

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 1059

By: Bullard

AS INTRODUCED

An Act relating to campaign finance; amending Rules 2.30, 2.33, 2.35, 2.42, 2.50, 2.52, 2.79, 2.98, and 2.99 of the Rules of the Ethics Commission (74 O.S. 2021, Ch. 62, App. I), which relate to candidate committees, limited and unlimited committees, contributions and expenditures, electioneering communications, and political action committees; prohibiting certain contributions; prohibiting acceptance of certain contributions; limiting committees eligible to make certain expenditures; requiring certain officers to be residents of this state; prohibiting certain compensation; limiting committees eligible to make certain communications; modifying allowable purposes for certain committees; requiring certain registration; prohibiting contribution from certain out-of-state committees or organizations; updating outlines; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Rule 2.30 of the Rules of the Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read as follows:

Rule 2.30. A candidate committee shall not accept a contribution from the authorized committee of a candidate for federal office. A candidate committee shall not make a contribution to any other candidate for state or federal office.

1 SECTION 2. AMENDATORY Rule 2.33 of the Rules of the  
2 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
3 as follows:

4 Rule 2.33. ~~(A)~~ A. No person shall make, and no limited  
5 committee shall accept, a contribution to any limited committee in  
6 excess of Five Thousand Dollars (\$5,000.00) in any calendar year,  
7 except as otherwise permitted by law or these Rules. A contribution  
8 to a limited committee that is designated directly or indirectly to  
9 be used for the benefit of a particular candidate or candidates  
10 shall be considered a contribution by the contributor to the  
11 candidate or candidates.

12 ~~(B)~~ B. No limited committee shall make, and no political party  
13 committee shall accept, a contribution to the political party  
14 committee in excess of Ten Thousand Dollars (\$10,000.00) in any  
15 calendar year.

16 ~~(C)~~ C. No limited committee or unlimited committee shall make,  
17 and no other limited committee or unlimited committee shall accept,  
18 a contribution to another limited committee or unlimited committee  
19 in excess of Five Thousand Dollars (\$5,000.00) in any calendar year.

20 ~~(D)~~ D. No limited committee shall make, and no candidate  
21 committee shall accept, a contribution to any candidate committee in  
22 excess of Five Thousand Dollars (\$5,000.00) prior to a primary  
23 election.

1       ~~(E)~~ E. No limited committee shall make, and no candidate  
2 committee shall accept, a contribution to any candidate committee of  
3 a candidate whose name will appear on the ballot for a runoff  
4 primary election in excess of Five Thousand Dollars (\$5,000.00)  
5 prior to a runoff primary election. Provided, however, after the  
6 primary election a limited committee that has made a contribution of  
7 Five Thousand Dollars (\$5,000.00) or less to the candidate committee  
8 prior to the primary election may make an additional contribution of  
9 no more than Five Thousand Dollars (\$5,000.00) to the candidate  
10 committee prior to the runoff primary election.

11       ~~(F)~~ F. No limited committee shall make, and no candidate  
12 committee shall accept, a contribution to any candidate committee  
13 prior to a general election in excess of Five Thousand Dollars  
14 (\$5,000.00). Provided, however, after the primary election or  
15 runoff primary election, whichever is the last for determining a  
16 political party's nominee, a limited committee that has made a  
17 contribution of Five Thousand Dollars (\$5,000.00) or less to the  
18 candidate committee prior to the primary election or runoff primary  
19 election, or both, may make an additional contribution of no more  
20 than Five Thousand Dollars (\$5,000.00) to the candidate committee  
21 prior to the general election.

22       ~~(G)~~ G. After the general election, a limited committee that has  
23 made no contribution to a candidate or a contribution of less than  
24 Five Thousand Dollars (\$5,000.00) in the aggregate under the

1 provisions of subsections ~~(D)~~ D, ~~(E)~~ E or ~~(F)~~ F may make an  
2 additional contribution or contributions in an amount or amounts  
3 that, aggregated with any prior contributions, do not exceed Five  
4 Thousand Dollars (\$5,000.00) to that candidate committee.

5 ~~(H)~~ H. No limited committee shall make a total contribution to  
6 a candidate in excess of the aggregate contribution limits of  
7 subsections ~~(D)~~ D, ~~(E)~~ E and ~~(F)~~ F or in excess of Five Thousand  
8 Dollars (\$5,000.00) to the candidate committee of a candidate who is  
9 unopposed for election.

10 ~~(I)~~ I. For purposes of this section, "contribution" shall  
11 include multiple contributions, the amounts of which shall be  
12 aggregated.

13 ~~(J)~~ J. A limited committee may make contributions to candidates  
14 for county, municipal or school district office as permitted by law.

