



Oklahoma Ethics Commission Rule Amendment: 2021-01

1 **Modification and Repealer of Ethics Rules:** To modify Ethics  
2 Rules applicable to candidate committees formed for elections  
3 held prior to January 1, 2015 by providing a mandatory  
4 dissolution date, modifying uses of surplus funds and treatment  
5 of debt of those committees, and providing a repeal of Ethics  
6 Rules applicable to candidate committees formed for elections  
7 held prior to January 1, 2015.

8 **257:10-1-13. Required Reports of Contributions and**  
9 **Expenditures**

10 (a) **Periodic reports by all committees.**

11 (1) Except as provided in Paragraphs (2) ~~and (3)~~ of this  
12 subsection, the treasurer of each committee or, in the  
13 treasurer's absence, the deputy treasurer, ~~other than those~~  
14 ~~specified in Paragraph (3) of this subsection,~~ shall file  
15 quarterly reports of contributions and expenditures no later  
16 than January 31, April 30, July 31, and October 31, and include  
17 all contributions accepted and expenditures made as of December  
18 31, March 31, June 30, and September 30, respectively.

19 ~~Quarterly reporting periods may be extended to include the month~~  
20 ~~following the end of the quarter when filing a quarterly and~~  
21 ~~final report on the same form but shall be filed no later than~~  
22 ~~the due dates provided in this subsection. The first report~~  
23 ~~filed by a candidate committee shall be the next report due~~  
24 ~~following the filing of a statement of organization.~~

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1 (2) If a committee has accepted no contributions and has made  
2 no expenditures during a reporting period, the treasurer or, in  
3 the treasurer's absence, the deputy treasurer shall file a  
4 statement of inactivity.

5 ~~(3) The treasurer or, in the treasurer's absence, the deputy~~  
6 ~~treasurer of each committee supporting or opposing a ballot~~  
7 ~~measure, or supporting or opposing a candidate and a ballot~~  
8 ~~measure, shall file monthly reports of contributions accepted~~  
9 ~~and expenditures made no later than the tenth (10th) day of each~~  
10 ~~month and include all contributions and expenditures made the~~  
11 ~~previous month. The first report filed by such a committee~~  
12 ~~shall be the next report due following the filing of a statement~~  
13 ~~of organization.~~

14 ~~(b) Pre-election reports by all committees.~~

15 ~~(1) A committee shall file a pre-election report for each~~  
16 ~~primary, runoff primary and general election held pursuant to~~  
17 ~~Sections 1-101, 1-102 and 1-103 of Title 26 of the Oklahoma~~  
18 ~~Statutes and for any special election, including a special~~  
19 ~~primary election, if any, for which a registered committee~~  
20 ~~accepts a contribution or makes an expenditure in support of or~~  
21 ~~in opposition to a candidate for office in that election cycle~~  
22 ~~or a ballot measure on the ballot in that election.~~

23 ~~(2) A pre-election report shall be filed no later than eight~~

24 ~~(8) days and no earlier than fourteen (14) days before an~~

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1 ~~election. This pre-election report shall include information for~~  
2 ~~all transactions made since the end of the last reporting period~~  
3 ~~through fifteen (15) days before the date of the election. In~~  
4 ~~the event that the pre-election report filed prior to the~~  
5 ~~Primary is due before the previous quarterly report, the report~~  
6 ~~filed prior to the Primary shall include information for all~~  
7 ~~transactions made for the previous quarter through a period~~  
8 ~~fifteen (15) days before the date of the election.~~

9 ~~(3) The pre-election report filed prior to the Primary in an~~  
10 ~~election year shall cover a reporting period beginning April 1~~  
11 ~~and ending the fifteenth day prior to the Primary. The pre-~~  
12 ~~election reports filed prior to the Primary, Runoff Primary and~~  
13 ~~General Elections shall substitute for the quarterly report due~~  
14 ~~by July 31 and October 31 for a candidate committee during an~~  
15 ~~election year of the candidate or a committee supporting or~~  
16 ~~opposing only candidates in an election cycle.~~

