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**September 9, 2026**
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# Proposed Rulemaking

## Title

**Promulgated by:**
**Arkansas Ethics Commission**

**Title 7. Elections**

**Chapter I. Arkansas Ethics Commission**

**Subchapter A. Generally**

**Part 6. Rules on Independent Expenditures**

**Subpart 1. Generally**

**7 CAR § 6-101. Definitions.**

As used in this part:

(1)(A) "Contribution" means, whether direct or indirect, advances, deposits, or transfers of funds, contracts, or obligations, whether or not legally enforceable, payments, gifts, subscriptions, assessments, payment for services, dues, advancements, forbearance, loans, pledge or promise of money or anything of value, whether or not legally enforceable, to a candidate, committee, or holder of elective office, made for the purpose of influencing the nomination or election of any candidate.

(B)(i) "Contribution" includes:

*(a)* The purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events;

*(b)* The granting of discounts or rebates by television stations, radio stations, and newspapers not extended on an equal basis to all candidates for the same office; and

*(c)* Any payments for the services of any person serving as an agent of a candidate or committee by a person other than the candidate or committee

or persons whose expenditures the candidates or committee must report under this part.

(ii) The term "contribution" further includes any transfer of anything of value received by a committee from another committee.

(iii) "Contribution" shall not include noncompensated, nonreimbursed, volunteer personal services or travel.

(C) "Contribution and expenditure" shall not include activity sponsored and funded by a political party that meets the definition of "political party" under Arkansas Code § 7-1-101 or the requirements of Arkansas Code § 7-7-205 to promote its candidates or nominees through events such as dinners, luncheons, rallies, or similar gatherings and shall not include nonpartisan activity designed to encourage individuals to register to vote or to vote or any communication by any membership organization to its members or stockholders if the membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election or election of any candidate;

(2)(A) "Expenditure" means a purchase, payment, distribution, gift, loan, or advance of money or anything of value, and a contract, promise, or agreement to make an expenditure, made for the purpose of influencing the nomination or election of any candidate.

(B) "Contribution and expenditure" shall not include:

(i) Activity sponsored and funded by a political party that meets the definition of "political party" under Arkansas Code § 7-1-101 or the requirements of Arkansas Code § 7-7-205 to promote its candidates or nominees through events such as dinners, luncheons, rallies, or similar gatherings;

(ii) Nonpartisan activity designed to encourage individuals to register to vote or to vote; or

(iii) Any communication by any membership organization to its members or stockholders if the membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election or election of any candidate;

(3) "Independent expenditure" means any expenditure which is:

(A) Not a contribution and expressly advocates the election or defeat of a clearly identified candidate for office;

(B) Made without arrangement, cooperation, or consultation between:

(i) Any candidate or any authorized committee or agent of the candidate; and

(ii) The person making the expenditure or any authorized agent of that person; and

(C) Not made in concert with or at the request or suggestion of any candidate or any authorized committee or agent of the candidate;

(4) "Independent expenditure committee" means any person who:

(A) Receives contributions from one (1) or more persons in order to make an independent expenditure; and

(B) Is registered pursuant to Arkansas Code § 7-6-227 prior to making expenditures;

(5)(A) "Person" means any individual, proprietorship, firm, partnership, joint venture, syndicate, labor union, business trust, company, corporation, association, committee, or any other organization or group of persons acting in concert.

(B) It shall also include:

(i) A political party that meets the definition of a political party under Arkansas Code § 7-1-101;

(ii) A political party that meets the requirements of Arkansas Code § 7-7-205;

(iii) County political party committees; and

(iv) Legislative caucus committees; and

(6)(A) "Printed campaign materials" means:

(i) Literature mailed to an elector that is intended to or calculated to influence the vote of an elector in an election in this state, including without limitation:

*(a)* Signs;

*(b)* Banners;

*(c)* Flyers; and

*(d)* Pamphlets; and

(ii) Yard signs and push cards intended to or calculated to influence the vote of an elector in an election in this state.

(B) "Printed campaign materials" does not mean political paraphernalia, including without limitation:

(i) Stickers;

(ii) Buttons;

(iii) Pens;

(iv) T-shirts;

(v) Nail files; or

(vi) Other similar trinkets.

**7 CAR § 6-102. Registration by independent expenditure committees.**

(a)(1)(A) To qualify as an independent expenditure committee, the committee is required to register with the Secretary of State within fifteen (15) days after accepting contributions or making independent expenditures during a calendar year that exceed ~~five hundred dollars ($500)~~ two hundred dollars ($200) in the aggregate.

(B) Registration shall be annually renewed by January 15, unless the committee has ceased to exist.

