

Amendment No. 1 to HB1201

Crawford  
Signature of Sponsor

**AMEND Senate Bill No. 1005\***

**House Bill No. 1201**

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 2-10-110, is amended by adding the following as a new subsection:

(g) The registry shall not accept a settlement in which the aggregate amount of assessed civil penalties exceeds twenty-five thousand dollars (\$25,000) unless the settlement proposal is considered at either a regular meeting or, notwithstanding § 2-10-203(f), a special meeting called by the chair in which at least twenty-four (24) hours' notice is given to each member of the registry and each party seeking a settlement proposal. If a special meeting is called pursuant to this subsection (g), an agenda for the meeting must be placed on the registry's website at least twenty-four (24) hours prior to the meeting. The agenda must include the style of any matter to be considered, and the special meeting must be limited to consideration of only the matters listed on the agenda.

SECTION 2. Tennessee Code Annotated, Section 2-10-203, is amended by adding the following as a new subsection:

(l) Each regular meeting agenda must be published on the registry's website at least five (5) business days prior to the date of the meeting.

SECTION 3. Tennessee Code Annotated, Section 3-6-103, is amended by adding the following as a new subsection:

(l) Each regular meeting agenda must be published on the commission's website at least five (5) business days prior to the date of the meeting.

SECTION 4. Tennessee Code Annotated, Section 3-6-205, is amended by adding the following as a new subsection:

(c) The commission shall not accept a settlement in which the aggregate amount of assessed civil penalties exceeds twenty-five thousand dollars (\$25,000) unless the settlement proposal is considered at either a regular meeting or, notwithstanding § 3-6-103(f), a special meeting called by the chair in which at least twenty-four (24) hours' notice is given to each member of the commission and each party seeking a settlement proposal. If a special meeting is called pursuant to this subsection (c), an agenda for the meeting must be placed on the home page of the commission's website at least twenty-four (24) hours prior to the meeting. The agenda must include the style of any matter to be considered, and the special meeting must be limited to consideration of only the matters listed on the agenda.

SECTION 5. Tennessee Code Annotated, Section 4-55-101, is amended by adding the following as a new subsection:

(e) Each regular meeting agenda must be published on the bureau's website at least five (5) business days prior to the date of the meeting.

SECTION 6. Tennessee Code Annotated, Section 2-10-117, is amended by deleting the section in its entirety.

SECTION 7. Tennessee Code Annotated, Section 2-10-107(a)(2)(B), is amended by deleting the language "including the full name and address of each person to whom a total amount of more than one hundred dollars (\$100) was paid during the period for which the statement is submitted" and substituting "including the full name and address of each person to whom an expenditure was paid during the period for which the statement is submitted"; and is further amended by deleting the last sentence of the subdivision and substituting instead the following:

The statement must list the expenditures by category and amount.

SECTION 8. Tennessee Code Annotated, Section 2-10-105(h)(1), is amended by deleting "hand delivery or overnight mail delivery" and substituting instead "hand delivery, overnight mail delivery, or electronically".

SECTION 9. Tennessee Code Annotated, Section 2-10-105(h)(1)(A), is amended by deleting the subdivision and substituting instead the following:

(A) The full name and address of each person, political campaign committee, or contributor from whom the candidate or committee has received and accepted a contribution, loan, or transfer of funds during such period and the date of the receipt of each contribution that, in the aggregate, equals or exceeds one thousand dollars (\$1,000);

SECTION 10. Tennessee Code Annotated, Section 2-10-105(h)(1), is amended by adding the following new subdivision (B) and redesignating the existing subdivision accordingly:

(B) The full name and address of each person or recipient entity to whom a total aggregate amount of not less than one thousand dollars (\$1,000) was paid during such period, the total amount paid to that person or entity, the date the expenditure was made, and the purpose of the payment. For an independent expenditure, the report must include the name of the candidate or measure supported or opposed; and

SECTION 11. Tennessee Code Annotated, Section 2-10-105(h)(2), is amended by deleting the language "contribution to be reported is received" and substituting instead "contribution or expenditure to be reported is received or made".