17 ~~(4) The first quarterly report due after a General Election in~~  
18 ~~which a committee supported or opposed candidates on the ballot~~  
19 ~~shall cover a period beginning with the first day following the~~  
20 ~~end of the reporting period of the pre-election report for the~~  
21 ~~General Election and end with the last day of the quarter.~~

22 ~~(c) Exemptions~~

23 ~~(1) Federal committees. Committees registered under the laws~~  
24 ~~of the United States, who contribute more than \$500 in the~~

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1 ~~aggregate or make expenditures exceeding \$500 in the aggregate~~  
2 ~~in support of or in opposition to a candidate for state office~~  
3 ~~in an election cycle, in filing the reports prescribed by this~~  
4 ~~chapter, may disclose only contributions from Oklahoma residents~~  
5 ~~or contributions to Oklahoma state campaigns for the period~~  
6 ~~prior to and reporting periods following the period during which~~  
7 ~~the contribution to a state candidate for state office was made.~~

8 ~~(2) **Out-of-state** committees. An out-of-state committee shall~~  
9 ~~report contributions accepted on a last-in-first-out basis in an~~  
10 ~~amount which equals or exceeds the amount of expenditures made~~  
11 ~~in this state with respect to elections governed by this~~  
12 ~~chapter. Such a committee shall also report all contributions~~  
13 ~~from Oklahoma contributors within the twelve month period~~  
14 ~~preceding the last date of the reporting period.~~

15 ~~(3) **Exemption for candidate committees with minimal activity.**~~

16 ~~A candidate committee which does not accept contributions~~  
17 ~~exceeding \$500 in the aggregate may file an affidavit with the~~  
18 ~~Ethics Commission stating the committee will not accept~~  
19 ~~contributions or make expenditures exceeding \$500 in the~~  
20 ~~aggregate which shall exempt such candidate committee from~~  
21 ~~filing required reports. If the committee later determines it~~  
22 ~~will exceed the threshold, it shall file a statement of~~  
23 ~~organization within five (5) days following the activity and~~

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1 ~~file the next and all succeeding required reports until~~  
2 ~~dissolution.~~

3 ~~(4) Exemption for candidate committee with minimal calendar~~  
4 ~~year activity~~

5 ~~— (A) Statement of intent for minimal calendar year~~  
6 ~~activity. A statement of intent for minimal calendar year~~  
7 ~~activity may be filed by a candidate committee by April 30 of~~  
8 ~~any year for the same year, other than the year of the General~~  
9 ~~Election during which the office sought will be filled. The~~  
10 ~~statement of intent must include the name and address of the~~  
11 ~~candidate committee; the treasurer's name, address and telephone~~  
12 ~~number; and a statement that the committee does not intend to~~  
13 ~~accept contributions nor make expenditures exceeding \$500 during~~  
14 ~~the calendar year. It must be certified and signed by the~~  
15 ~~treasurer. If the committee later determines it has exceeded~~  
16 ~~\$500 in contributions or expenditures during the calendar year~~  
17 ~~for which the statement was filed, it shall file an amended~~  
18 ~~statement of organization within five (5) days of such time and~~  
19 ~~file the next and all succeeding required quarterly reports.~~

20 ~~— (B) Annual report. All required disclosure for which a~~  
21 ~~statement of intent for minimal calendar year activity is filed~~  
22 ~~must be reported for the calendar year period covered by the~~  
23 ~~statement of intent for minimal calendar year activity on a~~  
24 ~~campaign contributions and expenditures report and must be filed~~

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1 ~~between January 1 and 31 following the end of the calendar year~~  
2 ~~for which the statement was filed.~~

3 **257:10-1-18. Report Filing Requirements**

4 ~~(a) Reports may must be filed ~~on a form or~~ electronically~~  
5 ~~transmitted to with the Commission ~~office.~~~~