(C) Registration shall be on forms provided by the Secretary of State, and the contents therein shall be verified by an affidavit of an officer of the committee.

(2)(A) The committee shall designate a resident agent who shall be an individual who resides in the State of Arkansas.

(B) No contribution shall be accepted from a committee and no expenditure shall be made by a committee that has not registered and does not have a resident agent.

(3) An out-of-state committee shall be required to comply with the registration and reporting provisions of this part if the committee makes an independent

expenditure or independent expenditures within the State of Arkansas that in the aggregate exceed more than five hundred dollars ($500) during a calendar year.

(b) The registration form of an independent expenditure committee shall contain the following information:

(1)(A) The name, address, and, where available, phone number of the committee and the name, address, phone number, and place of employment of each of its officers.

(B) If the committee's name is an acronym, then both it and the words forming the acronym shall be disclosed;

(2) The full name and street address, city, state, and zip code of each financial institution the committee uses for purposes of receiving contributions or making expenditures within the State of Arkansas;

(3) A written acceptance of designation as a resident agent;

(4) A certification by a committee officer, under penalty of false swearing, that the information provided on the registration is true and correct; ~~and~~ and

(5) A clause submitting the committee to the jurisdiction of the State of Arkansas for all purposes related to compliance with the provisions of Arkansas Code § 7-6-201 et seq.

(c)(1) When a committee makes a change to any of the information required in subsection (b) of this section, an amendment is required to be filed within ten (10) days to reflect the change.

(2) A committee failing to file an amendment shall be subject to a late filing fee of ten dollars ($10.00) for each day the change is not filed.

**7 CAR § 6-103. Reporting of independent expenditures.**

(a) A person who or an independent expenditure committee which makes independent expenditures in an aggregate amount or value in excess of two hundred dollars ($200) in a calendar year shall file reports with the Secretary of State:

(1)(A) No later than fifteen (15) days following the month in which the two-hundred-dollar threshold required under this section is met, the first financial report shall be filed.

(B) Each subsequent report shall be filed no later than ~~fifteen (15)~~ twenty (20) days after the end of each month until the election is held, except as required in subdivision (a)(1)(C) of this section.

(C) For any month in which certain days of that month are included in a preelection financial report required under subdivision (a)(2) of this section, no monthly report for that month shall be due, but those days of that month shall be carried forward and included in the final financial report;

(2) No later than seven (7) days prior to preferential primary elections, runoff elections, general elections, and special elections covering the period ending ten (10) days prior to such elections; and

(3) As for a final report, no later than thirty (30) days after the end of the month in which the last election is held at which the candidate seeks nomination or election.

(b) Such reports shall include:

(1) In the case of an individual making such an expenditure, the name, address, telephone number, principal place of business, employer, and occupation of the individual;

(2) In the case of a committee, the name, address, employer, and occupation of its officers;

(3) In the case of a person who is not an individual, the principal name of the entity, the address, and the name, address, employer, and occupation of its officers;

(4) The total amount of contributions received, with loans stated separately, and the total amount of expenditures made during the filing periods, and the cumulative amount of those totals;

(5) The name and address of each person who made a contribution or contributions that in the aggregate exceeded two hundred dollars ($200);

(6) The contributor's principal place of business, employer, occupation, the amount contributed, the date the contribution was accepted by the committee, and the aggregate contributed for each election;

(7) The name and address of each person who contributed a nonmoney item, together with a description of the item, the date of receipt, and the value, not including volunteer service by individuals;

(8) An itemization of all single expenditures made which exceed one hundred dollars ($100), including the:

(A) Amount of the expenditure;

(B) Name and address of any person to whom the expenditure was made; and

(C) Date the expenditure was made;

(9) A list of all paid workers and the amount the workers were paid;

(10) A list of all expenditures by categories, including, but not limited to:

(A) Television, radio, print, and other advertising;

(B) Direct mail;

(C) Office supplies;

(D) Rent;

(E) Travel;

(F) Expenses;

(G) Entertainment; and

(H) Telephone;

(11) The total amount of all nonitemized expenditures made during the filing period; and

(12) The current balance of committee funds~~.~~; and

(13) An affirmation by the individual, committee, or entity making the independent expenditure that the individual, committee, or entity has not knowingly or willfully accepted donations in excess of ten thousand dollars ($10,000) in the aggregate from one (1) or more prohibited sources within the four-year period immediately preceding the date the independent expenditure was made.

(c) The information required in subdivisions (b)(4) – (10) of this section may be provided in the form of schedules attached to the report.

(d) The report shall be verified by an affidavit of an officer of the committee stating that to the best of his or her knowledge and belief the information disclosed is a complete, true, and accurate financial statement of the committee's contributions received and made.