SECTION 12. Tennessee Code Annotated, Section 2-10-105(h), is amended by adding the following new subdivisions:

(4)

(A) Each report filed under subdivision (h)(1) with the registry of election finance must be posted on the website of the registry as soon as practicable. The registry shall develop an electronic filing system for reports required under subdivision (h)(1).

(B) Each report filed under subdivision (h)(1) with a county election commission must be posted on the website of the commission as soon as practicable, if the commission otherwise posts campaign finance reports. A county election commission may develop an electronic filing system for reports required under subdivision (h)(1).

(5) An expenditure or contribution reported under this subsection (h) must not be omitted or excluded from applicable reports filed pursuant to subsection (c).

SECTION 13. Tennessee Code Annotated, Section 2-10-110(f)(1), is amended by designating the existing language as subdivision (A) and adding the following new subdivision (B):

(B) Notwithstanding subdivision (f)(1)(A), for any civil penalty authorized by this section or § 2-10-308 and levied against a multicandidate political campaign committee that named or certified one (1) or more candidates as a treasurer or officer at the time an offense occurred, or was constructively controlled or directed by one (1) or more candidates in the commission of an offense, the candidate, or candidates, and treasurer of the committee are personally liable for the penalty. Any such civil penalty must not be paid using funds from a multicandidate political campaign committee.

SECTION 14. Tennessee Code Annotated, Section 2-10-106(b), is amended by deleting the subsection and substituting instead the following:

(1) A candidate or political campaign committee that complies with the requirements of § 2-10-105(a) and (b), as applicable, and § 2-10-131(a), shall ensure that all funds in a campaign account remain separate and segregated at all times from other funds, including from personal funds.

(2) Funds maintained in a separate, segregated campaign account in accordance with subdivision (b)(1) are not the personal property of a candidate or other individual. Such funds are not subject to garnishment or any type of execution to satisfy the debts or obligations of an individual that are not campaign debts or obligations.

(3) A candidate or political campaign committee found to be in violation of subdivision (b)(1) commits a Class 2 offense and is subject to a civil penalty by the registry of election finance of not more than twenty-five dollars (\$25.00) per day up to a maximum of seven hundred fifty dollars (\$750) for each day that such funds were not separated or segregated.

SECTION 15. Tennessee Code Annotated, Section 2-10-203, is amended by deleting subdivisions (c)(2) and (3) and substituting:

(2) The senate shall appoint two (2) members, with one (1) member to be chosen by the members of the senate democratic caucus and one (1) member to be chosen by the members of the senate republican caucus. A caucus may meet electronically for purposes of appointing a member. If either caucus fails to appoint a member within thirty (30) days of a vacancy or after the expiration of a term, the speaker of the senate shall appoint a democrat or republican, as applicable, to fill the vacancy or make the appointment;

(3) The house of representatives shall appoint two (2) members, with one (1) member to be chosen by the members of the house of representatives democratic caucus and one (1) member to be chosen by the members of the house of representatives republican caucus. A caucus may meet electronically for purposes of appointing a member. If either caucus fails to appoint a member within thirty (30) days of a vacancy or after the expiration of a term, the speaker of the house of representatives shall appoint a democrat or republican, as applicable, to fill the vacancy or make the appointment;

**and is further amended** by deleting from subsection (c) the language "shall be selected for staggered five-year terms as follows:" and substituting "shall initially be appointed to staggered five-year terms as follows:".

SECTION 16. Tennessee Code Annotated, Section 2-10-203, is amended by deleting subsection (d) and substituting:

(d) A member must not consecutively serve more than one (1) full term, irrespective of the appointing authority. This subsection (d) applies to terms being served upon the effective date of this act.

