

SENATE BILL NO. 246—SENATORS JONES AND SPEARMAN

MARCH 13, 2013

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises provisions relating to committees for political action. (BDR 24-674)

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

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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 campaign practices; amending the definition of “committee for political action” to include certain organizations and entities that receive contributions or make expenditures in excess of certain amounts for the purpose of affecting an election or ballot question; requiring such organizations and entities to register as committees for political action and report certain information; clarifying that political parties and committees sponsored by political parties are not committees for political action; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Nevada’s elections laws require major and minor political parties and committees sponsored by those political parties to report certain information regarding campaign contributions and expenditures. Nevada’s elections laws also require committees for political action to report certain information regarding campaign contributions and expenditures. (Chapter 294A of NRS)

Section 1 of this bill clarifies that major and minor political parties and committees sponsored by those political parties are not committees for political action under Nevada’s elections laws to ensure that there is no conflict between the provisions governing major and minor political parties and committees sponsored by those political parties and the provisions governing committees for political action. (NRS 294A.0055)

Section 1 also revises the definition of “committee for political action” to include any business or social organization, corporation, partnership, association, trust, unincorporated organization or labor union that: (1) has as its primary purpose affecting the outcome of any election or ballot question and for that purpose receives in excess of \$1,500 in contributions or makes expenditures in excess of \$1,500 in a calendar year; or (2) does not have as its primary purpose affecting the



outcome of any election or ballot question but for that purpose receives in excess of \$5,000 in contributions or makes expenditures in excess of \$5,000 in a calendar year. (NRS 294A.0055)

Section 2 of this bill requires all such organizations and entities to register with the Secretary of State not later than 7 calendar days after qualifying as a committee for political action and to thereafter comply with the reporting requirements regarding campaign contributions and expenditures. However, if the organization or entity does not have as its primary purpose affecting the outcome of any election or ballot question, it must report only those contributions received for the purpose of affecting the outcome of any election or ballot question. (NRS 294A.230)

The provisions of this bill requiring such organizations and entities to register with the Secretary of State as committees for political action and comply with campaign reporting requirements are modeled on statutes enacted by the State of Maine. (Me. Rev. Stat. Ann. tit. 21-A, §§ 1051-1063) The Maine statutes and similar statutes from other jurisdictions have been upheld as constitutionally valid elections laws because they promote an informed electorate by providing voters with pertinent and valuable information about organizations and entities that finance and disseminate elections-related speech. (*Nat'l Org. for Marriage v. McKee*, 649 F.3d 34 (1st Cir. 2011); *Real Truth About Abortion, Inc. v. FEC*, 681 F.3d 544 (4th Cir. 2012); *Ctr. for Individual Freedom v. Madigan*, 697 F.3d 464 (7th Cir. 2012); *Family PAC v. McKenna*, 685 F.3d 800 (9th Cir. 2012); *SpeechNow.org v. FEC*, 599 F.3d 686 (D.C. Cir. 2010))

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

Section 1. NRS 294A.0055 is hereby amended to read as follows:

294A.0055 1. "Committee for political action" means ~~any~~ :

(a) Any group of natural persons or entities that solicits or receives contributions from any other person, group or entity and:

~~(a)~~ (1) Makes or intends to make contributions to candidates or other persons; or

~~(b)~~ (2) Makes or intends to make expenditures, ➔ designed to affect the outcome of any primary election, primary city election, general election, general city election, special election or question on the ballot.

(b) Any business or social organization, corporation, partnership, association, trust, unincorporated organization or labor union:

(1) Which has as its primary purpose affecting the outcome of any primary election, primary city election, general election, general city election, special election or any question on the ballot and for that purpose receives contributions in excess of \$1,500 in a calendar year or makes expenditures in excess of \$1,500 in a calendar year; or

(2) Which does not have as its primary purpose affecting the outcome of any primary election, primary city election, general



election, general city election, special election or any question on the ballot, but for the purpose of affecting the outcome of any election or question on the ballot receives contributions in excess of \$5,000 in a calendar year or makes expenditures in excess of \$5,000 in a calendar year.

2. "Committee for political action" does not include:

(a) An organization made up of legislative members of a political party whose primary purpose is to provide support for their political efforts.

(b) An entity solely because it provides goods or services to a candidate or committee in the regular course of its business at the same price that would be provided to the general public.

(c) An individual natural person.

(d) ~~Each~~ *Except as otherwise provided in paragraph (b) of subsection 1, an* individual corporation or other business organization who has filed articles of incorporation or other documentation of organization with the Secretary of State pursuant to title 7 of NRS.

(e) ~~Each~~ *Except as otherwise provided in paragraph (b) of subsection 1, a* labor union.

(f) A personal campaign committee or the personal representative of a candidate who receives contributions or makes expenditures that are reported as campaign contributions or expenditures by the candidate.

(g) A committee for the recall of a public officer.

(h) A major or minor political party or any committee sponsored by a major or minor political party.

Sec. 2. NRS 294A.230 is hereby amended to read as follows:

294A.230 1. ~~Each~~ *Except as otherwise provided in subsection 2, each* committee for political action shall, before it engages in any activity in this State, register with the Secretary of State on forms supplied by the Secretary of State.

2. *A person who qualifies as a committee for political action in accordance with:*

(a) Subparagraph (1) of paragraph (b) of subsection 1 of NRS 294A.0055 by receiving contributions in excess of \$1,500 in a calendar year or making expenditures in excess of \$1,500 in a calendar year; or

(b) Subparagraph (2) of paragraph (b) of subsection 1 of NRS 294A.0055 by receiving contributions in excess of \$5,000 in a calendar year or making expenditures in excess of \$5,000 in a calendar year,

↪ shall, not later than 7 calendar days after the qualifying event, register with the Secretary of State on forms supplied by the Secretary of State. When reporting contributions as required by



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this chapter, a person who qualifies as a committee for political action in accordance with subparagraph (2) of paragraph (b) of subsection 1 of NRS 294A.0055 is required to report only those contributions received for the purpose of affecting the outcome of any primary election, primary city election, general election, general city election, special election or any question on the ballot.

3. The form must require:

(a) The name of the committee ~~H~~ *for political action;*

(b) The purpose for which it was organized;

(c) The names, addresses and telephone numbers of its officers;

(d) If the committee for political action is affiliated with any other organizations, the name, address and telephone number of each organization;

(e) The name, address and telephone number of its registered agent; and

(f) Any other information deemed necessary by the Secretary of State.

~~13-1~~ 4. A committee for political action shall file with the Secretary of State:

(a) An amended form for registration within 30 days after any change in the information contained in the form for registration.

(b) A form for registration on or before January 15 of each year, regardless of whether there is a change in the information contained in the most recent form for registration filed by the committee for political action with the Secretary of State.

~~14-1~~ 5. The Secretary of State shall include on the Secretary of State's Internet website the information required pursuant to subsection ~~12-~~

~~5-1~~ 3.

6. For purposes of the civil penalty that the Secretary of State may impose pursuant to NRS 294A.420 for violating the provisions of subsection 1 ~~H~~ *or 2*, if a committee for political action fails to register with the Secretary of State pursuant to subsection 1 ~~H~~ *or 2*, each time the committee for political action engages in any activity in this State constitutes a separate violation of subsection 1 *or 2* for which the Secretary of State may impose a civil penalty.

