

ASSEMBLY BILL NO. 605—COMMITTEE ON ELECTIONS,  
PROCEDURES, ETHICS, AND CONSTITUTIONAL AMENDMENTS

MARCH 26, 2007

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

SUMMARY—Makes various changes concerning ethics in  
government. (BDR 23-168)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
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 ethics in government; requiring candidates and  
elected public officers to obtain the approval of the  
Secretary of State before establishing a legal defense  
fund; limiting contributions to a legal defense fund;  
requiring the filing of a report concerning the  
contributions to and disbursements from a legal defense  
fund; enacting various provisions relating to legal defense  
funds; providing penalties; and providing other matters  
properly relating thereto.

**Legislative Counsel's Digest:**

1     **Section 10** of this bill prohibits a candidate or elected public officer from  
2     establishing a legal defense fund, unless certain requirements are met. **Section 10**  
3     also requires, before establishing a legal defense fund, a candidate or elected public  
4     officer to obtain the approval of the Secretary of State. To obtain this approval, the  
5     candidate or elected public officer must submit to the Secretary of State a  
6     "Statement of Purpose," which identifies certain information about the legal  
7     defense fund. The Secretary of State must approve the establishment of the legal  
8     defense fund if the legal defense fund complies with the requirements of **sections**  
9     **10-16** of this bill and the investigation, claim, case or proceeding for which the  
10    fund was established arises from or is directly related to the campaign of the  
11    candidate or the campaign or official duties or activities of the public officer.

12    **Sections 11 and 12** of this bill establish certain requirements relating to the  
13    operation of a legal defense fund. **Section 11** requires the legal defense fund to be  
14    managed by a trustee. The trustee must not be a person who has authority over the  
15    employees of the candidate or elected public officer who established the fund.  
16    **Section 12** prohibits the payment of any expenses which do not arise from or are



not directly related to the investigation, claim, case or proceeding for which the fund was established.

**Section 13** of this bill prohibits a person from making a contribution of more than \$10,000 to a legal defense fund. In addition, **section 13** prohibits a candidate, elected public officer or trustee of a legal defense fund from soliciting or accepting a contribution of more than \$10,000 to a legal defense fund. A person who willfully violates the provisions of **section 13** is guilty of a category E felony.

**Section 14** of this bill establishes disclosure requirements for a candidate or elected public officer who has established a legal defense fund. A candidate or public officer who has established a legal defense fund must file a quarterly report which discloses certain information concerning contributions to and disbursements from the legal defense fund. Each quarterly report must be signed by the candidate or elected public officer under penalty of perjury.

**Section 15** of this bill requires a candidate or elected public officer to dissolve a legal defense fund within 90 days after the conclusion of the investigation, claim, case or proceeding for which it was established and file a notice of dissolution with the Secretary of State. The notice of dissolution must include a statement that the legal defense fund has been dissolved and must disclose the manner in which the legal defense fund disposed of any contributions that were not spent or committed for expenditure.

**Section 16** of this bill provides that any contribution to a legal defense fund which has not been spent or committed for expenditure must be returned to contributors, donated to a tax-exempt nonprofit entity, donated to the State General Fund or disposed of in any combination of these methods.

**Section 2** of this bill provides that an elected public officer commits a violation of the code of ethics if the elected public officer violates the provisions of **sections 10-16** of this bill. (NRS 281.481) **Section 20** of this bill provides that a person who violates the provisions of **sections 10-16** is subject to a civil penalty of not more than \$5,000 for each violation.

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

**Section 1.** (Deleted by amendment.)

**Sec. 2.** NRS 281.481 is hereby amended to read as follows:

281.481 A code of ethical standards is hereby established to govern the conduct of public officers and employees:

1. A public officer or employee shall not seek or accept any gift, service, favor, employment, engagement, emolument or economic opportunity which would tend improperly to influence a reasonable person in his position to depart from the faithful and impartial discharge of his public duties.

2. A public officer or employee shall not use his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, any business entity in which he has a significant pecuniary interest, or any person to whom he has a commitment in a private capacity to the interests of that person. As used in this subsection:



1 (a) "Commitment in a private capacity to the interests of that  
2 person" has the meaning ascribed to "commitment in a private  
3 capacity to the interests of others" in subsection 8 of NRS 281.501.

4 (b) "Unwarranted" means without justification or adequate  
5 reason.

