

State of South Dakota

NINETY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2017

616Y0406

HOUSE ENGROSSED NO. **HB 1069** - 1/24/2017

Introduced by: Representatives Rhoden, Anderson, Bartels, Beal, Brunner, Campbell, Carson, Chase, Clark, Conzet, Dennert, Duvall, Glanzer, Gosch, Greenfield (Lana), Haggard, Haugaard, Heinemann, Jamison, Jensen (Kevin), Johns, Johnson, Kaiser, Karr, Kettwig, Latterell, Livermont, Marty, May, McPherson, Mickelson, Mills, Otten (Herman), Peterson (Kent), Peterson (Sue), Pischke, Qualm, Rasmussen, Rounds, Rozum, Schaefer, Schoenfish, Steinhauer, Tulson, Turbiville, Willadsen, Wollmann, York, and Zikmund and Senators Greenfield (Brock), Bolin, Cammack, Cronin, Curd, Ewing, Haverly, Jensen (Phil), Klumb, Kolbeck, Langer, Maher, Monroe, Netherton, Novstrup, Otten (Ernie), Partridge, Peters, Rusch, Soholt, Solano, Stalzer, Tapiola, Tidemann, White, Wiik, and Youngberg

1 FOR AN ACT ENTITLED, An Act to repeal and revise certain provisions related to campaign
2 finance and to declare an emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 12-28-1 be repealed.

5 ~~—12-28-1. This chapter may be referred to as the "South Dakota Government Accountability~~
6 ~~and Anti-Corruption Act."~~

7 Section 2. That §§ 12-28-2 to 12-28-37, inclusive, be repealed.

8 Section 3. That § 12-27-1 be amended to read:

9 12-27-1. Terms used in this chapter mean:

10 (1) "Ballot question," any referendum, initiative, proposed constitutional amendment, or



- 1 other measure submitted to voters at any election;
- 2 (2) "Ballot question committee," a person or organization that raises, collects, or
3 disburses contributions for the placement of a ballot question on the ballot or the
4 adoption or defeat of any ballot question. A ballot question committee is not a
5 person, political committee, or political party that makes a contribution to a ballot
6 question committee. A ballot question committee is not an organization that makes
7 a contribution to a ballot question committee from treasury funds;
- 8 (3) "Candidate campaign committee," any entity organized by a candidate to receive
9 contributions and make expenditures for the candidate. Only one candidate campaign
10 committee may be organized for each candidate;
- 11 (4) "Candidate," any person who seeks nomination for or election to public office,~~and~~
12 ~~for the purpose of this chapter a.~~A person is deemed a candidate if the person raises,
13 collects, or disburses contributions in excess of five hundred dollars; has authorized
14 the solicitation of contributions or the making of expenditures; or has created a
15 candidate campaign committee for the purpose of obtaining public office.~~The person~~
16 ~~is also deemed a candidate if the person; or~~ has taken all actions required by state law
17 to qualify for nomination for or election to public office;
- 18 (5) "Clearly identified," the appearance of the name, nickname, a photograph or a
19 drawing of a candidate or public office holder, or the unambiguous reference to the
20 identity of a candidate or public office holder;
- 21 (6) "Contribution," any gift, advance, distribution, deposit, or payment of money or any
22 other valuable consideration, or any contract, promise or agreement to do so; any
23 discount or rebate not available to the general public; any forgiveness of indebtedness
24 or payment of indebtedness by another person; or ~~the~~ any use of services or property

1 without full payment ~~made or that is~~ provided by any person, political committee, or
2 political party whose primary business is to provide ~~such~~ services or property, ~~made~~
3 for the purpose of influencing:

- 4 (a) The nomination, election, or re-election of any person to public office; or
5 (b) The placement of a ballot question on the ballot or the adoption or defeat of
6 any ballot question ~~submitted~~.

7 The term does not include services provided by a person as a volunteer for or on
8 behalf of any candidate, political committee, or political party, including the free or
9 discounted use of a person's residence ~~or office~~. Nor does the term include the
10 purchase of any item of value or service from any political committee or political
11 party. A contribution does not include administration ~~and~~ or solicitation of a
12 contribution for a political action committee established by an organization ~~and~~ or
13 its associated expenses, nor the use of an organization's real or personal property
14 located on its business premises for such purposes. A contribution does not include
15 nominal use of a candidate's real or personal property or nominal use of resources
16 available at a candidate's primary place of business;

- 17 (7) "County office," any elected office at a county in this state;
18 (8) "Election," any election for public office; any general, special, primary, or runoff
19 election; and any election on a ballot question;
20 (9) ~~"Expenditure," includes: any purchase, payment, distribution, loan, advance, deposit,~~
21 ~~or gift of money or anything of value, made by any person for the purpose of~~
22 ~~influencing any election, office or ballot initiative, measure, or question; and The~~
23 ~~term includes a written contract, promise, or agreement to make an expenditure.~~
24 ~~However, the term "expenditure" does not include:~~

unambiguous, and or suggestive of only one meaning; and

- (ii) Reasonable minds could not differ as to whether it encourages actions to elect or defeat one or more clearly identified candidates; or public office holders, or the placement of a ballot question on the ballot or the adoption or defeat of any ballot question or encourages some other kind of action;

(10) "Immediate family." a spouse of a candidate or public office holder; a person under the age of eighteen years who is claimed by that candidate or public office holder or that candidate's or public office holder's spouse as a dependent for federal income tax purposes; or any relative within the third degree of kinship of the candidate or the candidate's spouse, and the spouses of such relatives;

(11) "Independent expenditure," an expenditure, including the payment of money or exchange of other valuable consideration or promise, for a communication by a person, organization, political committee, or political party which is not a contribution and which:

19 (b) Is made without arrangement, cooperation, or consultation between any
20 candidate or any authorized committee or agent of a candidate and the person
21 making the expenditure or any authorized agent of that person, and is not
22 made in concert with or at the request or suggestion of any candidate or any
23 authorized committee or agent of the candidate; and

24 _____ (c) Satisfies at least one of the following standards: Contains express advocacy.

