$\mathbf{B}\mathbf{y}$ the Committee on Ethics and Elections; and Senators Constantine and Smith

313-1107-03

A bill to be entitled 1 2 An act relating to elections; providing a short title; amending s. 106.011, F.S.; redefining 3 4 the term "communications media"; amending s. 5 106.11, F.S.; extending the time for unopposed 6 candidates to purchase "thank you" advertising; 7 amending s. 106.141, F.S.; extending the date for unopposed candidates to file a termination 8 9 report, to conform; amending s. 106.1437, F.S.; modifying reporting requirements for 10 miscellaneous advertisements intended to 11 12 influence public policy; prescribing prohibitions and exemptions; prescribing 13 penalties; providing for severability; 14 15 providing an effective date. 16 17 Be It Enacted by the Legislature of the State of Florida: 18 19 Section 1. This act may be cited as the "Florida 20 Advertising Campaign Exposure Act." Section 2. Subsection (13) of section 106.011, Florida 21 22 Statutes, is amended to read: 23 106.011 Definitions.--As used in this chapter, the 24 following terms have the following meanings unless the context 25 clearly indicates otherwise: (13) "Communications media" means broadcasting 26 27 stations, newspapers, magazines, outdoor advertising 28 facilities, printers, direct mailing companies, advertising 29 agencies, the internet, and telephone companies; but with 30 respect to telephones, an expenditure shall be deemed to be an

expenditure for the use of communications media only if made 1

CODING: Words stricken are deletions; words underlined are additions.

for the costs of telephones, paid telephonists, or automatic telephone equipment to be used by a candidate or a political committee to communicate with potential voters but excluding any costs of telephones incurred by a volunteer for use of telephones by such volunteer.

Section 3. Subsection (5) of section 106.11, Florida Statutes, is amended to read:

106.11 Expenses of and expenditures by candidates and political committees.—Each candidate and each political committee which designates a primary campaign depository pursuant to s. 106.021(1) shall make expenditures from funds on deposit in such primary campaign depository only in the following manner, with the exception of expenditures made from petty cash funds provided by s. 106.12:

- (5) A candidate who withdraws his or her candidacy, becomes an unopposed candidate, or is eliminated as a candidate or elected to office may expend funds from the campaign account to:
- (a) Purchase "thank you" advertising for up to 75 days after he or she withdraws, becomes unopposed, or is eliminated or elected.
- (b) Pay for items which were obligated before he or she withdrew, became unopposed, or was eliminated or elected.
- (c) Pay for expenditures necessary to close down the campaign office and to prepare final campaign reports.
- (d) Dispose of surplus funds as provided in s. 106.141.

Section 4. Subsection (1) of section 106.141, Florida Statutes, is amended to read:

106.141 Disposition of surplus funds by candidates.--

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1 (1) Each candidate who withdraws his or her candidacy, becomes an unopposed candidate, or is eliminated as a 2 3 candidate, or is elected to office shall, no later than 90 days after such withdrawal, elimination, or election within 90 4 5 days, dispose of the funds on deposit in his or her campaign 6 account and file a report reflecting the disposition of all remaining funds. Such candidate shall not accept any 8 contributions, nor shall any person accept contributions on behalf of such candidate, after the candidate withdraws his or 9 10 her candidacy, becomes an unopposed candidate, or is 11 eliminated or elected. However, if a candidate receives a refund check after all surplus funds have been disposed of, 12 13 the check may be endorsed by the candidate and the refund disposed of under this section. An amended report must be 14 filed showing the refund and subsequent disposition. 15 Section 5. Section 106.1437, Florida Statutes, is 16 17 amended to read: 106.1437 Miscellaneous advertisements.--18 19 (1) As used in this section, the term: 20 (a) "Electioneering advertisement" means a paid 21 expression in any communications media prescribed in s. 106.011(13) published on the day of any election or any of the 22 the preceding 29 days which names or depicts a candidate for 23 24 office in that election or which references a clearly 25 identifiable ballot measure in that election. Any advertisement that qualifies as an independent expenditure 26 27 pursuant to s. 106.011(5) or a political advertisement 28 pursuant to s. 106.011(17) is not an electioneering 29 advertisement for purposes of this section. However, the term 30 does not include:

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- 1. A statement or depiction by an organization, in existence prior to the time during which the candidate named or depicted qualifies or the issue clearly-referenced is placed on the ballot for that election, made in that organization's newsletter, which newsletter is distributed only to members of that organization.
- 2. An editorial endorsement by any newspaper, radio, or television station or other recognized news medium.
 - (b) "Contribution" means:
- 1. A gift, subscription, conveyance, deposit, loan, payment, or distribution of money or anything of value, including contributions in kind having an attributable monetary value in any form, made for the purpose of funding or sponsoring an electioneering advertisement.
- 2. A transfer of funds between a political committee or a committee or continuous existence and a person funding or sponsoring an electioneering advertisement.
- 3. The payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to a person funding or sponsoring an electioneering advertisement.
- (c) "Expenditure" means a purchase, payment, distribution, loan, advance, or gift of money or anything of value made for the purpose of funding or sponsoring an electioneering advertisement. However, the term does not include a purchase, payment, distribution, loan, advance, or gift of money or anything of value made for the purpose of funding or sponsoring an electioneering advertisement when made by an organization, in existence prior to the time during which a candidate qualifies or a ballot measure is placed on the ballot for that election, for the purpose of printing or

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distributing such organization's newsletter, containing a statement by such organization in support of or opposition to a candidate or ballot measure, which newsletter is distributed only to members of such organization.

