## TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control No Department or Agency: Secretary of State
Rule No. 820-2-805
Rule Title: Major Contribution Reports
X New Amend Repeal Adopt by Reference
Would the absence of the proposed rule significantly harm or endanger the public health, welfare or safety? No
Is there a reasonable relationship between the state's police power and the protection of the public health, safety or welfare?  Yes
Is there another, less restrictive method of regulation available that could adequately protect the public? No
Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No
Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?
Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?  Yes
••••••
Does the proposed rule have an economic impact?No
If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, <a href="Code of Alabama">Code of Alabama</a> 1975.
••••••
Certification of Authorized Official
I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.
Signature of certifying office  Beth Chapu

Date 1-22-13

APA-2 07/04

## Office of the Secretary of State Elections Division

## NOTICE OF INTENDED ACTION

AGENCY NAME:

Secretary of State

RULE NO. & TITLE: 820-2-8-.05

Major Contribution Reports.

INTENDED ACTION:

New rule.

SUBSTANCE OF PROPOSED ACTION:

Adopt a Fair Campaign Practices Act filing rule to comply with Act 2011-687 amendments to the Code of Alabama, section 17-5-8.1(c) (2011).

TIME, PLACE, MANNER OF PRESENTING VIEWS:

Views may be presented orally or in writing and should be addressed to Jean Brown, Chief Legal Advisor, Office of the Secretary of State, P.O. Box 5616, Montgomery, Alabama 36103; 334-242-7202.

FINAL DATE FOR COMMENT AND COMPLETION OF THE NOTICE:

September 4, 2012

CONTACT PERSON AT AGENCY:

Jean Brown, Office of the Secretary of State, State Capitol, 600 Dexter Avenue, Suite S-201, Montgomery, Alabama 36104; 334-242-7202.

Jan Brown

Unless otherwise included in a report made pursuant to Rule 820-2-8-.02, 820-2-8-.03 or 820-2-8-.04, a principal campaign committee or a political action committee shall file a report disclosing the receipt of any single contribution of twenty thousand dollars (\$20,000) or more.

- (a) For purposes of filing major contribution reports, any of the following shall be considered a "contribution":
  - 1. A gift, subscription, loan, advance, deposit of money or anything of value, a payment, a forgiveness of a loan, or payment of a third party, made for the purpose of influencing the result of an election.
  - 2. A contract or agreement to make a gift, subscription, loan, advance, or deposit of money or anything of value for the purpose of influencing the result of an election.
  - 3. Any transfer of anything of value received by a political committee from another political committee, political party, or other source.
  - 4. The payment of compensation by any person for the personal services or expenses of any other person if the services are rendered or expenses incurred on behalf of a candidate, political committee, or political party without payment of full and adequate compensation by the candidate, political committee, or political party. Provided, however, that the payment of compensation by a corporation for

the purpose of establishing, administering, or soliciting voluntary contributions to a separate, segregated fund as permitted by Section 10-1-2, <u>Code of Alabama</u>, <u>1975</u> shall not constitute a contribution.

- (b) The term "contribution" does not include:
  - 1. The value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee.
  - 2. The use of real or personal property and the cost of invitations, food, or beverages, voluntarily provided by an individual to a candidate or political committee in rendering voluntary personal services on the individual's residential or business premises for election-related activities.
  - 3. The sale of any food or beverage by a vendor for use in an election campaign at a charge to a candidate or political committee less than the normal comparable charge, if the charge to the political committee for use in an election campaign is at least equal to the cost of the food or beverage to the vendor.
  - 4. Any unreimbursed payment for travel expenses made by an individual who, on his or her own behalf, volunteers personal services to a candidate or political committee.
  - 5. The payment by a state or local committee of a political party of the cost of preparation,

display, or mailing or other distribution incurred by the committee with respect to printed slate card or sample ballot, or other printed listing of two or more candidates for any public office for which an election is held in the state, except that this subparagraph shall not apply in the case of costs incurred by the committee with respect to a display of the listing made on broadcasting stations, or in newspapers, magazines, or other similar types of general public political advertising.

- 6. The value or cost of polling data and voter preference data and information if provided to a candidate or political committee, unless the information was compiled with the advance knowledge of and approval of the candidate or the political committee.
- (c) The effective date of this rule shall be July 1, 2013.

Authors: Adam Thompson; Jean Brown; Julie Sinclair. Statutory Authority: Code of Alabama, section 17-5-8.1(c)(2011).

**History: New Rule:** Filed July 22, 2013; effective September 4, 2013.