1 ~~or its functional equivalent, of the election or defeat of a clearly identified~~
2 ~~candidate for office; or is disseminated, broadcast or otherwise published~~
3 ~~within sixty days of the election sought by a candidate, mentions a candidate~~
4 ~~and targets the candidate's relevant electorate;~~

5 The term "independent expenditure" does not include: a communication appearing
6 in a news story, commentary, or editorial or letter to the editor distributed through the
7 facilities of any broadcasting station, newspaper, magazine, or other periodical
8 publication, unless such facilities are owned or controlled by any political party,
9 political committee, or candidate; a communication by a person made in the regular
10 course and scope of the person's business or ministry or any communication made by
11 a membership organization solely to members of the organization and the members'
12 families; or any communication that refers to any candidate only as part of the
13 popular name of a bill or statute made by a person, organization, political committee,
14 or political party to expressly advocate the election or defeat of a clearly identified
15 candidate or the placement of a ballot question on the ballot or the adoption or defeat
16 of any ballot question, but which is not made to, controlled by, coordinated with,
17 requested by, or made upon consultation with a candidate, political committee, or
18 agent of a candidate or political committee. The term does not include administration
19 or solicitation or any contribution for a political action committee established by an
20 organization and associated expenses, nor the use of an organization's real or
21 personal property located on it business premises for such purposes. The term does
22 not include any communication by a person made in the regular course and scope of
23 the person's business or ministry or any communication made by a membership
24 organization solely to any member of the organization and the member's family;

- 1 (12) "In-kind contribution," the value of a good or service provided at no charge or for
2 less than its fair market value. The term does not include the value of services
3 provided by a person as a volunteer for or on behalf of any candidate, political
4 committee, or political party, including the free or discounted use of ~~any person's the~~
5 volunteer's residence or office;

6 (13) "Legislative office," the Senate and the House of Representatives of the South
7 Dakota Legislature;

8 (14) "Loan," a transfer of money, property, guarantee, or anything of value in exchange
9 for an obligation, conditional or not, to repay in whole or part. ~~The outstanding~~
10 amount of a loan not made in the ordinary course of business and at a usual and
11 normal interest rate is a contribution until repaid;

12 (15) "~~National political party~~," the organization which is responsible for the day-to-day
13 operation of a political party at the national level, as determined by the Federal
14 Election Commission;

15 —(16)—"Organization," any ~~business~~ corporation, limited liability company, nonprofit
16 corporation, limited liability partnership, limited partnership, partnership,
17 cooperative, trust except for a trust account representing or containing only a
18 contributor's personal funds, a business trust, association, club, labor union, or
19 collective bargaining organization; any local, state, or national organization to which
20 a labor organization pays membership or per capita fees, based upon its affiliation
21 and or membership; any trade or professional association that receives its funds from
22 membership dues or service fees, whether organized inside or outside the state; any
23 other entity organized in a corporate form under federal law or the laws of this state; any
24 or any group of persons acting in concert ~~which~~ that is not defined as a political

- 1 committee or political party in this chapter;
- 2 ~~(17)(16)~~ "Person," a natural person;
- 3 ~~(18)(17)~~ "Political action committee," a ~~any~~ person or organization that raises, collects
- 4 or disburses contributions ~~to influence the outcome of an election~~ and who is
- 5 not a candidate, candidate campaign committee, ballot question committee, or
- 6 a political party. A political action committee is not any:
- 7 (a) Person ~~that who~~ makes a contribution to a political committee or political
- 8 party ~~from that person's own funds~~; or
- 9 (b) Organization that makes a contribution to a ballot question committee from
- 10 treasury funds;
- 11 ~~(19)(18)~~ "Political committee," any candidate campaign committee, political action
- 12 committee, or ballot question committee;
- 13 ~~(20)(19)~~ "Political party," any state or county political party qualified to participate in
- 14 a primary or general election, including any auxiliary organization of such
- 15 political party. An auxiliary organization is any organization designated as an
- 16 auxiliary organization in ~~the a~~ political party's bylaws or constitution except
- 17 any auxiliary organization that only accepts contributions to support volunteer
- 18 activities of the organization and does not make monetary or in-kind
- 19 contributions or any independent expenditures to any political committee;
- 20 ~~(21)(20)~~ "Public office," any statewide office, legislative office, or county office;
- 21 ~~(21A) "Qualified contribution," a contribution made by a natural person resident of the state~~
- 22 ~~that is not, in the aggregate, in excess of two hundred and fifty dollars to a candidate~~
- 23 ~~for legislative office or in excess of five hundred dollars to a candidate for statewide~~
- 24 ~~office;~~

1 — (22) "Recognized business entity," any:

10 _____ (c) Entity organized in a corporate form under federal law.

The term "recognized business entity" does not include a political committee or political party or an organization which was established by or is controlled, in whole or in part, by a candidate, political committee, or agent of a candidate or political committee;

22 Section 4. That § 12-27-7 be amended to read:

23 12-27-7. No candidate for governor, or the candidate's campaign committee, may accept
24 contributions from a person or political committee which in the aggregate from one source

1 ~~exceeds four thousand dollars during any calendar year, or contributions from a political party~~
2 ~~which in the aggregate from one source exceeds forty thousand dollars during any calendar year.~~
3 ~~— No candidate for attorney general or lieutenant governor, or the candidate's campaign~~
4 ~~committee, may accept contributions from a person or political committee which in the~~
5 ~~aggregate from one source exceeds two thousand dollars during any calendar year, or~~
6 ~~contributions from a political party which in the aggregate from one source exceeds twenty~~
7 ~~thousand dollars during any calendar year.~~
8 ~~— No candidate for secretary of state, state auditor, state treasurer, commissioner of school and~~
9 ~~public lands, or public utilities commissioner, or the candidate's campaign committee, may~~
10 ~~accept contributions from a person or political committee which in the aggregate from one~~
11 ~~source exceeds one thousand dollars during any calendar year, or contributions from a political~~
12 ~~party which in the aggregate from one source exceeds ten thousand dollars during any calendar~~
13 ~~year.~~
14 ~~— No candidate for statewide office may accept a contribution from a ballot question~~
15 ~~committee.~~
16 ~~— Funds received by a candidate or candidate's campaign committee by way of redemption of~~
17 ~~a democracy credit are considered a contribution from the person who assigned the democracy~~
18 ~~credit to the candidate. If a contributor is a person, no candidate for statewide office or the~~
19 ~~candidate's campaign committee may accept any contribution that in the aggregate exceeds four~~
20 ~~thousand dollars during any calendar year. A candidate campaign committee may accept~~
21 ~~contributions from any candidate campaign committee, political action committee, or political~~
22 ~~party. The limitation on any contribution from a person in this section does not apply to any~~
23 ~~contribution by the candidate to the candidate's campaign committee or the candidate's~~
24 ~~immediate family. A violation of this section is a Class 1 misdemeanor.~~

1 Section 5. That § 12-27-8 be amended to read:

2 12-27-8. ~~No If the contributor is a person, no~~ candidate for legislative or county office or the
3 candidate's campaign committee may accept contributions from a person or political committee
4 ~~which in the aggregate from one source exceeds seven hundred and fifty dollars during any~~
5 ~~calendar year, or contributions from a political party which in the aggregate from one source~~
6 exceeds five thousand dollars during any calendar year.

7 —~~No candidate for legislative or county office may accept a contribution from a ballot~~
8 ~~question committee.~~

9 —~~Funds received by a candidate or candidate's campaign committee by way of redemption of~~
10 ~~a democracy credit are considered a contribution from the person who assigned the democracy~~
11 ~~credit to the candidate~~ any contribution that in the aggregate exceeds one thousand dollars
12 during any calendar year. A candidate campaign committee may accept contributions from any
13 candidate campaign committee, political action committee, or political party.

14 The limitation on any contribution from a person in this section does not apply to any
15 contribution by the candidate ~~to the candidate's campaign committee or the candidate's~~
16 immediate family. A violation of this section is a Class 1 misdemeanor.