6 3. A public officer or employee shall not participate as an agent  
7 of government in the negotiation or execution of a contract between  
8 the government and any private business in which he has a  
9 significant pecuniary interest.

10 4. A public officer or employee shall not accept any salary,  
11 retainer, augmentation, expense allowance or other compensation  
12 from any private source for the performance of his duties as a public  
13 officer or employee.

14 5. If a public officer or employee acquires, through his public  
15 duties or relationships, any information which by law or practice is  
16 not at the time available to people generally, he shall not use the  
17 information to further the pecuniary interests of himself or any other  
18 person or business entity.

19 6. A public officer or employee shall not suppress any  
20 governmental report or other document because it might tend to  
21 affect unfavorably his pecuniary interests.

22 7. A public officer or employee, other than a member of the  
23 Legislature, shall not use governmental time, property, equipment or  
24 other facility to benefit his personal or financial interest. This  
25 subsection does not prohibit:

26 (a) A limited use of governmental property, equipment or other  
27 facility for personal purposes if:

28 (1) The public officer who is responsible for and has  
29 authority to authorize the use of such property, equipment or other  
30 facility has established a policy allowing the use or the use is  
31 necessary as a result of emergency circumstances;

32 (2) The use does not interfere with the performance of his  
33 public duties;

34 (3) The cost or value related to the use is nominal; and

35 (4) The use does not create the appearance of impropriety;

36 (b) The use of mailing lists, computer data or other information  
37 lawfully obtained from a governmental agency which is available to  
38 members of the general public for nongovernmental purposes; or

39 (c) The use of telephones or other means of communication if  
40 there is not a special charge for that use.

41 ➔ If a governmental agency incurs a cost as a result of a use that is  
42 authorized pursuant to this subsection or would ordinarily charge a  
43 member of the general public for the use, the public officer or  
44 employee shall promptly reimburse the cost or pay the charge to the  
45 governmental agency.



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8. A member of the Legislature shall not:

(a) Use governmental time, property, equipment or other facility for a nongovernmental purpose or for the private benefit of himself or any other person. This paragraph does not prohibit:

(1) A limited use of state property and resources for personal purposes if:

(I) The use does not interfere with the performance of his public duties;

(II) The cost or value related to the use is nominal; and

(III) The use does not create the appearance of impropriety;

(2) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or

(3) The use of telephones or other means of communication if there is not a special charge for that use.

(b) Require or authorize a legislative employee, while on duty, to perform personal services or assist in a private activity, except:

(1) In unusual and infrequent situations where the employee's service is reasonably necessary to permit the Legislator or legislative employee to perform his official duties; or

(2) Where such service has otherwise been established as legislative policy.

9. A public officer or employee shall not attempt to benefit his personal or financial interest through the influence of a subordinate.

10. A public officer or employee shall not seek other employment or contracts through the use of his official position.

***11. A public officer who was elected to the office for which he is serving shall not establish or maintain a legal defense fund for the direct or indirect benefit of the public officer, or solicit or accept contributions to a legal defense fund which is established or maintained for the direct or indirect benefit of the public officer, unless the public officer complies with the provisions of sections 10 to 16, inclusive, of this act. As used in this subsection, "legal defense fund" has the meaning ascribed to it in section 9 of this act.***

**Sec. 3.** (Deleted by amendment.)

**Sec. 4.** (Deleted by amendment.)

**Sec. 5.** (Deleted by amendment.)

**Sec. 6.** (Deleted by amendment.)

**Sec. 7.** (Deleted by amendment.)

**Sec. 8.** Chapter 294A of NRS is hereby amended by adding thereto the provisions set forth as sections 9 to 16, inclusive, of this act.



1     **Sec. 9.** *“Legal defense fund” means a trust, account or fund*  
2 *established for the payment of legal expenses incurred by a*  
3 *candidate or public officer as a result of defending himself in a*  
4 *civil, criminal or administrative proceeding.*

5     **Sec. 10.** 1. *A candidate or public officer shall not establish*  
6 *a legal defense fund, except in accordance with the provisions of*  
7 *this section.*

8     2. *Before establishing a legal defense fund, a candidate or*  
9 *public officer must obtain the approval of the Secretary of State.*  
10 *To obtain the approval of the Secretary of State, the candidate or*  
11 *public officer must submit to the Secretary of State a statement of*  
12 *purpose. The statement of purpose must identify:*

