavit declaring such agreement, the candidate may dispose of any surplus campaign funds prior to a general election as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-5-205. For unopposed candidates for nonpartisan judicial office, the candidate may dispose of any surplus campaign funds prior to a nonpartisan judicial general election by filing such an affidavit as soon as the time has passed to declare an intent to be a write-in candidate pursuant to Ark. Code Ann. § 7-10-103(d). The affidavit shall be filed in the office where the candidate is required to file reports of contributions received and expenditures made. Unopposed candidates and defeated candidates who file the affidavit are exempt from further reporting requirements provided that the affidavit contains a statement that the candidate's fund has a zero balance.

**§245** – Pursuant to Act 1284 of 2005, this section was changed to clarify that all articles, statements, or communications appearing in any newspaper printed or circulated in this state or on radio, television, or any other electronic medium intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be paid shall clearly contain the words “Paid Political Advertisement” or “Paid Political Ad.” Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer.

**§249** – Pursuant to Act 1284 of 2005, this section was changed to clarify that a public appointee to a state board or commission which is not charged by law with the exercise of regulatory authority and which receives or disburses state or federal funds only in the form of mileage reimbursement for members attending meetings of the board or commission shall not be required to file a written statement of financial interest.