17 Section 6. That § 12-27-9 be amended to read:

18 12-27-9. ~~No If the contributor is a person or an organization, no~~ political action committee
19 may accept any contribution ~~from a person, organization, political committee or political party~~
20 ~~which that~~ in the aggregate from a single source exceeds two ten thousand dollars during any
21 calendar year. A political action committee may not accept contributions from a ballot question
22 committee any candidate campaign committee, political action committee, or political party. A
23 violation of this section is a Class 1 misdemeanor.

24 Section 7. That § 12-27-10 be amended to read:

1 12-27-10. ~~No~~ If the contributor is a person, no political party may accept any contribution
2 from a person or political committee which ~~that~~ in the aggregate from a single source exceeds
3 five ~~ten~~ thousand dollars during any calendar year. A political party may ~~not~~ accept
4 contributions from a ballot question committee ~~any candidate campaign committee, political~~
5 ~~action committee, or political party.~~ A violation of this section is a Class 1 misdemeanor.

6 Section 8. That § 12-27-10.1 be repealed.

7 —~~12-27-10.1. A candidate, person holding statewide or legislative office, agent of a candidate~~
8 ~~or a person holding statewide or legislative office, or an entity directly or indirectly established,~~
9 ~~financed, maintained, or controlled by or acting on behalf of one or more candidates or persons~~
10 ~~holding statewide or legislative office, may not solicit, receive, direct, transfer, or spend funds~~
11 ~~in connection with an election unless the funds are subject to the limitations, prohibitions, and~~
12 ~~reporting requirements of this chapter.~~

13 Section 9. That § 12-27-10.2 be repealed.

14 —~~12-27-10.2. For the purpose of the contribution limits established by §§ 12-27-7, 12-27-8,~~
15 ~~12-27-9, and 12-27-10, all committees established, financed, maintained or controlled by the~~
16 ~~same corporation, labor organization, person, or group of persons, including any parent,~~
17 ~~subsidiary, branch, division, department, or local unit thereof, are affiliated and share a single~~
18 ~~contribution limit both with respect to contributions made and contributions received.~~

19 Section 10. That § 12-27-10.3 be repealed.

20 —~~12-27-10.3. Any expenditure made by any person, group of persons, political committee,~~
21 ~~or other entity in cooperation, consultation, or concert, with, or at the request or suggestion of,~~
22 ~~a candidate, the candidate's authorized political committees, or the candidate's committee's~~
23 ~~agents, is considered to be a contribution to the candidate.~~

24 —~~For the purposes of this section, candidate solicitation or direction of funds for or to a~~

1 person, group of persons, political committee or other entity constitutes cooperation sufficient
2 to render any subsequent expenditure by the person, group of persons, political committee, or
3 other entity in support of that candidate or in opposition to that candidate's opponent to be
4 considered a contribution to the candidate.

5 — The financing of the dissemination, distribution, or republication, in whole or in part, of any
6 broadcast or any written, graphic, or other form of campaign materials prepared by a candidate,
7 the candidate's authorized committee, or an agent of either of the foregoing is considered a
8 contribution for the purposes of contribution limitations and reporting responsibilities of the
9 person group of persons, political committee or other entity making the expenditure. The
10 candidate who prepared the campaign material does not receive or accept an in-kind
11 contribution, and is not required to report an expenditure, unless the dissemination, distribution,
12 or republication of campaign materials was done in concert or cooperation with or at the request
13 or suggestion of the candidate. However, the following uses of campaign materials do not
14 constitute a contribution to the candidate who originally prepared the materials:

- 15 — (1) The campaign material is disseminated, distributed, or republished by the candidate
16 or the candidate's authorized committee who prepared that material;
- 17 — (2) The campaign material is incorporated into a communication that advocates the
18 defeat of the candidate or party that prepared the material; or
- 19 — (3) The campaign material is disseminated, distributed, or republished in a news story,
20 commentary, or editorial distributed through the facilities of any broadcasting station,
21 newspaper, magazine, or other periodical publication, unless such facilities are
22 owned or controlled by any political party, political committee, or candidate.

23 Section 11. That § 12-27-11 be amended to read:

24 12-27-11. No person, organization, candidate, political committee, or political party may

1 give or accept a contribution unless the name and residence address of the contributor is made
2 known to the ~~recipient of person receiving~~ the contribution. Any contribution, money, or other
3 thing of value received by a candidate, political committee, or political party from an unknown
4 source shall be donated to a nonprofit charitable organization. ~~No person, organization,~~
5 ~~candidate, political committee, or political party may accept from a person a contribution of~~
6 ~~more than five hundred dollars in the aggregate in a calendar year unless the occupation and~~
7 ~~current employer of that person disclosed to the recipient at the time the contribution is made.~~
8 A violation of this section is a Class 2 misdemeanor.

9 Section 12. That § 12-27-12 be amended to read:

10 12-27-12. No person or organization may make a contribution in the name of another person
11 or organization, make a contribution disguised as a gift, make a contribution in a fictitious
12 name, make a contribution on behalf of another person or organization, or knowingly permit
13 another to use that person's or organization's name to make a contribution. No candidate may
14 accept a contribution disguised as a gift. This section does not prohibit a person from assigning
15 a democracy credit to a participating candidate, pursuant to §§ 12-28-17, 12-28-18, and 12-28-
16 20 and commission regulation, or prohibit a participating candidate from redeeming a
17 democracy credit, pursuant to § 12-28-30 and commission regulation. A violation of this section
18 is a Class 1 misdemeanor.

19 Section 13. That § 12-27-13 be amended to read:

20 12-27-13. A contribution or receipt is considered to be converted to personal use if the
21 contribution or amount is used to fulfill any commitment, obligation, or expense of a person that
22 would exist irrespective of the candidate's election campaign, person's duties as a holder of
23 elective office, or political committee's political activities, including but not limited to a home
24 mortgage, rent, or utility payment; a clothing purchase; a noncampaign related automobile

1 expense; a country club membership; a vacation or other noncampaign-related trip; a household
2 food item; a tuition payment; admission to a sporting event, concert, theater, or other form of
3 entertainment not associated with an election campaign; and dues, fees, and other payments to
4 a health club or recreational facility.

5 —Equipment, supplies, and materials purchased with contributions are property of the political
6 committee or political party, and are not property of the candidate or any other person.

7 Section 14. That § 12-27-15 be amended to read:

8 12-27-15. Any printed material or communication made, purchased, paid for, or authorized
9 by a candidate, political committee, or political party that expressly advocates for or against a
10 candidate, public office holder, ballot question, or political party shall prominently display or
11 clearly speak the following statement: "Paid for by (Name name of candidate, political
12 committee, or political party)." If the communication is made, purchased, paid for, or authorized
13 by a political committee or political party, the communication shall also state whether or not the
14 communication was authorized by or coordinated with any candidate and the name of any
15 candidate who authorized the communication or with whom the communication was
16 coordinated. This section does not apply to buttons, balloons, pins, pens, matchbooks, clothing,
17 or similar small items upon which the inclusion of the statement would be impracticable. A
18 violation of this section is a Class 1 misdemeanor.