(e)(1) A report is timely filed if it is filed in electronic form through the official website of the Secretary of State on or before the date that the report is due.

(2)(A) The Secretary of State shall receive reports in a readable electronic format that is:

(i) Acceptable to the Secretary of State; and

(ii) Approved by the Arkansas Ethics Commission.

(B) The commission shall approve the format used by the Secretary of State for the filing of independent expenditure reports in electronic form to ensure that all required information is requested.

(C) The official website of the Secretary of State shall allow for searches of independent expenditure report information filed in electronic form.

(3)(A) A person required to file reports or register in paper form under Arkansas Code § 7-6-220 may file reports or register in paper form if:

(i) The person does not have access to the technology necessary to submit reports or registration in electronic form; and

(ii) Submitting reports or registration in electronic form would constitute a substantial hardship for the person.

(B) A person filing reports or registration in paper form under subdivision (e)(3)(A) of this section shall submit with its first report or registration a notarized affidavit on a form prepared by the Secretary of State declaring that:

(i) The person does not have access to the technology necessary to submit reports or registration in electronic form;

(ii) Submitting reports or registration in electronic form would constitute a substantial hardship for the person; and

(iii) The person agrees to file all other reports in paper form for the duration of the period of registration.

(4) The Secretary of State shall:

(A) Not accept a report or registration in paper form under subdivision (e)(3)(A) of this section if a notarized affidavit was not submitted with the:

(i) Registration of a political action committee; or

(ii) First report of a person or independent expenditure committee;

(B) Provide written notice to the political action committee within five (5) business days if the registration in paper form was not filed or accepted;

(C) Provide written notice to a political action committee, person, or independent expenditure committee within five (5) business days if a report in paper form was not filed or accepted; and

(D) Provide the reason the registration or report in paper form was not filed or accepted.

(5) The Secretary of State shall make available to persons wishing to file reports in paper form under Arkansas Code § 7-6-231:

(A) Information on the deadlines for filing required reports; and

(B)(i) Appropriate forms and instructions for complying with the deadlines.

(ii) The Arkansas Ethics Commission shall approve the forms and instructions used by the Secretary of State under Arkansas Code § 7-6-231 to ensure that all required information is requested.

(6) Reports shall be filed on the forms furnished by the Secretary of State, except that computer-generated contribution and expenditure reports shall be accepted by the Secretary of State and the commission provided that all of the requisite elements are included.

(7)(A) A report submitted in paper form under Arkansas Code § 7-6-231 other than a preelection report is timely filed if it is either hand delivered or mailed to the Secretary of State, properly addressed, and postage prepaid, bearing a postmark indicating that it was received by the post office or common carrier on or before the date that the report is due.

(B) A preelection report submitted in paper form under Arkansas Code § 7-6-231 is timely filed if it is received by the Secretary of State no later than seven (7) days before the election for which it is filed.

(C) The Secretary of State shall accept a report via facsimile, provided the original is received by the Secretary of State within ten (10) days of the date of facsimile transmission.

(8)(A) The Secretary of State shall make available reports submitted in paper form on a portion of the official website of the Secretary of State.

(B) The Secretary of State shall comply with the requirements of Arkansas Code § 7-6-214(c) regarding the "paper filer" designation and publication requirements for all reports submitted in paper form.

**7 CAR § 6-104. Out-of-state independent expenditure committees.**

(a) An out-of-state independent expenditure committee is required to comply with the registration provisions of 7 CAR § 6-102 and is subject to the jurisdiction of the State of Arkansas for all purposes related to compliance with the registration provisions of Arkansas Code § 7-6-201 et seq., if the committee makes an independent expenditure or independent expenditures within the State of Arkansas that in the aggregate exceed more than five hundred dollars ($500) during a calendar year.

(b) An out-of-state independent expenditure committee is required to comply with the reporting provisions of 7 CAR § 6-103 and is subject to the jurisdiction of the State of Arkansas for all purposes related to compliance with the reporting provisions of Arkansas Code § 7-6-201 et seq., if the committee makes an independent expenditure or independent expenditures within the State of Arkansas that in the aggregate exceed more than two hundred dollars ($200) during a calendar year.

**7 CAR § 6-105. Paid for by disclaimer.**

(a)(1)(A) All articles, statements, or communications appearing in any newspaper printed or circulated in this state intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be

paid shall clearly contain the words "Paid Political Advertisement", "Paid Political Ad", or "Paid for by" the candidate, committee, or person who paid for the message.

(B) Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer.

