

NEWSLETTER

New Oklahoma Campaign Finance Laws Go Into Effect in January; Include Changes for Federal PACs

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Earlier this year, the Oklahoma Ethics Commission, pursuant to its constitutional authority, revamped the state's campaign finance rules. Because the legislature took no action on the proposed rules, most of them will become effective on January 1, 2015. As many of these changes represent significant departures from the existing system, individuals and organizations involved in Oklahoma politics need to become familiar with the changes.

Starting January 1, Oklahoma will begin to assess contribution limits against individuals. Currently, contribution limits are assessed against families. When one spouse makes a contribution to a candidate, the contribution counts towards the family's contribution limit. Starting in January, individual spouses may each contribute the maximum allowable amounts to candidates (\$2,600 per election), political parties (\$10,000 per year), and political action committees (PACs) (\$5,000 per year). The limit on contributions to a candidate will be adjusted automatically every two years based on changes in the Consumer Price Index.

The rules also restrict "Limited PACs," which are political action committees that make contributions to candidates. Limited PACs may contribute up to \$5,000 to a candidate per election and \$10,000 to a political party per calendar year.

The Ethics Commission also updated the state's registration and reporting requirements in a way that eases the burdens on PACs involved in Oklahoma politics. For example, a PAC registered with the Federal Election Commission (FEC) that contributes to state

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candidates no longer has to register in Oklahoma or report its contributions to Oklahoma state candidates, provided the PAC reports the state-level contributions to the FEC and this information is available to the public. A PAC that is not registered with the FEC, but is registered in another state, must provide the Ethics Commission with written proof of its registration status before contributing to Oklahoma state candidates and must report its contributions to Oklahoma candidates to the Ethics Commission.

Finally, the Ethics Commission addressed the prevalence of social media and other new technologies in the conduct of campaigns. Individual use of a personal telephone, email, Internet social media, or similar electronic devices and services for campaign communications is classified as a volunteer activity and not a contribution. But a commercial entity's similar use of these devices and services is classified as an in-kind contribution.

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