19 Section 15. That § 12-27-16 be amended to read:

20 12-27-16. The following apply to independent expenditures by persons and organizations
21 related to communications advocating for or against candidates, public office holders, ballot
22 questions, or political parties:

23 (1) Any person or organization that makes making a payment or promise of payment
24 totaling one hundred dollars or more, including an in-kind contribution, for an

1 independent expenditure a communication that expressly advocates for or against a
2 candidate, public office holder, ballot question, or political party shall append to or
3 include in each communication a disclaimer that clearly and conspicuously
4 forthrightly:

- 5 (a) Identifies ~~the name and address or website~~ of the person or organization
6 making the independent expenditure for that communication;
- 7 (b) States the address or website address of the person or organization;
- 8 (c) States that the communication is an independent expenditure independently
9 funded and not made in consultation ~~or coordination~~ with any candidate, ~~or~~
10 any authorized committee or agent of the candidate political party, or political
11 committee; and
- 12 (c) ~~If the~~(d) If an independent expenditure is undertaken by an organization
13 the communication not including a candidate, public office holder, political
14 party, or political committee, the following notation must also include a clear
15 and conspicuous statement entitled be included: "Top Five Contributors"
16 followed by Contributors, including a listing of the names of the five persons
17 making the largest contributions in aggregate to the organization during the
18 twelve months preceding that communication.

19 A violation of this subdivision is a Class 1 misdemeanor;

- 20 (2) Any person or organization ~~that makes~~ making a payment or promise of payment of
21 ~~for an independent expenditure aggregating~~ one hundred dollars or more ~~in any~~
22 calendar year, including an in-kind contribution, for a communication described in
23 subdivision (1) shall file ~~by electronic transmission~~ a statement ~~with the secretary of~~
24 state within forty-eight hours of the time that the ~~payment or promise of payment is~~

1 made and each time any additional payment or promise of payment aggregating one-
2 hundred dollars or more is made. The statement for each person or organization shall
3 include:

- 4 (a) The name, street address, city, and state of the person or organization and any
5 expenditures made for the independent expenditure during that calendar year,
6 but not yet reported on a prior statement;
- 7 (b) The elections to which the independent expenditures pertain and name of
8 candidate, ballot question, or political party identified in each independent
9 expenditure;
- 10 (c) The amount spent on each independent expenditure, as well as the name, street
11 address, city, and state of the person or organization paid; and
- 12 (d) Whether the independent expenditure was for or against the candidate, ballot
13 question, or political party
- 14 (e) For an organization, the full name, residence address including city and state;
15 occupation, name of employer, and aggregate amount of the payment of each
16 person whose funds were used for the independent expenditure. The identity
17 of the person or persons whose funds were used for the independent
18 expenditures shall be determined in the following manner. Any person or
19 persons who made payments in the aggregate in excess of \$100 during that
20 calendar year pursuant to an agreement or understanding that person's funds
21 would be used for an independent expenditure shall be identified. A person's
22 payment can only be credited to all independent expenditures up to the amount
23 given in the calendar year. If the funds identified pursuant to this subdivision
24 are insufficient to cover the cost of the independent expenditure, the

organization shall report its donors utilizing a "last in, first out" accounting method, reporting donors in reverse chronological order beginning with the most recent of its donors or, if there are any prior payments or expenditures, beginning with the most recent donor for which unattributed payments remain, until the full amount expended for the independent expenditure is accounted for; communication is disseminated, broadcast, or otherwise published;

- (3) The statements required by this section shall include the name, street address, city, and state of the person or organization and, any expenditures made for communications described in subdivision (1) during that calendar year but not yet reported on a prior statement, the name of each candidate, public office holder, ballot question, or political party mentioned or identified in each communication, the amount spent on each communication, and a description of the content of each communication. For an organization, the statement shall also include the name and title of the person filing the report, the name of its chief executive, if any, and the name of the person who authorized the expenditures on behalf of the organization;
- (4) For an organization whose majority ownership is owned by, controlled by, held for the benefit of, or comprised of twenty or fewer persons, partners, owners, trustees, beneficiaries, participants, members, or shareholders, the statement shall also identify by name and address each person, partner, owner, trustee, beneficiary, participant, shareholder, or member who owns, controls, or comprises ten percent or more of the organization;
- (5) An For an organization shall also provide, supplemental statements, as defined in subdivision (2)(3), for any of its partners, owners, trustees, beneficiaries, participants, members, or shareholders identified pursuant to subdivision (4) which that are owned

1 by, controlled by, held for the benefit of, or comprised of twenty or fewer persons,
2 partners, owners, trustees, beneficiaries, participants, members, or shareholders, until
3 no organization identified in the supplemental statements meets the ownership test
4 set forth in subdivision (4); and

5 (6) For purposes of this section, the term, communication, does not include:

6 (a) Any news article, editorial endorsement, opinion or commentary writing, or
7 letter to the editor printed in a newspaper, magazine, flyer, pamphlet, or other
8 periodical not owned or controlled by a candidate, political committee, or
9 political party;

10 (b) Any editorial endorsement or opinion aired by a broadcast facility not owned
11 or controlled by a candidate, political committee, or political party;

12 (c) Any communication by a person made in the regular course and scope of the
13 person's business or ministry or any communication made by a membership
14 organization solely to members of the organization and the members' families;
15 and

16 (d) Any communication that refers to any candidate only as part of the popular
17 name of a bill or statute.

18 Section 16. That chapter 12-27 be amended by adding a NEW SECTION to read:

19 Any political committee, organization, person, or political party that makes a payment or
20 promise of payment totaling one hundred dollars or more, including an in-kind contribution, for
21 a communication that clearly identifies a candidate or public office holder, but does not
22 expressly advocate the election or defeat of the candidate or public office holder, and that is
23 disseminated, broadcast, or otherwise published, shall file a statement with the secretary of state
24 disclosing the name, street address, city, and state of such political committee, organization,

1 person, or political party. The statement shall also include the name of the candidate or public
2 office holder mentioned in the communication, the amount spent on the communication, and
3 a description of the content of the communication. The statement shall be received and filed
4 within forty-eight hours of the time that the communication is disseminated, broadcast, or
5 otherwise published.

6 For the purposes of this section, the term, communication, does not include:

- 7 (1) Any news articles, editorial endorsements, opinion or commentary writings, or letter
8 to the editor printed in a newspaper, magazine, flyer, pamphlet, or other periodical
9 not owned or controlled by a candidate, political committee, or political party;
- 10 (2) Any editorial endorsements or opinions aired by a broadcast facility not owned or
11 controlled by a candidate, political committee, or political party;
- 12 (3) Any communication by a person made in the regular course and scope of the person's
13 business or ministry or any communication made by a membership organization
14 solely to members of the organization and the members' families;
- 15 (4) Any communication that refers to any candidate only as part of the popular name of
16 a bill or statute;
- 17 (5) Any communication used for the purpose of polling if the poll questions do not
18 expressly advocate for or against a candidate, public office holder, ballot question,
19 or political party.