(2)(A) In addition, all articles, statements, or communications appearing in any radio, television, or any other electronic medium intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be paid shall clearly contain the words "Paid Political Advertisement", "Paid Political Ad", "Paid for by", "Sponsored by", or "Furnished by" the true sponsor of the advertisement.

(B) Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer.

(b)(1) Printed campaign materials as defined in 7 CAR § 6-101(6), shall clearly contain the words "Paid for by" followed by the name of the candidate, committee, or person who paid for the:

(A) Campaign sign;

(B) Campaign literature; or

(C) Other printed campaign materials.

(2) Subdivision (b)(1) of this section applies only to campaign signs, campaign literature, and other printed campaign materials created by or sponsored by:

(A) A political candidate;

(B) The campaign of a political candidate;

(C) A political action committee; ~~or~~

(D) An independent expenditure committee~~.~~; or

(E) Persons making independent expenditures.

(3) When the printed campaign material is a two-sided sign, the "Paid for by" language required by this subsection shall appear on both sides of the sign.

**7 CAR § 6-106. Penalties.**

(a) If the Arkansas Ethics Commission finds that a person or an independent expenditure committee has committed a violation of Arkansas Code § 7-6-220, § 7-6-227, or both, then it may do one (1) or more of the following:

(1) Impose a fine of not less than fifty dollars ($50.00) and not more than three thousand five hundred dollars ($3,500); or

(2) Issue a public letter of:

(A) Caution;

(B) Warning; or

(C) Reprimand.

(b) In addition, a committee failing to file an amendment within ten (10) days as required by 7 CAR § 6-102(c) shall be subject to a late filing fee of ten dollars ($10.00) for each day the change is not filed.

**7 CAR § 6-107. Records retention.**

(a)(1) An independent expenditure committee required to comply with the registration requirements of 7 CAR § 6-102 shall maintain for a period of four (4) years records evidencing the name, address, and place of employment of each person that contributed to the independent expenditure committee, along with the amount contributed.

(2) Such a committee shall also maintain for a period of four (4) years records evidencing each independent expenditure made by the committee, along with the amount of each expenditure.

(b) A person required to comply with the reporting requirements of 7 CAR § 6-103 shall maintain for a period of four (4) years records evidencing each independent expenditure made by the person, along with the amount of each expenditure.

(c) An independent expenditure committee or a person making independent expenditures shall keep records of all contributions and expenditures in a manner sufficient to evidence compliance with Arkansas Code § 7-6-201 et seq.

**7 CAR § 6-108. Administrative expenses of independent expenditure committees.**

It is permissible for an independent expenditure committee to pay reasonable administrative expenses out of the contributions it has received.

State of Arkansas *As Engrossed: S3/5/25*
95th General Assembly **A Bill**
Regular Session, 2025 SENATE BILL 351

By: Senator J. Dismang
By: Representative Eaves

## For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING ETHICS AND CAMPAIGN FINANCE; TO AMEND PORTIONS OF INITIATED ACT 1 OF 1990; TO AMEND PORTIONS OF INITIATED ACT 1 OF 1996; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND THE LAW CONCERNING ETHICS AND CAMPAIGN FINANCE; TO AMEND PORTIONS OF INITIATED ACT 1 OF 1990; AND TO AMEND PORTIONS OF INITIATED ACT 1 OF 1996.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 7-6-203(a)(1), concerning a candidate's acceptance of campaign contributions and resulting from Initiated Act 1 of 1996, is amended to add an additional subdivision to read as follows:

(C) It shall be unlawful for a prospective contributor other than those under subdivisions (a)(1)(A)(i)-(vi) of this section to make a contribution to:

(i) A candidate for public office; or

(ii) A person acting on the candidate's behalf.

SECTION 2. Arkansas Code § 7-6-203(f)(4)(A)(iii), concerning a candidate's acceptance of campaign funds as personal income and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(iii) If a candidate or officeholder is assessed a fine by the Arkansas Ethics Commission under § 7-6-218(b)(4)(B) for the use

of campaign funds as personal income, a candidate or officeholder shall not use campaign funds or ~~carryover~~ remaining campaign funds to pay the fine.

SECTION 3. Arkansas Code § 7-6-203(g)(2)(E), concerning a candidate's acceptance of campaign funds as personal income and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(E) If a candidate or officeholder uses campaign funds or ~~carryover~~ remaining campaign funds to pay a fine imposed by the Arkansas Ethics Commission under § 7-6-218(b)(4)(B) for the use of campaign funds as personal income, the candidate or officeholder shall be deemed to have taken campaign funds as personal income.