SECTION 17. Tennessee Code Annotated, Section 2-10-203(h), is amended by deleting subdivisions (2), (5), and (6) and substituting:

(2) Be an employee of this state or a political subdivision of this state; provided, however, that this subdivision (h)(2) does not apply to a member's immediate family;

(5) Participate in any way in any election campaign; provided, however, that this subdivision (h)(5) does not apply to a member's immediate family;

(6) Lobby or employ a lobbyist; provided, however, that this subdivision (h)(6) does not apply to a member's immediate family; or

SECTION 18. Tennessee Code Annotated, Section 2-10-203(h), is amended by designating the existing language as subdivision (h)(1) and by adding the following as subdivision (h)(2):

(2) This subsection (h) is applicable for one (1) year subsequent to the removal, vacancy, or termination of the term of office of a member of the registry.

SECTION 19. Tennessee Code Annotated, Section 3-6-103(h), is amended by deleting subdivisions (2) and (5) and substituting:

(2) Be an employee of this state or any political subdivision of this state; provided, however, that this subdivision (h)(2) does not apply to a member's immediate family;

(5) Participate in any way in any election campaign; provided, however, that this subdivision (h)(5) does not apply to a member's immediate family;

SECTION 20. Tennessee Code Annotated, Section 2-10-212, is amended by adding the following sentence at the end of subdivision (b)(3):

The registry shall strive to complete and release its findings within such odd-numbered year or another odd-numbered year.

**and is further amended** by deleting subsection (c) and substituting instead the following:

(c) In order to comply with an audit, candidates, campaigns, and political campaign committees shall retain copies of all checks, money orders, wire or account transfer statements, withdrawal statements, credit or debit statements, bank statements, vendor receipts, and other documentation directly resulting from a financial transaction involving the receipt or disbursement of any funds subject to disclosure under part 1 of this chapter for two (2) years after the date of the election to which the records refer.

SECTION 21. Tennessee Code Annotated, Section 2-10-123(a) and (b), are amended by deleting the language:

member of the general assembly, member-elect of the general assembly, governor, member of the governor's staff, secretary of state, treasurer, or comptroller of the treasury

and substituting instead the following language:

member of the general assembly, member-elect of the general assembly, governor, member of the governor's cabinet, member of the governor's staff, secretary of state, treasurer, or comptroller of the treasury

SECTION 22. Tennessee Code Annotated, Section 8-50-502, is amended by adding the following new subdivisions:

(10)

(A) For each candidate for or member of the general assembly, the governor, members of the governor's cabinet, cabinet-level staff-members, members of the registry of election finance, members of the Tennessee ethics commission, secretary of state, comptroller of the treasury, state treasurer, and members of the state election commission, including the spouses thereof, in addition to the disclosures required under subdivision (1) and §§ 2-10-115(a)(1) and 2-10-128(a)(1), if private income from a single source is equal to or greater

than five thousand dollars (\$5,000) in the twelve-month period immediately preceding the initial or the annual filing by a candidate or office holder:

(i) The full name and physical address of each source of compensation, including, but not limited to, each client, customer, business, corporation, individual, or other private entity through which payment flowed directly or indirectly to the person making the disclosure, as applicable; and

(ii) A brief description of the nature of the duties performed or services rendered by the candidate or official for each source;

(B) Disclosure is not required of:

(i) Any information that is considered confidential as a result of a privileged relationship, established by law, between the candidate or official and any person or entity; provided, that the person making the disclosure indicates in the disclosure statement that such information has been excluded, the number of sources excluded, and, if applicable, a citation to the statute, regulation, or other lawful authority pursuant to which disclosure of the information is specifically prohibited;

(ii) Any information with respect to any person or entity for whom services were provided by any firm or association of which the candidate or official was a member, partner, or employee unless the candidate or official was directly involved in the provision of such services; provided, that the person making the disclosure indicates in the disclosure statement that such information has been excluded, the number of sources excluded, and, if applicable, a citation to the statute, regulation, or other lawful authority pursuant to which disclosure of the information is specifically prohibited; or

(iii) The specific amount of compensation from each source;



(C) Disclosure under this subdivision (10) must be made annually beginning with the candidate or official's next statement due after January 1, 2023;

(11)

(A) By any member of the general assembly or candidate for the general assembly, the name of any multicandidate political committee established or controlled by the member or candidate within the immediately preceding five (5) years of the date of the disclosure;

(B) Disclosure under this subdivision (11) must be made annually beginning with the candidate or official's next statement due after January 1, 2023.