20 Section 17. That chapter 12-27 be amended by adding a NEW SECTION to read:

21 Any political committee, organization, person, or political party that makes a
22 communication as defined in § 12-27-17, which does not expressly advocate for or against a
23 candidate, public office holder, ballot question, or political party, shall append to or include in
24 each communication a disclaimer that:

5 If the communication is an independent expenditure made by a person or organization, then
6 the disclaimer shall include the following: "This communication is independently funded and
7 not made in consultation with any candidate, political party, or political committee." If the
8 independent expenditure is undertaken by an organization not including a candidate, public
9 office holder, political party, or political committee, then the following notation must also be
10 included: "Top Five Contributors," including a listing of the names of the five persons making
11 the largest contributions to an organization during the twelve months preceding that
12 communication.

13 A violation of this section is a Class 1 misdemeanor.

14 Section 18. That § 12-27-20 be amended to read:

12-27-20. The state, an agency of the state, and the governing body of a any county,
municipality, or other political subdivision of the state may not expend or permit the
expenditure of public funds for the purpose of influencing the nomination or election of any
candidate, or for the petitioning of a ballot question on the ballot or the adoption or defeat of any
ballot question. This section may not be construed to limit the freedom of speech of any officer
or employee of the state or ~~such~~ any political subdivisions subdivision who is speaking in his
~~or her~~ the officer's or employee's personal capacity. This section does not prohibit the state, its
agencies, or the governing body of any political subdivision of the state from presenting factual
information solely for the purpose of educating the voters on a ballot question. ~~This section does~~
~~not prohibit the use of any type of state funds for the democracy credit fund or Democracy~~

1 Credit Program pursuant to chapter 12-28.

2 Section 19. That § 12-27-21 be amended to read:

3 12-27-21. No candidate, political committee, or political party may accept any contribution
4 from any state, state agency, political subdivision of the state, foreign government, Indian tribal
5 entity as defined in the Federal Register Vol. 72, No. 55 as of March 22, 2007, federal agency,
6 or the federal government. This section does not prohibit a candidate or candidate's campaign
7 committee from redeeming or accepting a democracy credit pursuant to §§ 12-28-15 to 12-28-
8 34, inclusive. A violation of this section is a Class 1 misdemeanor.

9 Section 20. That § 12-27-22 be amended to read:

10 12-27-22. A campaign finance disclosure statement shall be submitted to the secretary of
11 state by the treasurer of each:

- 12 (1) Candidate or candidate campaign committee for any statewide or legislative office;
- 13 (2) Political action committee;
- 14 (3) Statewide, county, local, or auxiliary committee of any political party;
- 15 (4) Statewide ballot question committee;
- 16 (5) Candidate Any candidate or candidate committee for any statewide or legislative
17 office whose name appears on the primary ballot, but does not appear on the general
18 election ballot, shall submit a campaign finance disclosure statement, or termination
19 report, which that shall be received by the secretary of state by 5:00 p.m. on the
20 second Friday of August following that the primary election; and
- 21 (6) Statewide ballot question committee that does not meet the signature requirements
22 for placement of the ballot issue on the general election ballot, shall submit a
23 termination report to the secretary of state by 5:00 p.m. central time on the first
24 Monday in February following the year the statement of organization was submitted

1 to the secretary of state.

2 The statement shall be signed and submitted by the treasurer of the political committee or
3 political party. The statement shall be received by the secretary of state and submitted by 5:00
4 p.m. central time on the first Monday of February and shall cover the contributions and
5 expenditures for the preceding calendar year. The statement shall also be received by the
6 secretary of state and submitted by 5:00 p.m. central time on the second Friday prior to each
7 primary and general election complete through the fifteenth day prior to that election. Each
8 statewide ballot question committee shall submit a termination report by 5:00 p.m. central time
9 no later than the first Monday in February following the year the ballot question was on the
10 ballot. Any statement submitted pursuant to this section shall be consecutive and shall cover
11 contributions and expenditures since the last statement submitted.

12 A violation of this section is a Class 1 misdemeanor.

13 ——————~~(Text of section effective January 1, 2018)~~ A campaign finance disclosure statement shall
14 be filed with the secretary of state by the treasurer of every:

15 ——————~~(1) Candidate or candidate campaign committee for any statewide or legislative office;~~

16 ——————~~(2) Political action committee;~~

17 ——————~~(3) Political party; and~~

18 ——————~~(4) Ballot question committee.~~

19 ——————~~(5) Candidate or candidate committee for any statewide or legislative office whose name~~
20 ~~appears on the primary ballot, but does not appear on the general election ballot, shall~~
21 ~~submit a campaign finance disclosure statement, or termination report, which shall~~
22 ~~be received by the secretary of state by 5:00 p.m. on the second Friday of August~~
23 ~~following that primary election.~~

24 ——————~~The statement shall be signed and filed by the treasurer of the political committee or~~

1 political party. The statement shall be received by the secretary of state and filed by 5:00 p.m.
2 each February first and shall cover the contributions and expenditures for the preceding calendar
3 year. The statement shall also be received by the secretary of state and filed by 5:00 p.m. on the
4 fifth Tuesday before each primary and general election complete through the fiftieth day prior
5 to that election. The statement shall also be received by the secretary of state and filed by 5:00
6 p.m. on the second Friday prior to each primary and general election complete through the
7 fifteenth day prior to that election. The statement shall also be received by the secretary of state
8 and filed by 5:00 p.m. on the fourth Friday after each primary and general election complete
9 through second Friday after that election. If a candidate is seeking nomination at the biennial
10 state convention, the candidate or the candidate campaign committee shall file a campaign
11 finance disclosure statement with the secretary of state by 5:00 p.m. on the second Friday prior
12 to any biennial state convention. Any statement filed pursuant to this section shall be
13 consecutive and shall cover contributions and expenditures since the last statement filed.

14 — The following are not required to file a campaign finance disclosure statement:

15 — (1) A candidate campaign committee for county office on February first following a year
16 in which there is not an election for the office;

17 — (2) A political committee that regularly files a campaign finance disclosure statement
18 with the Federal Election Commission or a report of contributions and expenditures
19 with the Internal Revenue Service.

20 — (3) A statewide candidate whose is publicly seeking a nomination by that candidate's
21 party convention prior to a primary election; and

22 — (4) An independent statewide candidate prior to a primary election.

23 — A violation of this section is a Class 1 misdemeanor.