13     (a) *The name of the legal defense fund;*

14     (b) *The name, address and telephone number of the candidate*  
15 *or public officer;*

16     (c) *The name, business address, business telephone number*  
17 *and occupation of the trustee of the legal defense fund;*

18     (d) *The investigation, claim, case or proceeding for which the*  
19 *legal defense fund is established;*

20     (e) *Whether the nature of the investigation, claim, case or*  
21 *proceeding, is civil, criminal or administrative;*

22     (f) *Any limitation on the amount of contributions to the legal*  
23 *defense fund; and*

24     (g) *The manner in which the legal defense fund will dispose of*  
25 *contributions to the fund which have not been spent or committed*  
26 *for expenditure.*

27     3. *The Secretary of State shall review the statement of*  
28 *purpose submitted pursuant to subsection 2 and shall approve or*  
29 *deny approval for the establishment of the legal defense fund*  
30 *within 5 days after the Secretary of State receives the statement of*  
31 *purpose. The Secretary of State shall approve the establishment of*  
32 *the legal defense fund if:*

33     (a) *The statement of purpose indicates that the legal defense*  
34 *fund complies with the requirements of this section and sections*  
35 *11 to 16, inclusive, of this act; and*

36     (b) *The investigation, claim, case or proceeding identified*  
37 *pursuant to paragraph (d) of subsection 2 arises from or is directly*  
38 *related to the campaign of the candidate or the campaign or*  
39 *official duties or activities of the public officer.*

40     4. *If the Secretary of State denies approval to establish a legal*  
41 *defense fund, the candidate or public officer seeking approval for*  
42 *the establishment of a legal defense fund is entitled to judicial*  
43 *review of the decision in the manner provided by chapter 233B of*  
44 *NRS.*



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1        5. A candidate or public officer who establishes a legal  
2 defense fund shall name the legal defense fund as follows: "The  
3 (name of candidate or public officer) Legal Defense Fund." If the  
4 candidate or public officer establishes more than one legal defense  
5 fund, the name of each fund must also be numerically identified in  
6 the order in which the fund was established.

7        **Sec. 11.** 1. If a candidate or public officer establishes a  
8 legal defense fund, the candidate or public officer must appoint a  
9 trustee to manage the fund. The trustee must be a natural person  
10 who has no authority over the employees of the candidate or  
11 public officer who established the legal defense fund.

12        2. The candidate, public officer and the trustee shall not  
13 solicit contributions to the legal defense fund from employees of  
14 the candidate, public officer or trustee.

15        **Sec. 12.** 1. A legal defense fund shall not pay any expenses  
16 other than legal expenses which arise from or are directly related  
17 to the investigation, claim, case or proceeding identified pursuant  
18 to paragraph (d) of subsection 2 of section 10 of this act.

19        2. If the nature of the investigation, claim, case or  
20 proceeding, as identified pursuant to paragraph (e) of subsection 2  
21 of section 10 of this act, changes, the candidate or public officer  
22 who established the legal defense fund must file an amendment to  
23 the statement of purpose. The amendment to the statement of  
24 purpose must identify the change in the nature of the  
25 investigation, claim, case or proceeding.

26        **Sec. 13.** 1. A person shall not make a contribution or  
27 contributions in an amount which exceeds \$10,000 during any 12-  
28 month period to a legal defense fund established by a candidate or  
29 public officer.

30        2. A candidate, public officer or the trustee of a legal defense  
31 fund shall not solicit or accept a contribution which violates  
32 subsection 1.

33        3. A person shall not:

34        (a) Make a contribution to a legal defense fund in the name of  
35 another person;

36        (b) Knowingly allow his name to be used to cause a  
37 contribution to a legal defense fund to be made in the name of  
38 another person or assist in the making of a contribution to a legal  
39 defense fund in the name of another person;

40        (c) Knowingly assist a person to make a contribution to a legal  
41 defense fund in the name of another person; or

42        (d) Knowingly accept a contribution to a legal defense fund  
43 made by a person in the name of another person.



1     4. A person who willfully violates any provision of this  
2     section is guilty of a category E felony and shall be punished as  
3     provided in NRS 193.130.