15 SECTION 3. AMENDATORY Rule 2.35 of the Rules of the  
16 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
17 as follows:

18 Rule 2.35. ~~Any person not otherwise prohibited by law,~~  
19 ~~including but not limited to individuals, partnerships, limited~~  
20 ~~liability companies, corporations and labor unions, may~~ A limited  
21 committee, partnership, limited liability company, corporation, or  
22 labor union shall not make contributions in any amount to an  
23 unlimited committee organized exclusively for the purpose of making  
24 independent expenditures or electioneering communications. An

1 unlimited committee organized exclusively for the purpose of making  
2 independent expenditures or electioneering communications may make  
3 contributions in any amount to another unlimited committee organized  
4 exclusively for the purpose of making independent expenditures or  
5 electioneering communications.

6 SECTION 4. AMENDATORY Rule 2.42 of the Rules of the  
7 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
8 as follows:

9 Rule 2.42. Contributions to an unlimited political action  
10 committee may be used to make expenditures for independent  
11 expenditures or electioneering communications, ~~for contributions to~~  
12 ~~another unlimited political action committee organized exclusively~~  
13 ~~for the purpose of making independent expenditures or electioneering~~  
14 ~~communications,~~ for operating expenses of the unlimited committee or  
15 for other purposes not otherwise prohibited by law or these Rules  
16 that further purposes of the committee. "Purposes of the committee"  
17 shall mean purposes expressed in the committee's bylaws, articles of  
18 organization or similar document or, if there is no such document,  
19 in the committee's statement of organization as those purposes are  
20 stated prior to the making of an expenditure.

21 SECTION 5. AMENDATORY Rule 2.50 of the Rules of the  
22 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
23 as follows:

1 Rule 2.50. A. An independent expenditure may be made in any  
2 amount by a political party committee, by a political action  
3 committee or by any other entity not otherwise prohibited by law or  
4 these Rules from making an independent expenditure; provided, such  
5 committee or entity must be formed and domiciled in this state. The  
6 treasurer and compliance officer of such committee or entity shall  
7 be residents of this state with a valid street address and telephone  
8 number where such officers may be reached during working hours.

9 B. An individual or entity who receives compensation directly  
10 or indirectly from an unlimited political action committee that  
11 makes an independent expenditure on behalf of a candidate or  
12 candidate committee shall not receive compensation directly or  
13 indirectly from such candidate or candidate committee. Receipt of  
14 such compensation shall constitute coordination prohibited by these  
15 Rules.

16 SECTION 6. AMENDATORY Rule 2.52 of the Rules of the  
17 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
18 as follows:

19 Rule 2.52. An electioneering communication may be made in any  
20 amount by a political party committee, by a political action  
21 committee or by any other entity not otherwise prohibited by law or  
22 these Rules from making an independent expenditure; provided, such  
23 committee or entity must be formed and domiciled in this state. The  
24 treasurer and compliance officer of such committee or entity shall

1 be residents of this state with a valid street address and telephone  
2 number where such officers may be reached during working hours.

3 SECTION 7. AMENDATORY Rule 2.79 of the Rules of the  
4 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
5 as follows:

6 Rule 2.79. A political action committee is any group of two or  
7 more persons that receives contributions or makes expenditures for  
8 any of the following purposes:

- 9 ~~(1)~~ 1. Making contributions to candidates or candidate  
10 committees;  
11 ~~(2) making contributions to other political action committees;~~  
12 ~~(3) making~~ 2. Making independent expenditures;  
13 ~~(4) making~~ 3. Making electioneering communications; or  
14 ~~(5) advocating~~ 4. Advocating the approval or defeat of a state  
15 question.

16 Unless they choose to be considered as such, family members, as  
17 defined by these Rules, or members of the same household shall not  
18 be considered a political action committee.

19 SECTION 8. AMENDATORY Rule 2.98 of the Rules of the  
20 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
21 as follows:

22 Rule 2.98. A political action committee registered with the  
23 Federal Election Commission that makes a contribution or  
24 contributions to a candidate or candidates for state office shall  
25

1 ~~not~~ be required to register or to file a Report of Contributions and  
2 Expenditures with the Commission, ~~provided the contribution or~~  
3 ~~contributions are reported to the Federal Election Commission and~~  
4 ~~are available to the public~~ in the same manner as a political action  
5 committee registered under the laws of this state. The treasurer  
6 and compliance officer of such committee shall be residents of this  
7 state with a valid street address and telephone number where such  
8 officers may be reached during working hours.

9 SECTION 9. AMENDATORY Rule 2.99 of the Rules of the  
10 Ethics Commission (74 O.S. 2021, Ch. 62, App. I), is amended to read  
11 as follows:

12 Rule 2.99. A political action committee or an organization  
13 exempt from taxation pursuant to 26 U.S.C., Section 501(c)(4),  
14 Internal Revenue Code that is registered in another state ~~that makes~~  
15 ~~a contribution or contributions to a candidate or candidates for~~  
16 ~~state office shall file a Report of Contributions and Expenditures~~  
17 ~~for Non-Oklahoma Committees~~ but not registered in this state shall  
18 be prohibited from making contributions to candidates for any office  
19 in this state.

20 SECTION 10. This act shall become effective November 1, 2023.

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