24 Section 21. That § 12-27-24 be amended to read:

- 1 12-27-24. A campaign finance disclosure statement shall include the following information:
- 2 (1) ~~Political~~ The political committee or political party name, street address, postal
3 address, city, state, zip code, daytime and evening telephone number, and e-mail
4 address;
- 5 (2) ~~Type~~ The type of campaign statement (pre-primary, pre-general, post-primary
6 nonwinner, year-end, amendment, supplement, or termination);
- 7 (3) ~~If a~~ For any ballot question committee, the ballot question number and whether the
8 committee ~~is~~ advocates for or against the ~~measure~~ ballot question;
- 9 (4) The balance of cash and cash equivalents on hand at the beginning of the reporting
10 period;
- 11 (5) The total amount of all contributions received during the reporting period;
- 12 (6) The total amount of all in-kind contributions received during the reporting period;
- 13 (7) The total of refunds, rebates, interest, or other income not previously identified
14 during the reporting period;
- 15 (8) The total of contributions, loans, ~~and~~ or any other receipts during the reporting
16 period;
- 17 (9) The total value of loans made to any person, political committee, or political party
18 during the reporting period;
- 19 (10) The total of expenditures made during the reporting period;
- 20 (11) The total amount of ~~all expenditures~~ any expenditure incurred but not yet paid. ~~An~~
21 Any expenditure incurred but not yet paid shall be reported on each report filed after
22 the date of receipt of goods or services until payment is made to the vendor. A
23 payment shall be listed as an expenditure when the payment is made;
- 24 (12) The ~~statement shall state the~~ cash balance on hand as of the close of the reporting

1 period;

2 (13) The total amount of contributions of one hundred dollars or less in the aggregate
3 from one source received during the reporting period;

4 (14) The name, residence address, city, and state of each person ~~contributing~~ making a
5 contribution of more than one hundred dollars in the aggregate during the reporting
6 period and the amount of the contribution. Any contribution from any political
7 committee or political party shall be itemized. Any contribution from a federal
8 political committee or political committee organized outside ~~this~~ the state shall also
9 include the name and ~~internet~~ website address of the filing office where campaign
10 finance disclosure statements are regularly filed for the committee. If ~~all of the~~ any
11 information required by the section is ~~not on file~~ unknown to the political committee
12 or political party, the political committee or political party may not deposit the
13 contribution;

14 (15) ~~The statement shall contain the same information for Any in-kind contributions~~
15 contribution shall contain the same information as for monetary contributions, and
16 shall also include a description of the in-kind contribution;

17 (16) Upon the request of the treasurer, ~~a~~ any person making an in-kind contribution shall
18 provide all necessary information to the treasurer, including the value of the in-kind
19 contribution;

20 (17) Any monetary or in-kind contribution made by ~~the reporting~~ a political committee or
21 political party to any political committee, political party, or nonprofit charitable
22 organization shall be itemized;

23 (18) A categorical description and ~~the amount of the~~ any refunds, rebates, interest, sale of
24 property, or other receipts not previously identified during the reporting period;

1 and

2 (29) A certification that the contents of the statement ~~is~~ are true and correct signed by the
3 treasurer of the political committee or political party.

4 —**(Text of section effective January 1, 2018)** A campaign finance disclosure statement shall
5 include the following information, regardless of whether it has previously been included in a
6 timely contribution disclosure statement pursuant to § 12-27-24.1:

7 —(1) Political committee or political party name, street address, postal address, city, state,
8 zip code, daytime and evening telephone number, and e-mail address;

9 —(2) Type of campaign statement (fifth Tuesday pre-primary, second Friday pre-primary,
10 fourth Friday post-primary, fifth Tuesday pre-general, second Friday pre-general,
11 fourth Friday post-general, mid-year, year-end, amendment, supplement, or
12 termination);

13 —(3) If a ballot question committee, the ballot question number and whether the committee
14 is for or against the measure;

15 —(4) The balance of cash and cash equivalents on hand at the beginning of the reporting
16 period;

17 —(5) The total amount of all contributions received during the reporting period;

18 —(6) The total amount of all in-kind contributions received during the reporting period;

19 —(7) The total of refunds, rebates, interest, or other income not previously identified
20 during the reporting period;

21 —(8) The total of contributions, loans, and other receipts during the reporting period;

22 —(9) The total value of loans made to any person, political committee, or political party
23 during the reporting period;

24 —(10) The total of expenditures made during the reporting period;

- 1 — (11) The total amount of all expenditures incurred but not yet paid, detailed in an itemized
2 list. An expenditure incurred but not yet paid shall be reported on each report filed
3 after the date of receipt of goods or services until payment is made to the vendor. A
4 payment shall be listed as an expenditure when the payment is made;
- 5 — (12) The statement shall state the cash balance on hand as of the close of the reporting
6 period;
- 7 — (13) The total amount of contributions of two hundred dollars or less in the aggregate
8 from one source received during the calendar year;
- 9 — (14) The name, residence address, city, and state of each person contributing a
10 contribution of more than two hundred dollars in the aggregate during the calendar
11 year and the amount of the contribution, as well as the occupation and name of
12 employer of each person contributing a contribution of more than five hundred
13 dollars in the aggregate during the calendar year. Any contribution from any political
14 committee or political party shall be itemized. Any contribution from a federal
15 political committee or political committee organized outside this state shall also
16 include the name and internet website address of the filing office where campaign
17 finance disclosure statements are regularly filed for the committee. If all of the
18 information required is not on file, the political committee or political party may not
19 deposit the contribution;
- 20 — (15) The statement shall contain the same information for in-kind contributions as for
21 monetary contributions, and shall also include a description of the in-kind
22 contribution;
- 23 — (16) Upon the request of the treasurer, a person making an in-kind contribution shall
24 provide all necessary information to the treasurer, including the value of the

1 contribution;

2 — (17) Any monetary or in-kind contribution made by the reporting political committee or
3 political party to any political committee, political party, or nonprofit charitable
4 organization shall be itemized;

5 — (18) A categorical description and the amount of the refunds, rebates, interest, sale of
6 property, or other receipts not previously identified during the reporting period;

7 — (19) A categorical description and the amount of funds or donations by any organization
8 to its political committee for establishing and administering the political committee
9 and for any solicitation costs of the political committee;

10 — (20) The total balance of loans owed by the political committee or political party;

11 — (21) The balance of loans owed by the political committee or political party, itemized by
12 lender's name, street address, city, and state, including the terms, interest rate, and
13 repayment schedule of each loan;

14 — (22) The total balance of loans owed to the political committee or political party;

15 — (23) The amount of each loan made during the reporting period. The name, street address,
16 city, and state of the recipient of the loan;

17 — (24) The balance of each loan owed to the political committee or political party, itemized
18 by name, street address, city, and state;

19 — (25) The expenditures made during the reporting period shall be categorized.
20 Disbursements to consultants, advertising agencies, credit card companies, and
21 similar firms shall be itemized into expense categories. Any contribution made by the
22 reporting political committee or political party that is not in exchange for any item
23 of value or service shall be itemized;

24 — (26) The expenditures incurred but not yet paid during the reporting period and to whom

1 the expenditure is owed;

2 — (27) The amount of each independent expenditure, as defined in this chapter, made during
3 the reporting period, the name of the candidate, public office holder, or ballot
4 question related to the expenditure and a description of the expenditure;

5 — (28) The information contained in any statement provided under § 12-27-19; and

6 — (29) The statement shall include a certification that the contents of the statement is true
7 and correct signed by the treasurer of the political committee or political party.