- electioneering advertisement must file regular reports of all contributions received and all expenditures made by such person with the same officer as a political committee supporting or opposing the candidate named or depicted or the ballot measure referenced in the advertisement. Such reports must contain the same information and are subject to the same filing requirements as reports required under s. 106.07 for candidates not receiving public financing.
- (3)(a) If the initial publication of the electioneering advertisement occurs after the final regular report is due under subsection (2) but prior to the closing of the polls on election day, the person funding or sponsoring the advertisement must file a report electronically with the division no later than 1 hour after the initial publication of the advertisement. The report must contain the same information as required of a candidate by s. 106.07(4). Upon receipt of the filing, the division shall electronically transmit a confirmation of receipt to the person filing the report. If the person is unable to file electronically for any reason, a written report containing the required information may be faxed or hand delivered to the division no later than 1 hour after the initial publication of the advertisement. However, if a report due to be filed under this paragraph on a Saturday, Sunday, or legal holiday cannot be electronically filed because of problems with Internet communications, the report must be filed either electronically, by facsimile, or

 by hand delivery with the division no later than 10 a.m. on the next business day.

- (b) The division shall adopt rules providing for electronic filing which must, at a minimum, provide that:
- 1. The division develop an electronic filing system using the Internet or other on-line technologies; and
- 2. The system be reasonably secure and be designed to elicit the name, address, birthdate, and any other information necessary to authenticate the identity of the person submitting the report.
- (c) Information filed with the division pursuant to this subsection must also be included on the next regular report required under subsection (2).
- (4)(a) The following persons shall be responsible for filing the reports required in subsections (2) and (3), shall certify as to the correctness of each report, and shall bear the responsibility for the accuracy and veracity of each report:
- 1. The candidate and his or her campaign treasurer, if the person funding or sponsoring the electioneering advertisement is a candidate.
- 2. The committee chair and treasurer of the committee, if the person funding or sponsoring the electioneering advertisement is a political committee, committee of continuous existence, or executive committee of a political party;
- 3. The individual, if the person funding or sponsoring the electioneering advertisement is a natural person who is not a candidate; or
- 4. An individual designated by the organization, if the person funding or sponsoring the electioneering

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advertisement is a group other than a political committee,
    committee of continuous existence, or executive committee of a
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    political party. The name, address, and title of the
    designated individual must be filed with the division in
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    writing prior to, or contemporaneous with, the filing of the
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    initial report.
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    Such a person is liable for violations of report filing
    requirements to the same extent as candidates pursuant to ss.
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    106.07(5), 106.19, and 106.265.
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          (b) In addition to the penalties prescribed in
    paragraph (a), the person funding or sponsoring an
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    electioneering advertisement and the person responsible for
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    reporting pursuant to this subsection shall be jointly and
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    severally liable for late filing fines assessed by the Florida
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    Elections Commission pursuant to s. 106.07(8). Any such person
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    may appeal or dispute the fine in accordance with the
   provisions of s. 106.07(8)(c).
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          (5)(a) Any electioneering advertisement must
    prominently state, "Paid advertisement paid for or sponsored
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    by ... (Name of person funding or sponsoring the
    electioneering advertisement)..., " followed by the address of
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    the person funding or sponsoring the advertisement.
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              The Florida Elections Commission is authorized
    upon finding a violation of this subsection to impose a civil
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    penalty in the form of fines not to exceed $5,000 or the total
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    cost of the advertisements without the proper disclaimer,
    whichever is greater. In determining the amount of the
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   penalty, the commission must consider any mitigating or
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    aggravating circumstances prescribed in s. 106.265. This
   penalty shall substitute for the penalties provided in s.
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106.265, shall be deposited into the General Revenue Fund of the state, and, if necessary, shall be collected pursuant to 2. 3 s. 106.265(2). 4 (6) A person may not make a contribution through or in 5 the name of another, directly or indirectly, for the purpose 6 of funding an electioneering advertisement. Any advertisement, 7 other than a political advertisement, on billboards, bumper stickers, radio, or television, or in a newspaper, a magazine, 8 9 or a periodical, intended to influence public policy or the 10 vote of a public official, shall clearly designate the sponsor of such advertisement by including a clearly readable 11 12 statement of sponsorship. If the advertisement is broadcast 13 on television, the advertisement shall also contain a verbal 14 statement of sponsorship. This section shall not apply to an 15 editorial endorsement. Section 6. If any provision of this act or its 16 17 application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of 18 19 the act which can be given effect without the invalid provision or application, and to this end the provisions of 20 21 this act are severable. 22 Section 7. This act shall take effect January 1, 2004. 23 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR 24 Senate Bill 114 25 26 27 The Committee Substitute differs from the original bill in that it: extends the time for unopposed candidates to purchase "thank you" advertising and to file the final termination report on the disposition of surplus campaign 28 funds; creates certain exemptions to electioneering reporting and disclaimer requirements; adopts a prohibition against making indirect contributions to fund electioneering advertisements; titles the Act; and, makes technical 29 30 31 revisions.