

# H.F. 2337

First engrossment

**Subject Electioneering Communications** 

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## **Overview**

This bill establishes a system of campaign finance reporting for "electioneering communications." In general, an "electioneering communication" is an advertisement broadcast on TV or radio that refers to a clearly identified candidate for state office; is distributed within 60 days before a general election or 30 days before a primary election for an office sought by that candidate; and is targeted to the relevant electorate (the voters in the district the candidate seeks to represent). These types of advertisements are commonly referred to as "issue ads" because they don't expressly advocate for or against the election or defeat of a candidate.

The basic reporting structure established in this bill closely tracks that which applies to elections for federal office, with certain adaptations to reflect its applicability to candidates for state office, rather than candidates for federal office.

## Summary

### **Section Description**

#### 1 Permitted disbursements.

Authorizes independent expenditure political committees and funds, and ballot question political committees and funds, to make disbursements for electioneering communications.

#### 2 Pre-election reports.

Updates a deadline for a reporting entity to submit an electronic pre-election report to the Campaign Finance and Public Disclosure Board to require the report to be sent by the end of the next business day after receipt of the loan or contribution requiring the report. This deadline aligns with the deadline that applies to in-person submissions of the report.

## **Section Description**

## 3 Failure to file; late fees; penalty.

Restructures and expands the penalties and late fees that may be assessed by the Campaign Finance and Public Disclosure Board against an individual or association that fails to file timely reports, including enhanced fees and penalties that may be charged against individuals and associations that receive or expend more than \$25,000 during the reporting period.

In addition to the reports required by existing law, these fees and penalties would also apply to the electioneering communication reports newly required by this bill.

#### 4 Electioneering communications; definitions.

Provides definitions for a series of key terms and phrases that are used in the bill to determine whether an expenditure qualifies for reporting as an electioneering communication.

## 5 Electioneering communication; reporting requirements.

Establishes a timeline and content requirements for reports to the Campaign Finance and Public Disclosure Board related to electioneering communications. In general, a report is required after a person makes an expenditure that, in aggregate, exceeds \$10,000 in a calendar year. The report would be due no later than 11:59 p.m. on the day following the disclosure date. Political committees that make an electioneering communication must report those communications as a campaign expenditure or independent expenditure.

This section specifies a variety of items that must be included in the report, and requires persons making electioneering communications to keep records as necessary to comply with those requirements.

#### 6 Voluntary inactive status; political funds.

Provides conforming references to the new electioneering communications reporting structure, in the existing law governing when an association can elect to be placed on voluntary inactive status by the Campaign Finance and Public Disclosure Board.

## 7 Independent expenditures and electioneering communications.

Prohibits the principal campaign committee of a candidate from making disbursements for electioneering communications.

#### 8 Effective date.

Provides a January 1, 2024, effective date for the bill.



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