8 Section 22. That § 12-27-24.1 be repealed.

9 — 12-27-24.1. When a candidate campaign committee for any statewide or legislative office,
10 political action committee, political party, or ballot question committee has accepted
11 contributions in the aggregate of more than five hundred dollars in the calendar year, the
12 treasurer of that political committee or political party is required to file a "timely contribution
13 disclosure statement" by electronic transmission with the secretary of state. Further timely
14 contribution disclosure statements must be filed each time new contributions accepted in that
15 same calendar year from that same source exceed five hundred dollars in the aggregate. A timely
16 contribution disclosure statement shall include the following:

17 — (1) If the contributor is a person, the amount and date of the contribution in the aggregate
18 as well as the person's full name, residence address including city and state,
19 occupation and name of employer; or

20 — (2) If the contributor is a political committee or political party, the amount and date of
21 the contribution in the aggregate as well as the name of the political committee or
22 political party and its registered street address including city and state.

23 — A timely contribution disclosure statement shall be filed with the secretary of state by
24 electronic transmission within five business days after the day of the receipt of the contribution.

1 ~~However, if a contribution is received within twenty days of a South Dakota primary, general,~~
2 ~~or special election, the filing shall be made within twenty-four hours of the time of the receipt~~
3 ~~of the contribution. A political committee or political party does not have to file a report within~~
4 ~~twenty-four hours of the receipt of a contribution received within twenty days of a special~~
5 ~~election if the political committee or political party has not made any expenditures in connection~~
6 ~~with that special election.~~

7 Section 23. That § 12-27-29.1 be amended to read:

8 12-27-29.1. In addition to any other penalty or relief provided under this chapter, the
9 secretary of state ~~or the ethics commission~~, after notice and opportunity for hearing pursuant to
10 chapter 1-26, may impose an administrative penalty for the failure to timely file any statement,
11 amendment, or correction required to be filed by this chapter. The administrative penalty is fifty
12 dollars per day for each violation not to exceed three thousand dollars. ~~However, if the~~ If any
13 violation is made by a county political party or auxiliary, the administrative penalty is ten dollars
14 per day for each violation not to exceed six hundred dollars. Any administrative penalty
15 collected pursuant to this section shall be deposited ~~in~~ into the state general fund.

16 Section 24. That § 12-27-35 be amended to read:

17 12-27-35. The attorney general shall investigate ~~violations and prosecute any violation of~~
18 the provisions of this chapter ~~and prosecute any violation thereof relating to a legislative office,~~
19 statewide office, or statewide ballot question. In lieu of bringing a criminal action, the attorney
20 general may elect to file a civil action. In a civil action, in addition to other relief, the court may
21 impose a civil penalty in an amount not to exceed ten thousand dollars for each violation. Any
22 civil penalty recovered shall be paid to the state general fund. A civil action brought by the
23 attorney general shall be commenced in Hughes County, in the county where the person resides,
24 or in the county where the organization, political party, or political committee has its principal

1 office.

2 Section 25. That § 12-27-36 be amended to read:

3 12-27-36. The attorney general ~~and ethics commission~~ may, for the purpose of enforcing the
4 provisions of this chapter, inspect or examine any political committee or political party records
5 required to be maintained by this chapter. ~~It is a Class 1 misdemeanor for any~~ Any person
6 having charge, control, or possession of political committee or political party records ~~to neglect~~
7 who neglects or refuse refuses the attorney general ~~or ethics commission~~ reasonable access to
8 any records required to be maintained by this chapter ~~which that~~ are necessary to enforce the
9 provisions of this chapter is guilty of a Class 1 misdemeanor.

10 Section 26. That § 12-27-37 be amended to read:

11 12-27-37. The attorney general ~~and ethics commission~~ shall keep each record inspected or
12 examined confidential except when the records are used to enforce provisions of this chapter
13 associated with a criminal or civil action.

14 Section 27. That § 12-27-41 be amended to read:

15 12-27-41. Any statement required to be filed under this chapter may be filed by electronic
16 transmission in accordance with the methods approved by the secretary of state. To be timely
17 filed, any statement received by electronic transmission shall be legible and readable when
18 received by the means it was delivered.

19 —~~(Text of section effective January 1, 2018)~~ Each statement required to be filed under this
20 chapter by electronic transmission shall be filed in accordance with the methods approved by
21 the secretary of state pursuant to the requirements of § 12-27-41.1. The treasurer of a candidate
22 campaign committee for any statewide or legislative office, political action committee, political
23 party, or ballot question committee is required to file by electronic transmission with the
24 secretary of state the campaign finance disclosure statements required pursuant to § 12-27-22,

1 if the political committee or political party has received contributions in the aggregate of one
2 thousand dollars or more during the period covered by the statement. If a political committee
3 or political party is required by this chapter to file a statement by electronic transmission, the
4 secretary of state may not accept nor consider filed any statement that uses handwriting as input,
5 aside from a signature. Any statement or disclosure not required to be filed by electronic
6 transmission may be filed by electronic transmission in accordance with the methods approved
7 by the secretary of state.

8 Section 28. That § 12-27-41.1 be repealed.

9 — 12-27-41.1. The secretary of state shall ensure that political committee and political party
10 treasurers need only a commonly used internet web browser to properly submit the campaign
11 finance disclosure statements required pursuant to § 12-27-22, the timely contribution disclosure
12 statements required pursuant to § 12-27-24.1, and any other campaign finance information
13 required to be filed by electronic transmission by this chapter. The secretary of state shall
14 develop a secure method for electronically signing statements. The methods provided to
15 treasurers by the secretary of state to file by electronic transmission shall when feasible facilitate
16 bulk itemized data submission using a standardized format prescribed by the secretary of state.
17 The secretary of state shall provide training materials for filing required statements by electronic
18 transmission.

19 — The secretary of state may grant brief extensions with no penalty for filing by electronic
20 transmission in the event of prolonged circumstances outside the control of the secretary of state
21 or a treasurer that make electronic filing unfeasible.

22 Section 29. That § 12-27-42.1 be repealed.

23 — 12-27-42.1. The secretary of state shall make the information contained in the campaign
24 finance disclosure statements and timely contribution disclosure statements that have been filed

1 by electronic transmission after January 1, 2018 available to the public in an open format that:

2 — (1) Is retrievable, downloadable, indexable, and electronically searchable by commonly
3 used Internet search applications;

4 — (2) Is platform independent and machine readable;

5 — (3) Is available free of charge and without any restriction that would impede the non-
6 commercial reuse or redistribution of the public record;

7 — (4) Employs a descriptive and uniform naming system; and

8 — (5) Retains the data definitions and structure present when the data was compiled, if
9 applicable.

10 — The secretary of state shall also provide to the public free of charge a bulk data download
11 file of the contribution information contained in all campaign finance disclosure statements
12 submitted after January 1, 2018, complete with annotation of amended information. This file
13 shall be offered in an open, platform independent, and machine readable format that when
14 appropriate displays information in an itemized and non-duplicated manner. The same shall be
15 provided, but in a separate file, for the contribution information contained in all timely
16 contribution disclosure statements submitted up to the present.

17 Section 30. That § 12-27-46 be repealed.

18 — 12-27-46. For the purposes of this section, the term "gift" means any compensation, reward,
19 employment, gift, honorarium, beverage, meal, food, or other thing of value made or given
20 directly or indirectly to any person.