SECTION 23. Tennessee Code Annotated, Section 8-50-501(a), is amended by deleting subdivision (6) and substituting:

(6) Each supreme court justice, judge of the court of criminal appeals, judge of the court of appeals, chancellor, circuit court judge, criminal court judge, or judge of a state trial court of record;

SECTION 24. Tennessee Code Annotated, Title 8, Chapter 50, Part 5, is amended by adding the following new section:

**8-50-507.**

Each disclosure statement or amendment to a disclosure statement filed under this part must be signed either in writing or electronically under penalty of perjury, and contain substantially the following language:

I understand that, pursuant to T.C.A. § 8-50-507, submitting a disclosure or amendment to a disclosure form which contains false or incomplete information may subject me to the penalties of perjury. The information contained in this disclosure or amendment to a disclosure form is true, complete, and correct to the best of my knowledge, information, and belief.

\_\_\_\_\_ Signature

\_\_\_\_\_ Date

SECTION 25. Tennessee Code Annotated, Title 2, Chapter 10, Part 1, is amended by adding the following as a new section:

A candidate or political campaign committee, in soliciting and receiving a contribution from a person, shall not utilize pre-checked or pre-marked boxes in a solicitation authorizing or requiring continuing future contributions to that candidate or committee from the credit card or another form of payment provided by the person from whom a contribution is requested. Such a request for a continuing future contribution from a potential contributor must be accepted and acknowledged in writing by the potential contributor in clear and precise language evidencing the intent of the contributor to authorize a continuing contribution. Such continuing contributions must not exceed the contribution limits established in part 3 of this chapter.

SECTION 26. Tennessee Code Annotated, Section 2-10-203(a), is amended by deleting the language "six (6) members" wherever it may appear and substituting "eight (8) members".

SECTION 27. Tennessee Code Annotated, Section 2-10-203(c), is amended by adding the following new subdivision:

(4) The advisory committee on open government, created under § 8-4-602, shall, by a majority vote of those eligible to vote under this subdivision (c)(4), appoint two (2) members. Such members must, in the judgment of the advisory committee, have a demonstrated non-partisan interest in promoting government transparency and public accountability in the political process. A member of the advisory committee is not eligible to vote to appoint a member of the registry under this subdivision (c)(4) if the member:

(A) Is an ex officio member or member of the general assembly; or

(B) Represents a group on the advisory committee that controls or directly influences the operations of a political campaign committee or multicandidate political campaign committee.

SECTION 28. Tennessee Code Annotated, Section 4-55-101(a)(3), is amended by deleting the language "six (6) members of the registry" and substituting "eight (8) members of the registry".

SECTION 29. Tennessee Code Annotated, Section 4-55-101(d), is amended by deleting the language "eight (8)" wherever it may appear and substituting instead "nine (9)".

SECTION 30. Tennessee Code Annotated, Section 2-10-132, is amended by designating the existing language as subsection (a) and adding the following as a new subsection (b):

(b) Notwithstanding another law to the contrary, an organization that is tax exempt under United States Internal Revenue Service Code § 501(c)(4) (26 U.S.C. § 501(c)(4)) is deemed to be a political campaign committee for purposes of reporting expenditures in accordance with § 2-10-105(c)(1) and (h) and for filing an appointment of treasurer form if:

(1) The organization expends an aggregate total of at least five thousand dollars (\$5,000) in organizational funds, moneys, or credits for communications that expressly contain the name or visually depict the likeness of a state or local candidate in a primary or general election; and

(2) Such expenditures or communications occur within sixty (60) calendar days immediately preceding a primary or general election in which the named or visually depicted candidate appears on the ballot.

SECTION 31.

(a) Sections 15-19, 25, and 30 of this act take effect upon becoming a law, the public welfare requiring it.

(b) Section 7 of this act takes effect January 16, 2023, the public welfare requiring it.

(c) All other sections of this act take effect July 1, 2022, the public welfare requiring it.