6 ~~(b) Except for a report submitted under Subsection (c) of this~~  
7 ~~section, a paper copy of a report filed shall be typed or~~  
8 ~~printed in black ink on forms supplied by the Commission, or on~~  
9 ~~legible direct reproductions of the forms.~~

10 ~~(c) A report may be filed with the Commission on a computerized~~  
11 ~~printout if the following requirements are satisfied:~~

12 ~~(1) the Commission reviews and approves the proposed format for~~  
13 ~~use by the committee before the format is used to file a report;~~

14 ~~(2) the printer used is of a double strike or laser quality;~~

15 ~~(3) individual sheets are separated; and~~

16 ~~(4) the Commission reviews and approves a proposed amendment to~~  
17 ~~the format for use by the committee before the amended format is~~  
18 ~~used to file a report.~~

19 **257:10-1-19. Dissolution Procedures**

20 (a) **Candidate committees.** A candidate committee is required to  
21 dissolve not later than December 31, 2021.~~may not dissolve~~  
22 ~~until:~~

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1 ~~(1) after a Primary Election, Special Primary or a Run-off~~  
2 ~~Primary Election in which the candidate who designated the~~  
3 ~~committee is elected or defeated;~~

4 ~~(2) after the General Election or Special General Election in~~  
5 ~~which such candidate's name appears on the ballot;~~

6 ~~(3) after the last day for filing a declaration of candidacy~~  
7 ~~for such candidate who is unopposed in the Primary, Run-off~~  
8 ~~Primary and General Election or Special Primary and Special~~  
9 ~~General Election;~~

10 ~~(4) after such candidate's name has been stricken from the~~  
11 ~~ballot pursuant to Section 5-127 of Title 26 of the Oklahoma~~  
12 ~~Statutes;~~

13 ~~(5) after withdrawal of such candidate's candidacy pursuant to~~  
14 ~~Sections 5-115 or 5-116 of Title 26 of the Oklahoma Statutes; or~~

15 ~~(6) after the committee determines that it will not accept~~  
16 ~~contributions or make expenditures.~~

17 (b) ~~Other committees.~~ A political action committee or a party  
18 committee may dissolve only after it determines that it will not  
19 accept contributions or make expenditures. A committee formed  
20 to support or oppose one or more related ballot measures shall  
21 not accept contributions or make expenditures toward a new  
22 unrelated ballot measure but may file a final report  
23 transferring surplus funds to a new committee formed for such

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1 ~~purpose which shall register and report as required by this~~  
2 ~~chapter.~~

3 ~~(e)~~ **Final report.** Upon dissolution, a committee shall file a  
4 final report. A final campaign contributions and expenditures  
5 report may be filed, ~~by paper form or electronically transmitted~~  
6 at the time or before a scheduled filing is due. ~~A final report~~  
7 ~~and a quarterly report may be filed on the same form or the~~  
8 ~~final report may be filed separately. A quarterly report,~~  
9 ~~designated as a final report, shall include contributions or~~  
10 ~~expenditures, if any, which occur from the end of the quarterly~~  
11 ~~reporting period until the time the report is filed without~~  
12 ~~changing the due dates of quarterly reports as provided in~~  
13 ~~Subsection (a) of Section 13 of this chapter. The form or~~  
14 ~~electronic transmittal must be marked or designated "final".~~

15 ~~(d)~~ (c) **Treatment of debt.** If a committee owes ~~or is owed~~  
16 money, the committee may dissolve, ~~but must report the status of~~  
17 ~~the debts on the same dates as campaign contributions and~~  
18 ~~expenditures reports would be due until all debts are resolved.~~  
19 ~~Methods of resolution must also be detailed. but the Final~~  
20 ~~Report of Contributions and Expenditures shall describe in~~  
21 ~~detail the resolution of the debt. Resolution of debt shall be~~  
22 ~~made in a commercially reasonable manner. Resolution of debt to~~  
23 ~~a corporation or to any other person for the purpose of evading~~  
24 ~~prohibitions or limitations of these Rules shall be considered a~~



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1 contribution to the committee in the amount of the forgiven  
2 debt.