21 — No lobbyist or employer of a lobbyist may make gifts to one person who is an elected state
22 officer, legislative official or staffperson, or executive department official or staffperson
23 aggregating more than one hundred dollars in a calendar year, nor may a lobbyist or employer
24 of a lobbyist act as an agent or intermediary in the making of any such gift, or to arrange for the

1 making of any such gift by any other person.

2 — The value of gifts given to an immediate family member of any elected state officer,
3 legislative official, or executive branch official shall be attributed to the officer or official for
4 the purpose of determining whether the limit has been exceeded, unless an independent
5 business, family, or social relationship exists between the donor and the family member, subject
6 to approval by the commission in a manner to be promulgated by rule by the commission
7 pursuant to its rulemaking authority under § 12-28-12.

8 — No person may knowingly receive any gift which is made unlawful by this section. A
9 violation of this section is a Class 1 misdemeanor.

10 Section 31. That § 2-12-1 be amended to read:

11 2-12-1. Any person who employs any other person to act as a lobbyist to seek the
12 introduction of legislation or to promote, oppose, or influence in any manner the passage by the
13 Legislature of any legislation affecting the special interests of any agency, individual,
14 association, or business, as distinct from those of the whole people of the state, or to act in any
15 manner as a lobbyist in connection with any such legislation, shall register the name of the
16 person so employed or agreed to be employed, with the secretary of state, to be included in a
17 directory of registered lobbyists as hereinafter provided. The lobbyist shall also register with the
18 secretary of state. Upon the termination of such employment prior to the adjournment sine die
19 of a legislative session, such fact shall be entered opposite the name of any person so employed,
20 either by the employer or employee.

21 — (Text of section effective January 1, 2018) Names and addresses of lobbyists to be
22 registered with secretary of state—Termination of employment. Any person who employs any
23 other person to act as a lobbyist for the purpose of influencing state legislation, executive action,
24 regulation, or governmental processes, shall register the name and address of the person so

1 employed or agreed to be employed, with the secretary of state, to be included in a directory of
2 registered lobbyists as hereinafter provided. The lobbyist shall also register with the secretary
3 of state. The registration shall be completed electronically in a standardized and machine
4 readable manner provided by the secretary of state. Upon the termination of such employment
5 prior to the adjournment sine die of a legislative session, such fact shall be entered opposite the
6 name of any person so employed, either by the employer or employee.

7 Section 32. That § 2-12-8.2 be amended to read:

8 2-12-8.2. No elected officer, appointed officer, state agency or division director, or the
9 highest paid aide, employee, or staff person reporting to any of the foregoing may be
10 compensated to act or register as a lobbyist, other than a public employee lobbyist, during a
11 period of two years one year after that person's the officer's termination of service in the state
12 government. A violation of this section is a Class 1 misdemeanor.

13 Section 33. That § 2-12-9 be amended to read:

14 2-12-9. It is a Class 5 felony to threaten, to harm, to offer or make Any person who
15 threatens, harms, offers to make bribes of money or other inducements, to offer offers or to give
16 gives gifts or other types of consideration; to any person for the purpose of obtaining
17 sponsorship or introduction of legislation, influencing the form of legislation, attempting to
18 influence any member of the Legislature to vote for or against any measure pending therein, or
19 for or against any candidate for any office to be elected or appointed by the Legislature,
20 attempting to influence any officer of either house of the Legislature in naming of members and
21 officers of committees, or in the performance of any of his duties, or attempting to influence or
22 control the action of any member in relation to any matter coming before the Legislature, or any
23 of its committees is guilty of a Class 1 misdemeanor.

24 Section 34. That § 2-12-11 be amended to read:

1 2-12-11. On or before July first of each year, each registered lobbyist and each employer of
2 a registered lobbyist whose name appears in the directory in that year shall submit to the
3 secretary of state a complete and detailed report of all costs incurred for the purpose of
4 influencing legislation. The report shall be submitted in writing or electronically in a format
5 prescribed by the secretary of state. However, the personal expenses of the lobbyist spent upon
6 the lobbyist's own meals, travel, lodging, phone calls or other necessary personal needs while
7 in attendance at the legislative session need not be reported. The completed reports shall be open
8 to public inspection. The terms, costs, and expenses, as used in this section do not mean the
9 compensation paid by the employer to the lobbyist.

10 Any lobbyist expense report filed pursuant to this section is exempt from the ten dollar filing
11 fee prescribed in subdivision 1-8-10(2).

12 If a Any person has been who is authorized to act as a lobbyist on behalf of an employer
13 pursuant to § 2-12-4, but the ~~lobbyist~~ does not conduct any lobbying activities pursuant to § 2-
14 12-1 nor ~~acts~~ act in any manner as a lobbyist in connection with representing that employer, a
15 report is not required to be filed file any report required under this chapter.

16 The secretary of state may impose an administrative penalty for the failure to timely file ~~the~~
17 any report required by this section. The secretary of state may impose a penalty not to exceed
18 one hundred dollars on a registered lobbyist or employer of a registered lobbyist for ~~each~~ any
19 report that is not timely filed ~~not to exceed a total of one hundred dollars per report not timely~~
20 filed in accordance with this section. Any administrative penalty collected pursuant to this
21 section shall be deposited ~~in~~ into the general fund.

22 —~~(Text of section effective January 1, 2018)~~ Expense reports to be filed with secretary of
23 state and available to public online—Administrative penalty for untimely report On or before
24 July first of each year, each registered lobbyist and each employer whose name appears in the

1 directory in that year shall submit to the secretary of state a complete and detailed report of all
2 costs incurred for the purpose of influencing state legislation, executive action, regulation or
3 governmental processes. The report shall be submitted electronically in a standardized and
4 machine readable format prescribed by the secretary of state. However, the personal expenses
5 of the lobbyist spent upon the lobbyist's own meals, travel, lodging, phone calls or other
6 necessary personal needs while in attendance at the legislative session need not be reported. The
7 completed reports shall be open to public inspection and available online to the public free of
8 charge in an open format that is machine readable, downloadable and bulk downloadable,
9 employs a descriptive and uniform naming system, and presents data in an itemized view if
10 possible. The terms, costs, and expenses, as used in this section do not mean the compensation
11 paid by the employer to the lobbyist.

12 — Any lobbyist expense report filed pursuant to this section is exempt from the ten dollar filing
13 fee prescribed in subdivision 1-8-10(2).

14 — If a person has been authorized to act as a lobbyist on behalf of an employer pursuant to § 2-
15 12-4, but the lobbyist does not conduct any lobbying activities pursuant to § 2-12-1 nor acts in
16 any manner as a lobbyist in connection with representing that employer, a report is not required
17 to be filed under this chapter.

18 — The secretary of state may impose an administrative penalty for the failure to timely file the
19 report required by this section. The secretary of state may impose a penalty on a registered
20 lobbyist or employer of a registered lobbyist for each report not timely filed not to exceed a total
21 of one hundred dollars per report not timely filed. Any administrative penalty collected pursuant
22 to this section shall be deposited in the general fund.

23 Section 35. Whereas, this Act is necessary for the support of the state government and its
24 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in

1 full force and effect from and after its passage and approval.