SECTION 4. Arkansas Code § 7-6-206(a), concerning records of contributions and expenditures for campaign finance, is amended to read as follows:

(a) A candidate, ~~a political party, or~~ a person acting in the candidate's behalf, a political party, a county political party committee, a political action committee, an independent expenditure committee, or a person making independent expenditures shall keep records of all contributions and expenditures in a manner sufficient to evidence compliance with ~~§§ 7-6-207 – 7-6-210~~ § 7-6-201 et seq.

SECTION *5*. Arkansas Code § 7-6-207(a)(1)(F), concerning records of contributions and expenditures for campaign finance and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(F)(i) If a candidate keeps remaining campaign funds after an election, but does not have any activity before the end of the year, the candidate shall not be required to file a fourth quarter report.

(ii) If a candidate keeps remaining campaign funds ~~and~~ or raises campaign funds for a future campaign, or expends campaign funds for office holder expenses or a future election, the candidate shall continue filing the reports required by this subsection.

(iii) If a candidate keeps remaining campaign funds after an election, the candidate shall continue filing the reports required by this subsection.

SECTION *6*. Arkansas Code § 7-6-207(b)(2)(B), concerning records of contributions and expenditures for campaign finance and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(B) If a candidate's campaign has ended and the candidate is retaining remaining campaign funds, the final report shall also indicate the amount of funds retained by the candidate ~~in accordance with § 7-6-201(3) [repealed]~~ as remaining campaign funds.

SECTION *7*. Arkansas Code § 7-6-208(b)(2)(A), concerning reports of contributions for candidates for school district, township, or municipal office and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(2)(A) When the candidate's campaign has ended, the final report shall also indicate which option under § 7-6-203(g) was used to dispose of any surplus of campaign funds, the amount of funds disposed of by the candidate, and the amount of funds retained by the candidate ~~in accordance with § 7-6-201(3) [repealed]~~ as remaining campaign funds.

SECTION *8*. Arkansas Code § 7-6-209(b)(2)(A), concerning reports of contributions for candidates for county offices and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(2)(A) When the candidate's campaign has ended, the final report shall also indicate which option under § 7-6-203(g) was used to dispose of any surplus of campaign funds, the amount of funds disposed of by the candidate, and the amount of funds retained by the candidate ~~in accordance with § 7-6-201(3) [repealed]~~ as remaining campaign funds.

SECTION *9*. Arkansas Code § 7-6-215(d)(6), concerning registration and reporting by approved political action committees and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(6)(A) ~~A political action committee shall indicate on its quarterly report for the fourth quarter of each calendar year whether or not it intends to terminate its registration for the next calendar year.~~

~~(B) If a quarterly report for the fourth quarter is filed in paper form, the form utilized by the Secretary of State for filing shall require the political action committee to indicate whether or not it intends~~

~~to terminate its registration for the next calendar year.~~

~~(C)~~ If the Secretary of State offers electronic filing of political action committee reports, the format used by the Secretary of State for the filing of political action committee reports in electronic form shall require a political action committee indicating that it intends to terminate its registration for the next calendar year to terminate its registration for the next calendar year before submitting its quarterly report for the fourth quarter.

~~(D)~~(B) If a political action committee does not file any quarterly reports for a period of two (2) years, the Secretary of State shall terminate the political action committee's registration due to inactivity.

SECTION *10*. Arkansas Code § 7-6-216(c), concerning registration and reports by exploratory committees and resulting from Initiated Act 1 of 1990, is amended to read as follows:

(c) ~~Within thirty (30) days of the end of each month,~~ No later than twenty (20) days after the end of each month, an exploratory committee shall file a report with the appropriate filing office indicating:

(1) The total amount of contributions received during the filing period;

(2) The name and address of each person who has made a contribution which, in the aggregate, exceeds two hundred dollars ($200), along with the contributor's principal place of business, employer, occupation, and the amount contributed; and

(3) The total amount of expenditures made and, for each single expenditure that exceeds one hundred dollars ($100), an itemization, including the amount of the expenditure, the name and address of the person to whom the expenditure was made, and the date the expenditure was made.

SECTION *11*. Arkansas Code § 7-6-220(a)(1)(B), concerning the report of independent expenditures and resulting from Initiated Act 1 of 1996, is amended to read as follows:

(B) Each subsequent report shall be filed no later than ~~fifteen (15)~~ twenty (20) days after the end of each month until the election is held, except as required in subdivision (a)(1)(C) of this section.

SECTION *12*. Arkansas Code § 7-6-227(a)(1)(A), concerning registration by an independent expenditure committee, is amended to read as follows:

(a)(1)(A) An independent expenditure committee shall register with the Secretary of State within fifteen (15) days after accepting contributions or making independent expenditures that exceed ~~five hundred dollars ($500)~~ two hundred dollars ($200) in the aggregate during a calendar year.

