

ASSEMBLY BILL NO. 109—ASSEMBLYMEN SETTELMAYER, HARDY, MABEY, ALLEN, BEERS, BOBZIEN, CHRISTENSEN, COBB, GOEDHART, GOICOECHEA, GRADY, HORNE, MANENDO, MUNFORD, STEWART AND WEBER

FEBRUARY 14, 2007

Referred to Committee on Elections, Procedures, Ethics,
and Constitutional Amendments

SUMMARY—Revises provisions governing the disposition of
unspent campaign contributions. (BDR 24-87)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to elections; authorizing the disposition of the
unspent campaign contributions of certain candidates for
public office and public officers through the
establishment of a trust for a public purpose; requiring the
State Treasurer to administer such trusts; and providing
other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires a candidate for state, district, county, city or township
2 office who is defeated in the election or a public officer who does not run for
3 reelection and is not a candidate for another office to dispose of unspent campaign
4 contributions by returning the unspent money to contributors, contributing the
5 money for certain political purposes or donating the money to charity, or any
6 combination thereof. The unspent campaign contributions of a candidate who dies
7 must also be disposed of in the same manner. (NRS 294A.160) **Section 1** of this
8 bill authorizes the establishment of a trust with the State Treasurer for the benefit of
9 a public purpose as an additional method for the disposal of the unspent campaign
10 contributions of such a candidate or public officer. **Section 2** of this bill requires the
11 State Treasurer to administer any such trust.



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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 294A.160 is hereby amended to read as follows:

294A.160 1. It is unlawful for a candidate to spend money received as a campaign contribution for his personal use.

2. Every candidate for a state, district, county, city or township office at a primary, general, primary city, general city or special election who is elected to that office and received contributions that were not spent or committed for expenditure before the primary, general, primary city, general city or special election shall:

(a) Return the unspent money to contributors;

(b) Use the money in his next election or for the payment of other expenses related to public office or his campaign, regardless of whether he is a candidate for a different office in his next election;

(c) Contribute the money to:

(1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;

(2) A political party;

(3) A person or group of persons advocating the passage or defeat of a question or group of questions on the ballot; or

(4) Any combination of persons or groups set forth in subparagraphs (1), (2) and (3);

(d) Donate the money to any tax-exempt nonprofit entity; or

(e) Dispose of the money in any combination of the methods provided in paragraphs (a) to (d), inclusive.

3. Every candidate for a state, district, county, city or township office at a primary, general, primary city, general city or special election who is not elected to that office and received contributions that were not spent or committed for expenditure before the primary, general, primary city, general city or special election shall, not later than the 15th day of the second month after his defeat:

(a) Return the unspent money to contributors;

(b) Contribute the money to:

(1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;

(2) A political party;

(3) A person or group of persons advocating the passage or defeat of a question or group of questions on the ballot; or

(4) Any combination of persons or groups set forth in subparagraphs (1), (2) and (3);

(c) Donate the money to any tax-exempt nonprofit entity; ~~for~~



(d) *Establish a trust to dispose of the money for the exclusive benefit of a public purpose, which must be administered by the State Treasurer; or*

(e) Dispose of the money in any combination of the methods provided in paragraphs (a) ~~1, (b) and (c)~~ *to (d), inclusive.*

4. Every candidate for a state, district, county, city or township office who is defeated at a primary or primary city election and received a contribution from a person in excess of \$5,000 shall, not later than the 15th day of the second month after his defeat, return any money in excess of \$5,000 to the contributor.

5. Every public officer who:

(a) Holds a state, district, county, city or township office;

(b) Does not run for reelection and is not a candidate for any other office; and

(c) Has contributions that are not spent or committed for expenditure remaining from a previous election,

shall, not later than the 15th day of the second month after the expiration of his term of office, dispose of those contributions in the manner provided in subsection 3.

6. In addition to the methods for disposing the unspent money set forth in subsections 2, 3 and 4, a Legislator may donate not more than \$500 of that money to the Nevada Silver Haired Legislative Forum created pursuant to NRS 427A.320.

7. Any contributions received before a candidate for a state, district, county, city or township office at a primary, general, primary city, general city or special election dies that were not spent or committed for expenditure before the death of the candidate must be disposed of in the manner provided in subsection 3.

8. The court shall, in addition to any penalty which may be imposed pursuant to NRS 294A.420, order the candidate or public officer to dispose of any remaining contributions in the manner provided in this section.

9. As used in this section, "contributions" include any interest and other income earned thereon.

Sec. 2. Chapter 226 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The State Treasurer shall administer each trust established pursuant to paragraph (d) of subsection 3 of NRS 294A.160. As the administrator of such a trust, the State Treasurer:

(a) Shall maintain the financial records of the trust;

(b) Shall invest the property in the trust in a manner consistent with the public purpose for which the trust was established;

(c) Shall manage any account associated with the trust;

(d) Shall maintain any instruments that evidence investments made with property from the trust;



1 (e) *May contract with vendors for any good or service that is*
2 *necessary to carry out the provisions of this section; and*

3 (f) *May perform any other duties necessary to administer the*
4 *trust.*

5 2. *The State Treasurer may adopt regulations to carry out the*
6 *provisions of this section.*

7 **Sec. 3.** This act becomes effective upon passage and approval.

