

APA-1
07/04

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control No. 340 Department or Agency Alabama Ethics Commission
Rule No. 340-X-1-.07
Rule Title: Policy for Liquidation of Campaign Property
 New Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? N/A

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? N/A


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, Code of Alabama 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 officer 

Date 3/25/16

(DATE FILED)
(STAMP)

(Agency Name)
(Agency Division, if applicable)

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Ethics Commission

RULE NO. & TITLE: Rule 340-X-1-.07 Policy for Liquidation of Campaign Property

INTENDED ACTION: To create a rule which sets out how various resources owned by a campaign may be liquidated.

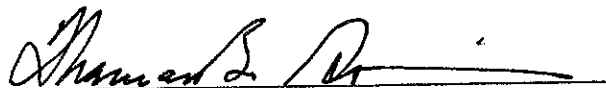
SUBSTANCE OF PROPOSED ACTION: Section 17-5-7.2 provides for the liquidation of property owned by a campaign. If the property has a value of \$500 or more, it is required to be liquidated at fair market value and donated to a qualified entity or deposited in the candidate's principal campaign committee account.

There are certain items of property that are valued at less than \$500 and, therefore, are not required to be liquidated or donated. The purpose of this rule is to clarify that distinction.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Interested persons may present their views in writing to the Director of the Alabama Ethics Commission on or before May 5, 2016 or orally, if requested in writing 48 hours in advance, to the Director of the Alabama Ethics Commission, by personally appearing at the office of the Alabama Ethics Commission at 10:00 AM on May 5, 2016.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: May 5, 2016

CONTACT PERSON AT AGENCY:



(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

340-X-1-.07 Policy for Liquidation of Campaign Property

Ala. Code § 17-5-7.2 (2015) states as follows:

“(a) Except as provided in subsection (b), property purchased by or contributed to a principal campaign committee with a value of five hundred dollars (\$500) or more shall be liquidated at fair market value or donated to a qualified entity pursuant to subsection (a) of Section 17-5-7 not more than 120 days following the election. Any funds generated by the liquidation of the property shall be deposited in the candidate’s principal campaign committee account.

(b) Property purchased by or contributed to a principal campaign committee that can be used by the person in the performance of his or her duties of the office he or she was elected to hold need not be liquidated as long as he or she holds office.”

The Commission considers “property...with a value of five hundred dollars (\$500) or more” to mean property with a reasonable fair market value of \$500 within the 120 days following an election, not the amount paid for the property prior to that time period. The Commission presumes the following property to fall below the threshold amount required for this chapter and, therefore, not required to be liquidated or donated:

1. Campaign signs, literature, stickers, t-shirts, etc. which upon the conclusion of the campaign have nominal value at best.