SECTION *13*. Arkansas Code § 7-6-228(c)(2), concerning campaign signs and campaign materials, is amended to read as follows:

(2) Subdivision (c)(1)(A) of this section applies only to campaign signs, campaign literature, and other printed campaign materials created by or sponsored by a political candidate, the campaign of a political candidate, a political action committee, ~~or~~ an independent expenditure committee, or persons making independent expenditures.

SECTION *14*. Arkansas Code § 7-9-402(2)(B), concerning the definition of "ballot question committee" as it relates to matters referred to voters, is amended to read as follows:

(B) A person other than an individual or an approved political action committee as defined in § 7-6-201, located within or outside Arkansas, also qualifies as a ballot question committee if an amount equal to two percent (2%) or more of its annual revenues, operating expenses, or funds ~~are~~ for the most recently completed year is used to make a contribution or contributions to another ballot question committee and if the contribution or contributions exceed ten thousand dollars ($10,000) in value;

SECTION *15*. Arkansas Code § 7-9-402(10)(B), concerning the definition of "legislative question committee" as it relates to matters referred to voters, is amended to read as follows:

(B) A person other than an individual or an approved political action committee as defined in § 7-6-201, located within or outside Arkansas, also qualifies as a legislative question committee if an amount equal to two percent (2%) or more of its annual revenues, operating expenses, or funds ~~are~~ for the most recently completed year is used to make a contribution or contributions to another legislative question committee and if the contribution or contributions exceed ten thousand dollars ($10,000) in

value;

SECTION *16*. Arkansas Code § 7-9-409(a)(3), concerning time for filing financial reports for matters referred to voters, is amended to read as follows:

(3)(A) ~~Furthermore, a~~ A final financial report shall be filed no later than thirty (30) days after the election.

(B) If a ballot question fails to qualify for the ballot or is disqualified, the final financial report required under subdivision (a)(3)(A) of this section shall be filed no later than thirty (30) days after the end of the month in which the ballot question fails to qualify for the ballot or is disqualified.

SECTION *17*. Arkansas Code Title 7, Chapter 9, Subchapter 4, is amended to add an additional section to read as follows:

7-9-416. Contributions and expenditures for campaign signs, campaign literature, and printed campaign materials.

(a) A ballot question committee, a legislative question committee, an individual person, or an elected official who receives contributions or makes expenditures to support or oppose a ballot question or legislative question:

(1) May reuse the campaign signs, campaign literature, and other printed campaign materials in future initiative campaigns that have been properly reported in a previous campaign by that committee, individual person, or elected official; and

(2) Is not required to list the campaign signs, campaign literature, and other printed campaign materials under subdivision (a)(1) of this section in future reports filed under this subchapter.

(b)(1) Campaign signs, campaign literature, and other printed campaign materials under subsection (a) of this section shall clearly contain the words “Paid for by” followed by the name of the committee, individual person, or elected official who paid for the campaign sign, campaign literature, or other printed campaign materials.

(2) The ballot question committee, legislative question committee, individual person, or elected official printing the campaign sign, campaign literature, or other printed campaign materials shall be responsible for including the language required under subdivision (b)(1) of this section.

SECTION *18*. Arkansas Code § 21-8-703(a), concerning the place and manner for filing a statement of financial interest, is amended to add an additional subdivision to read as follows:

(7) Executive directors of education service cooperatives required to file shall file with the county clerk.

*/s/J. Dismang*

**APPROVED: 4/14/25**

State of Arkansas *As Engrossed: H4/3/25 S4/9/25*
95th General Assembly **A Bill**
Regular Session, 2025 HOUSE BILL 1837

By: Representative McAlindon
*By: Senator K. Hammer*

## For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING DISCLOSURE FOR MATTERS REFERRED TO VOTERS; TO BAN FOREIGN FUNDING FOR BALLOT MEASURES; TO AMEND PORTIONS OF THE ARKANSAS CODE THAT RESULTED FROM INITIATED ACT 1 OF 1996; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND THE LAW CONCERNING DISCLOSURE FOR MATTERS REFERRED TO VOTERS; AND TO BAN FOREIGN FUNDING FOR BALLOT MEASURES; TO AMEND PORTIONS OF THE ARKANSAS CODE THAT RESULTED FROM INITIATED ACT 1 OF 1996.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

The General Assembly finds that:

(1) It is vital to the operation of an effective democracy for the people to have full and complete confidence in their elections;

(2) It is crucial that those elections be free of unwanted foreign influence; and

(3) It is the intent of the General Assembly to prevent foreign contributions from influencing the outcome of Arkansas elections.