4     5. As used in this section, "make a contribution to a legal  
5     defense fund in the name of another person" includes, without  
6     limitation:

7     (a) Giving money or an item of value, all or part of which was  
8     provided by another person, without disclosing the source of the  
9     money or item of value to the recipient at the time the contribution  
10    to the legal defense fund is made; and

11   (b) Giving money or an item of value, all or part of which  
12   belongs to the person who is giving the money or item of value,  
13   and claiming that the money or item of value belongs to another  
14   person.

15   **Sec. 14.** 1. If a candidate or public officer establishes a  
16   legal defense fund, the candidate or public officer shall file with  
17   the Secretary of State a report of the contributions to and  
18   disbursements from the legal defense fund not later than:

19   (a) April 30, for the period from January 1 through March 31;

20   (b) July 31, for the period from April 1 through June 30;

21   (c) October 31, for the period from July 1 through  
22   September 30; and

23   (d) January 31, for the period from October 1 of the previous  
24   year through December 31 of the previous year.

25   2. The report required by subsection 1 must:

26   (a) Be completed on the form designed and provided by the  
27   Secretary of State pursuant to NRS 294A.373;

28   (b) Be signed by the candidate or public officer under penalty  
29   of perjury; and

30   (c) Disclose:

31   (1) Each contribution in excess of \$100 to the legal defense  
32   fund received during the period and contributions received during  
33   the period from a contributor which cumulatively exceed \$100;

34   (2) The name and address of each contributor and the date  
35   on which the contribution was received for each contribution  
36   disclosed pursuant to subparagraph (1);

37   (3) All disbursements in excess of \$100 made from the legal  
38   defense fund during the period and disbursements made from the  
39   legal defense fund during the period to a single recipient which  
40   cumulatively exceed \$100; and

41   (4) The name and address of each recipient and the date on  
42   which the disbursement was made for each disbursement disclosed  
43   pursuant to subparagraph (3).

44   **Sec. 15.** Within 90 days after the conclusion of the  
45   investigation, claim, case or proceeding identified pursuant to



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1 *paragraph (d) of subsection 2 of section 10 of this act, the legal*  
2 *defense fund must be dissolved and the candidate or public officer*  
3 *who established the legal defense fund must file a notice of*  
4 *dissolution with the Secretary of State. The notice of dissolution*  
5 *must:*

- 6 1. *State that the legal defense fund has been dissolved; and*
- 7 2. *Disclose the manner in which the legal defense fund*  
8 *disposed of contributions to the legal defense fund which were not*  
9 *spent or committed for expenditure.*

10 **Sec. 16.** 1. *If a candidate for state, district, county or*  
11 *township office at a primary or general election or a public officer*  
12 *who was elected to the office for which he is serving establishes a*  
13 *legal defense fund, the candidate or public officer shall not spend*  
14 *a contribution to the legal defense fund for his personal use.*

15 2. *Within 90 days after the conclusion of the civil claim,*  
16 *criminal case or administrative proceeding for which the legal*  
17 *defense fund was established, any contributions to the legal*  
18 *defense fund which were not spent or committed for expenditure*  
19 *must be:*

- 20 (a) *Returned to contributors;*
- 21 (b) *Donated to a tax-exempt nonprofit entity;*
- 22 (c) *Donated to the State General Fund; or*
- 23 (d) *Disposed of in any combination of methods provided in*  
24 *paragraphs (a), (b) and (c).*

25 **Sec. 17.** NRS 294A.002 is hereby amended to read as follows:  
26 294A.002 As used in this chapter, unless the context otherwise  
27 requires, the words and terms defined in NRS 294A.004 to  
28 294A.009, inclusive, *and section 9 of this act* have the meanings  
29 ascribed to them in those sections.

30 **Sec. 18.** NRS 294A.300 is hereby amended to read as follows:  
31 294A.300 1. It is unlawful for a member of the Legislature,  
32 the Lieutenant Governor, the Lieutenant Governor-Elect, the  
33 Governor or the Governor-Elect to solicit or accept any monetary  
34 contribution, or solicit or accept a commitment to make such a  
35 contribution for any political purpose during the period beginning:

36 (a) Thirty days before a regular session of the Legislature and  
37 ending 30 days after the final adjournment of a regular session of  
38 the Legislature;

39 (b) Fifteen days before a special session of the Legislature is set  
40 to commence and ending 15 days after the final adjournment of a  
41 special session of the Legislature, if the Governor sets a specific  
42 date for the commencement of the special session that is more than  
43 15 days after the Governor issues the proclamation calling for the  
44 special session; or





(c) The day after the Governor issues a proclamation calling for a special session of the Legislature and ending 15 days after the final adjournment of a special session of the Legislature if the Governor sets a specific date for the commencement of the special session that is 15 or fewer days after the Governor issues the proclamation calling for the special session.