3 ~~(e)~~ (d) **Committee assets.** Committee assets shall be disposed  
4 of according to Section 20 of this chapter before dissolution.

5 **257:10-1-20. Use of Campaign Contributions and Use of Surplus**  
6 **Funds**

7 (a) **Candidate committees.**

8 (1) **Use of campaign contributions.** Contributions accepted by a  
9 candidate committee may not be converted by any person to any  
10 personal use, ~~but shall be used, together with any interest~~  
11 ~~income earned on such contributions, to defray any campaign~~  
12 ~~expenditures or any ordinary and necessary nonreimbursed~~  
13 ~~expenses incurred by the person in connection with his duties as~~  
14 ~~a holder of the state office, including, but not limited to:~~

15 ~~— (A) payment of debts of a former election campaign of the~~  
16 ~~same candidate,~~

17 ~~— (B) payment of expenses for use in a future election~~  
18 ~~campaign of the same candidate,~~

19 ~~— (C) for political activity,~~

20 ~~— (D) for community activity,~~

21 ~~— (E) for nonreimbursed office related expenses, or~~

22 ~~— (F) for tickets for the Speaker's Ball.~~

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1        ~~Said contributions~~ and shall not be used ~~for any other~~  
2 ~~purposes~~ except as permitted in Paragraph ~~(3)~~ (2) of this  
3 subsection.

4        ~~(2) Designation of use of surplus funds.~~ A candidate whose  
5 candidate committee has an unexpended balance of funds not  
6 otherwise obligated for the purposes specified in Paragraph ~~(1)~~  
7 of this subsection shall designate how the surplus funds are to  
8 be distributed. Uses are limited to those included in Paragraph  
9 ~~(3)~~ of this subsection and shall be set forth on the committee's  
10 statement of organization. ~~Surplus funds may not be expended~~  
11 ~~for any other purpose.~~ The designated use or uses for surplus  
12 funds may be changed by the candidate committee by filing an  
13 amended statement of organization, provided that no  
14 contributions received prior to the date the amended statement  
15 of organization is filed with the Commission may be used for the  
16 amended use or uses.

17 ~~(3) Use of surplus funds.~~ The surplus funds may:

18        (A) be deposited with the State Treasurer to the credit of  
19 the General Revenue Fund;

20        ~~(B) be returned to the contributors pursuant to any~~  
21 ~~formula approved by the candidate; provided, any amount returned~~  
22 ~~to a contributor shall not exceed the amount of the original~~  
23 ~~contribution;~~

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1       ~~(C)~~ be contributed to a 501 (c)(3) charitable  
2 organization;

3       ~~(D)~~ be retained by the candidate or candidate committee  
4 for use in a future election for a six year period following the  
5 General Election for the same or a different office;

6       ~~(E)~~ be used to defend legal actions or proceedings arising  
7 out of the campaign, election, or the performance of the  
8 candidate's official duties as a state officer; provided that  
9 such funds shall not be used to defend criminal charges;

10       ~~(F)~~ be used for a community activity;

11       ~~(G)~~ be used for political activity;

12       ~~(H)~~ (C) be ~~transferred~~ contributed to the state, county  
13 or congressional district committee of a political party, not to  
14 include an affiliated or connected entity of a political party;  
15 or

16       ~~(I)~~ (D) be distributed using a combination of these  
17 options; ~~or~~

18       ~~(J)~~ be used for tickets for the Speaker's Ball.