SECTION 2. Arkansas Code § 7-6-201, concerning definitions for campaign financing, resulting from Initiated Act 1 of 1996, is amended to add

an additional subdivision to read as follows:

(19) "Prohibited sources" means the same as defined in § 7-9-402.

SECTION 3. Arkansas Code § 7-6-220(b), concerning contents of the report for independent expenditures in campaign financing and resulting from Initiated Act 1 of 1996, is amended to add an additional subdivision to read as follows:

(5) An affirmation by the individual, committee, or entity making the independent expenditure that the individual, committee, or entity has not knowingly or willfully accepted *donations* in excess of ten thousand dollars ($10,000) in the aggregate from one (1) or more prohibited sources within the four-year period immediately preceding the date the independent expenditure was made.

SECTION 4. Arkansas Code § 7-9-402, concerning definitions for disclosure matters referred to voters, is amended to add additional subdivisions to read as follows:

(13) "Directly or indirectly" means acting either alone or jointly with, through, or on behalf of any other:

(A) Ballot question committee;

(B) Legislative question committee;

(C) Political action committee;

(D) Organization;

(E) Person; or

(F) Other entity;

(14) "Foreign national" means:

(A) An individual who is not a citizen or lawful permanent resident of the United States;

(B) A government or subdivision of a foreign country; or

(C) A foreign political party;

(D) An entity, including without limitation a partnership, association, corporation, organization, or other combination of persons, that is organized under the laws of, or has its principal place of business in, a foreign country; or

(E) A partnership, association, corporation, or

organization, which is wholly or majority owned by a foreign national, unless:

(i) A contribution or expenditure the entity makes derives entirely from funds generated by the entity's operations; and

(ii) All decisions concerning the contribution or expenditure are made by individuals who are United States citizens or permanent residents, except for setting overall budget amounts;

(15) "Independent expenditure" means the same as defined in § 7-6-201;

(16) "Preliminary activity" includes:

(A) Conducting a poll;

(B) Drafting ballot question language;

(C) Drafting legislative question language;

(D) Conducting a focus group;

(E) Conducting telephone calls; or

(F) Traveling in connection with a ballot question or legislative question activity;

(17) "Prohibited sources" includes:

(A) A prohibited political action committee as defined in § 7-6-201;

(B) A political action committee that accepts one (1) or more contributions from a foreign national;

(C) An organization that is funded by a political action committee that accepts one (1) or more contributions from a foreign national;

(D) Contributions from or expenditures by a foreign national; and

(E) Contributions or expenditures that violate state or federal law; and

(18)(A) "Tax-exempt organization" means an organization that qualifies as exempt from federal income tax under § 501(c) of the Internal Revenue Code of 1986, as it existed on January 1, 2025.

(B) This subchapter shall not be construed to treat a political organization under § 527 of the Internal Revenue Code of 1986, as it existed on January 1, 2025, as a tax-exempt organization for purposes of this subchapter.

SECTION 5. Arkansas Code § 7-9-407(2), concerning the information contained in financial reports submitted by a ballot question committee or a legislative question committee, is amended to add an additional subdivision to read as follows:

(E) For a ballot question committee as defined under § 7-9-402(2) or a legislative question committee as defined in § 7-9-402(10):

(i) An affirmation that the ballot question committee or legislative question committee has not knowingly or willfully received, solicited, or accepted contributions or expenditures from a prohibited source; and

(ii) An affirmation by the treasurer of the ballot question committee or legislative question committee that *to the best of the treasurer's knowledge the donor* associated with each contribution is not a foreign national and has not knowingly or willfully received, solicited, or accepted, whether directly or indirectly, contributions or expenditures from one (1) or more prohibited sources in excess of ten thousand dollars ($10,000) in the aggregate within the four-year period immediately preceding the date of the contribution;

SECTION 6. Arkansas Code Title 7, Chapter 9, Subchapter 4, is amended to add additional sections to read as follows:

7-9-416. Prohibited sources of funding.

(a) Upon registering as a ballot question committee or legislative question committee, the treasurer of the committee shall file an accompanying certification that no preliminary activity was directly funded by prohibited sources, whether directly or indirectly.

(b) After the ballot question committee or legislative question committee has been registered, the committee shall not knowingly or willfully receive, solicit, or accept contributions or expenditures from a prohibited source, whether directly or indirectly.

(c) A person who makes an independent expenditure in support of or in opposition to a ballot question committee or legislative question committee in excess of ten thousand dollars ($10,000) in the aggregate shall keep records of any contribution or expenditure and retain such records as prescribed under § 7-9-410 from the date of receipt of the contribution or expenditure.