2. This section does not prohibit ~~the~~:

(a) *The* payment of a salary or other compensation or income to a member of the Legislature, the Lieutenant Governor or the Governor during a session of the Legislature if it is made for services provided as a part of his regular employment or is additional income to which he is entitled.

(b) *A member of the Legislature, the Lieutenant Governor, the Lieutenant Governor-Elect, the Governor or the Governor-Elect from soliciting or accepting contributions, or commitments to make such contributions, to a legal defense fund established pursuant to the provisions of sections 10 to 16, inclusive, of this act.*

**Sec. 19.** NRS 294A.373 is hereby amended to read as follows:

294A.373 1. The Secretary of State shall design a single form to be used for all reports of campaign contributions and expenses or expenditures that are required to be filed pursuant to NRS 294A.120, 294A.125, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.270, 294A.280, 294A.360 and 294A.362.

2. *The Secretary of State shall design a form to be used for the report of contributions to and disbursements from a legal defense fund that is required to be filed pursuant to section 14 of this act.*

3. The ~~form~~ *forms* designed by the Secretary of State pursuant to this section must only request information specifically required by statute.

~~3-1~~ 4. Upon request, the Secretary of State shall provide a copy of the ~~form~~ *forms* designed pursuant to this section to each person, committee, political party and group that is required to file a report described in subsection 1 ~~1-1~~ *or 2.*

~~4-1~~ 5. The Secretary of State must obtain the advice and consent of the Legislative Commission before providing a copy of a form designed or revised by the Secretary of State pursuant to this section to a person, committee, political party or group that is required to use the form.

**Sec. 20.** NRS 294A.420 is hereby amended to read as follows:

294A.420 1. If the Secretary of State receives information that a person or entity that is subject to the provisions of NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210,



1 294A.220, 294A.230, 294A.270, 294A.280 or 294A.360 *or section*  
2 *14 of this act* has not filed a report or form for registration pursuant  
3 to the applicable provisions of those sections, the Secretary of State  
4 may, after giving notice to that person or entity, cause the  
5 appropriate proceedings to be instituted in the First Judicial District  
6 Court.

7 2. Except as otherwise provided in this section, a person or  
8 entity that violates an applicable provision of NRS 294A.112,  
9 294A.120, 294A.128, 294A.130, 294A.140, 294A.150, 294A.160,  
10 294A.200, 294A.210, 294A.220, 294A.230, 294A.270, 294A.280,  
11 294A.300, 294A.310, 294A.320 or 294A.360 *or sections 10 to 16,*  
12 *inclusive, of this act* is subject to a civil penalty of not more than  
13 \$5,000 for each violation and payment of court costs and attorney's  
14 fees. The civil penalty must be recovered in a civil action brought in  
15 the name of the State of Nevada by the Secretary of State in the First  
16 Judicial District Court and deposited by the Secretary of State for  
17 credit to the State General Fund in the bank designated by the State  
18 Treasurer.

19 3. If a civil penalty is imposed because a person or entity has  
20 reported its contributions, expenses or expenditures after the date  
21 the report is due, except as otherwise provided in this subsection, the  
22 amount of the civil penalty is:

23 (a) If the report is not more than 7 days late, \$25 for each day  
24 the report is late.

25 (b) If the report is more than 7 days late but not more than 15  
26 days late, \$50 for each day the report is late.

27 (c) If the report is more than 15 days late, \$100 for each day the  
28 report is late.

29 ➤ A civil penalty imposed pursuant to this subsection against a  
30 public officer who by law is not entitled to receive compensation for  
31 his office or a candidate for such an office must not exceed a total of  
32 \$100 if the public officer or candidate received no contributions and  
33 made no expenditures during the relevant reporting periods.

34 4. For good cause shown, the Secretary of State may waive a  
35 civil penalty that would otherwise be imposed pursuant to this  
36 section. If the Secretary of State waives a civil penalty pursuant to  
37 this subsection, the Secretary of State shall:

38 (a) Create a record which sets forth that the civil penalty has  
39 been waived and describes the circumstances that constitute the  
40 good cause shown; and

41 (b) Ensure that the record created pursuant to paragraph (a) is  
42 available for review by the general public.