19 ~~(b) Other committees.~~

20 ~~(1) Use of campaign contributions. Contributions accepted by~~  
21 ~~any committee, other than a candidate committee, may not be~~  
22 ~~converted by any person to any personal use and shall be used to~~  
23 ~~defray any campaign expenditures and to further the committee's~~  
24 ~~purposes. Said contributions shall not be used for any other~~

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1 ~~purposes except as permitted in Paragraph (2) or (3) of this~~  
2 ~~subsection. Such a committee with an unexpended balance of~~  
3 ~~funds not otherwise obligated for the payment of expenses to~~  
4 ~~further the committee's purposes shall designate how the surplus~~  
5 ~~funds are to be disposed of on the committee's statement of~~  
6 ~~organization. Surplus funds may not be expended for any other~~  
7 ~~purpose. The designated use or uses for surplus funds may be~~  
8 ~~changed by the committee by filing an amended statement of~~  
9 ~~organization, provided that no contributions received prior to~~  
10 ~~the date the amended statement of organization is filed with the~~  
11 ~~Commission may be used for the amended use or uses.~~

12 ~~(2) Use of surplus funds by committees supporting or opposing~~  
13 ~~candidates. Surplus funds of committees, other than candidate~~  
14 ~~committees, formed solely to support or oppose candidates may~~  
15 ~~be:~~

16 ~~—— (A) deposited with the State Treasurer to the credit of~~  
17 ~~the General Revenue Fund; or~~

18 ~~—— (B) returned to the contributors pursuant to any formula~~  
19 ~~approved by the committee; provided, any amount returned to a~~  
20 ~~contributor shall not exceed the amount of the original~~  
21 ~~contribution.~~

22 ~~(3) Use of surplus funds by committees supporting or opposing~~  
23 ~~ballot measures. Surplus funds of committees formed to support~~  
24 ~~or oppose ballot measures may be:~~

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1 ~~—— (A) deposited with the State Treasurer to the credit of~~  
2 ~~the General Revenue Fund;~~

3 ~~—— (B) returned to the contributors pursuant to any formula~~  
4 ~~approved by the committee; provided, any amount returned to a~~  
5 ~~contributor shall not exceed the amount of the original~~  
6 ~~contribution; or~~

7 ~~—— (C) donated to a charitable organization; or~~

8 ~~—— (D) donated to a community activity.~~

9 ~~(4) Use of surplus funds by political action committees making~~  
10 ~~only independent expenditures or electioneering communications.~~

11 ~~Surplus funds of political action committees formed to make only~~  
12 ~~independent expenditures or electioneering communications may~~  
13 ~~be:~~

14 ~~—— (A) deposited with the State Treasurer to the credit of~~  
15 ~~the General Revenue Fund;~~

16 ~~—— (B) returned to the contributors pursuant to any formula~~  
17 ~~approved by the committee; provided, any amount returned to a~~  
18 ~~contributor shall not exceed the amount of the original~~  
19 ~~contribution;~~

20 ~~—— (C) donated to other political action committees formed~~  
21 ~~solely to make independent expenditures or electioneering~~  
22 ~~communications;~~

23 ~~—— (D) donated to a charitable organization; or~~

24 ~~—— (E) donated to a community activity.~~

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1 **Repealer:** On January 1, 2022, the following Ethics Rules shall  
2 be repealed: Ethics Rules 257:1-1-2, 257:1-1-11, 257:10-1-2,  
3 257:10-1-7, 257:10-1-8, 257:10-1-9, 257:10-1-10, 257:10-1-11,  
4 257:10-1-12, 257:10-1-13, 257:10-1-14, 257:10-1-15, 257:10-1-16,  
5 257:10-1-17, 257:10-1-18, 257:10-1-19 and 257:10-1-20.  
6 **Effective Date and Operational Date:** These changes will become  
7 effective upon Sine Die Adjournment of the 2021 Regular  
8 Legislative Session, and, except as provided in the **Repealer**,  
9 will also become operational on that date.

Promulgated this 11<sup>th</sup> day of December, 2020

Amended:  No  Yes, Amendments Adopted: \_\_\_\_\_

Signed on Behalf of Commission:

  
\_\_\_\_\_  
Chair Stocker

**Delivery to Legislature:** In accordance with Oklahoma Constitution Article 29, § 3, the Executive Director shall cause promulgated Ethics Rules, including new, modified, or repealed Rules, to be delivered to the Governor and Legislature on the second day of the Legislative Session following the promulgation of the Rule(s).