7-9-417. Donor certification of no affiliation with prohibited sources.

(a) Upon receipt of a contribution in excess of ten thousand dollars ($10,000) to a ballot question committee or legislative question committee, the treasurer of the ballot question committee or legislative question committee shall obtain from the donor associated with a contribution in excess of ten thousand dollars ($10,000) in the aggregate an affirmation that the donor:

(1) Is not a foreign national; and

(2) Has not knowingly or willfully accepted *donations* in excess of ten thousand dollars ($10,000) in the aggregate from one (1) or more prohibited sources within the four-year period immediately preceding the date the contribution is made.

(b) An individual, committee, or entity making one (1) or more independent *expenditures in excess of ten thousand dollars ($10,000)* supporting or opposing a ballot question or legislative question shall certify to the Attorney General that the individual, committee, or entity has not knowingly or willfully accepted *donations* in excess of ten thousand dollars ($10,000) in the aggregate from one (1) or more prohibited sources within the four-year period immediately preceding the date the independent expenditure is made and that it will not do so through the remainder of the calendar year in which the ballot question or legislative question will appear on the ballot.

7-9-418. Prohibited influence by a foreign national.

(a) A foreign national shall not direct, dictate, control, or directly or indirectly participate in the decision-making process of any person with regard to that person's activities to influence a ballot question or legislative question, including without limitation decisions concerning the making of contributions or expenditures to influence a ballot question or legislative question.

(b) A foreign national shall not solicit, directly or indirectly, the making of a donation, contribution, or expenditure by another person to influence a ballot question or legislative question.

(c) Nothing in this subchapter shall create or eliminate any existing

donor disclosure rights or duties beyond those specifically stated in §§ 7-9-416 — 7-9-420.

7-9-419. Enforcement for violations of ban on foreign funding for ballot questions and legislative questions.

(a)(1) The Attorney General may bring a civil action to enforce §§ 7-9-416 — 7-9-420.

(2) An individual, committee, or entity alleged to have violated any provision under §§ 7-9-416 — 7-9-420 shall be provided a full opportunity of notice, discovery, and an opportunity to be heard before being found liable for a violation of any provision under §§ 7-9-416 — 7-9-420.

(b) If the Attorney General prevails in an action brought under § 7-9-419(a), the court shall award:

(1) Injunctive relief sufficient to prevent the defendant from violating this subchapter or engaging in acts that aid or abet violations of any provision under §§ 7-9-416 — 7-9-420; and

(2) Statutory damages up to twice the amount of the prohibited contribution or expenditure.

(c) In addition to the penalties in this section and any other remedies provided by law, if the court finds the defendant knowingly or willfully violated any provision under §§ 7-9-416 — 7-9-420, the court may assess a penalty of up to three (3) times the statutory damages.

7-9-420. Restrictions on collection and release of donor information.

(a)(1) A lawful donor to a tax-exempt organization possesses a right of privacy in the lawful donor's donations.

(2) An investigation of an alleged violation of any provision under §§ 7-9-416 — 7-9-420 or a lawful court order in an action brought under § 7-9-419(a) shall occur in a manner that shields the identity of lawful donors to the extent possible.

(3) A governmental body shall not collect or require the submission of information on the identity of any donor to a tax-exempt organization other than those directly related to an alleged violation of §§ 7-9-416 — 7-9-420.

(4) Any collection or required submission of information by any governmental body regarding the identity of any donor to a tax-exempt

organization beyond that permitted by any provision under §§ 7-9-416 — 7-9-420 shall be deemed a violation of the Personal Information Protection Act, § 4-110-101 et seq.

(b)(1) A governmental body shall not disclose to the public or another government official not directly involved in the investigation, information revealing the identity of any donor to a tax-exempt organization, unless the information is regarding the identity of a donor that engaged in conduct prohibited by any provision under §§ 7-9-416 — 7-9-420 after a final determination has been made that the donor violated any provision under §§ 7-9-416 — *7-9-420 or if the tax-exempt organization has triggered registration and reporting as a ballot question committee or a legislative question committee under this subchapter.*

(2) Knowing or willful violations of this subsection shall be punishable under the Personal Information Protection Act, § 4-110-101 et seq.

(3) Any public disclosure of information revealing the identity of any donor to a tax-exempt organization by a governmental body incident to this section is a violation of the Personal Information Protection Act, § 4-110-101 et seq., unless the information is regarding the identity of a donor that engaged in conduct prohibited by any provision under §§ 7-9-416 — 7-9-420 after a final determination has been made that the donor violated any provision under §§ 7-9-416 — 7-9-420.

*/s/McAlindon*

**APPROVED: 4/22/25**