43 **Sec. 21.** NRS 218.942 is hereby amended to read as follows:

44 218.942 1. A lobbyist shall not knowingly or willfully make  
45 any false statement or misrepresentation of facts:



1 (a) To any member of the Legislative Branch in an effort to  
2 persuade or influence him in his official actions.

3 (b) In a registration statement or report concerning lobbying  
4 activities filed with the Director.

5 2. A lobbyist shall not give to a member of the Legislative  
6 Branch or a member of his staff or immediate family gifts that  
7 exceed \$100 in value in the aggregate in any calendar year.

8 3. A member of the Legislative Branch or a member of his  
9 staff or immediate family shall not solicit anything of value from a  
10 registrant or accept any gift that exceeds \$100 in aggregate value in  
11 any calendar year.

12 4. A person who employs or uses a lobbyist shall not make that  
13 lobbyist's compensation or reimbursement contingent in any manner  
14 upon the outcome of any legislative action.

15 5. Except during the period permitted by NRS 218.918, a  
16 person shall not knowingly act as a lobbyist without being registered  
17 as required by that section.

18 6. Except as otherwise provided in subsection 7, a member of  
19 the Legislative or Executive Branch of the State Government and an  
20 elected officer or employee of a political subdivision shall not  
21 receive compensation or reimbursement other than from the State or  
22 the political subdivision for personally engaging in lobbying.

23 7. An elected officer or employee of a political subdivision  
24 may receive compensation or reimbursement from any organization  
25 whose membership consists of elected or appointed public officers.

26 8. A lobbyist shall not instigate the introduction of any  
27 legislation for the purpose of obtaining employment to lobby in  
28 opposition thereto.

29 9. A lobbyist shall not make, commit to make or offer to make  
30 a monetary contribution , *other than a contribution to a legal*  
31 *defense fund pursuant to sections 10 to 16, inclusive, of this act*, to  
32 a member of the Legislature, the Lieutenant Governor, the  
33 Lieutenant Governor-elect, the Governor or the Governor-elect  
34 during the period beginning:

35 (a) Thirty days before a regular session of the Legislature and  
36 ending 30 days after the final adjournment of a regular session of  
37 the Legislature;

38 (b) Fifteen days before a special session of the Legislature is set  
39 to commence and ending 15 days after the final adjournment of a  
40 special session of the Legislature, if the Governor sets a specific  
41 date for the commencement of the special session that is more than  
42 15 days after the Governor issues the proclamation calling for the  
43 special session; or

44 (c) The day after the Governor issues a proclamation calling for  
45 a special session of the Legislature and ending 15 days after the



1 final adjournment of a special session of the Legislature if the  
2 Governor sets a specific date for the commencement of the special  
3 session that is 15 or fewer days after the Governor issues the  
4 proclamation calling for the special session.

5 **Sec. 22.** *If a candidate or public officer has established a*  
6 *legal defense fund before the effective date of this act:*

7 *1. The candidate or public officer shall seek the approval of*  
8 *the Secretary of State by submitting to the Secretary of State a*  
9 *statement of purpose pursuant to section 10 of this act within 10*  
10 *days after the effective date of this act. The Secretary of State shall*  
11 *approve the legal defense fund if the legal defense fund complies*  
12 *with the requirements of sections 10 to 16, inclusive, of this act.*

13 *2. The candidate or public officer shall file with the Secretary*  
14 *of State an initial report which covers the period beginning*  
15 *January 1, 2006, and ending on the effective date of this act and*  
16 *which contains the disclosures required by paragraph (c) of*  
17 *subsection 2 of section 14 of this act. The candidate or public*  
18 *officer shall file the initial report within 30 days after the effective*  
19 *date of this act. After the candidate or public officer files the*  
20 *initial report, the candidate or public officer shall comply with the*  
21 *provisions of section 14 of this act, except that the candidate or*  
22 *public officer is not required to disclose any information which*  
23 *was disclosed in the initial report.*

24 *3. The candidate or public officer and the trustee of the legal*  
25 *defense fund shall comply with sections 11, 12, 13, 15 and 16 of*  
26 *this act.*

27 **Sec. 23.** *This act becomes effective upon passage and*  
28 *approval.*

