

# 2025 South Dakota Legislature

# **Senate Bill 11**

### SENATE STATE AFFAIRS ENGROSSED

Introduced by: Senator Rohl

- An Act to limit the amount of money that a political committee may accept from an inactive candidate campaign committee.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 12-27-1 be AMENDED:

5		12-27	-1. Terms used in this chapter mean:
6	(1)	<u>"Auxili</u>	ary organization," an association or other group of persons acting in concert
7		that is	designated by the political party's bylaws or constitution as an auxiliary
8		<u>organi</u> :	zation, provided the term does not mean an association or other group of
9		person	s acting in concert if the association or group:
10		<u>(a)</u>	Only accepts contributions to support the volunteer activities of the
11			association or group; and
12		<u>(b)</u>	Does not contribute any money, donated goods or services, or independent
13			communication expenditures to any political committee except a political
14			party;
15	(2)	_"Ballot	question," any referendum, initiative, proposed constitutional initiated
16		measu	re, initiated amendment to the South Dakota Constitution, or other measure
17		submit	ted to voters at any election;
18	<del>(2)</del> (3)	"Ballot	question committee," a person or entity that raises, collects, or disburses
19		contrib	outions:
20		(a)	As a proponent for the placement of one or more ballot questions on the
21			ballot;
22		(b)	As an opponent to the placement of one or more ballot questions on the
23			ballot; or
24		(c)	For the adoption or defeat of one or more ballot questions.
25		A ballo	ot question committee is not a person or political committee that makes a
26		contrib	oution to a ballot question committee. A ballot question committee is not an

1		entity that makes a contribution to a ballot question committee from treasury
2		funds;
3	<del>(3)</del> (4)	"Candidate campaign committee," any committee organized by a candidate to
4		$\label{eq:contributions} \ \text{and make expenditures for the candidate.} \ \ \text{Only one candidate}$
5		campaign committee may be organized for each candidate and only one statewide $\ensuremath{C}$
6		candidate campaign committee may be organized for each candidate. A candidate
7		may, simultaneously, have both a legislative campaign committee and a statewide $% \left( 1\right) =\left( 1\right) \left( 1\right) \left$
8		campaign committee;
9	<del>(4)</del> (5)	"Candidate," any person who seeks nomination for or election to public office. ${\sf A}$
10		person is a candidate if the person raises, and:
11		(a) Raises, collects, or disburses contributions in excess of five hundred dollars;
12		<del>has</del>
13		(b) Has authorized the solicitation of contributions or the making of
14		expenditures; <del>has</del>
15		(c) Has been certified as a candidate by a political party; has
16		$(\underline{d})$ Has created a candidate campaign committee for the purpose of obtaining
17		public office; or <del>-has</del>
18		(e) Has taken all actions required by state law to qualify for nomination for or
19		election to public office;
20	<del>(5)</del> (6)	"Clearly identified," the appearance of the name, nickname, a photograph or a
21		drawing of a candidate or public office holder, or the unambiguous reference to the $% \left( 1\right) =\left( 1\right) \left( 1$
22		identity of a candidate or public office holder;
23	<del>(6)</del> (7)	"Contribution," any gift, advance, distribution, deposit, or payment of money or
24		any other valuable consideration, or any contract, promise or agreement to do so;
25		any discount or rebate not available to the general public; any forgiveness of
26		indebtedness or payment of indebtedness by another person; or any use of
27		services or property, other than services provided by a person volunteering for or
28		on behalf of a candidate or political committee, including the free or discounted
29		use of the person's residence, without full payment or that is provided by any
30		person or political committee whose primary business is to provide services or
31		property <del>, made for the purpose of influencing:</del>
32		(a) The nomination, election, or re-election of any person to public office; or
33		(b) The placement of a ballot question on the ballot or the adoption or defeat
34		of any ballot question submitted.

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1		The te	rm does not include services provided by a person as a volunteer for or on
2		behalf	of any candidate or political committee including the free or discounted use
3		of a p	erson's residence. Nor does the, made for the purpose of influencing the
4		nomin	ation, election, or re-election of any person to public office, the placement
5		of a ba	allot question on the ballot, or the adoption or defeat of any ballot question
6		submit	ted, provided the term does not include the:
7		<u>(a)</u>	The purchase of any item of value or service from any political committee-
8			The purchase price of the item may not exceed at the fair market value and
9			may not include an intent to contribute of the item of service, if the political
10			committee does not intend to provide anything to the purchaser beyond the
11			item's value. A contribution does not include administration of the item or
12			service;
13		(b)	Administration and solicitation of a contribution for a political action
14			committee established by an entity or its associated expenses, nor the use;
15		<u>(c)</u>	The use of an entity's real or personal property located on its business
16			premises for such the purposes. A contribution does not include nominal of
17			administering and soliciting a contribution for the political action committee
18			established by the entity; or
19		<u>(d)</u>	The nominal use of-a:
20			(i) A candidate's real or personal property or nominal use of resources;
21			<u>or</u>
22			(ii) Resources available at a candidate's primary place of business;
23	<del>(7)</del> (8)	"Count	ry office," any elected office at a county in this state;
24	<del>(8)</del> (9)	"Electi	on," any election for public office; any general, special, primary, or runoff
25		electio	n; and any election on a ballot question;
26	(10)	"Entity	," except for a candidate, public office holder, or political committee, any:
27		(1)	Organized or unorganized association; business corporation; limited liability
28			company; nonprofit corporation; limited liability partnership; limited liability
29			limited partnership; limited partnership; partnership; cooperative; trust,
30			except for a trust account representing or containing only a contributor's
31			personal funds; a business trust; association; club; labor union; or
32			collective bargaining organization;
33		(2)	Local, state, or national organization to which a labor organization pays
34			membership or per capita fees, based upon its affiliation and membership;

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1	(3) Trade or professional association that receives its funds from membershi
2	dues or service fees, whether organized inside or outside of the state;
3	(4) Other entity of any kind, except a natural person that is, has been, or could
4	be recognized by law; or
5	(5) Group of persons, acting in concert, that is not a political committee unde
6	this chapter;
7	(9)(11) "Expressly advocate," any communication that:
8	(a) <u>Uses words to explicitly advocate for election, passage, or defeat, including</u>
9	(i) Vote;
10	(ii) Re-elect;
11	(iii) Support;
12	(iv) Cast your ballot for;
13	(v) Reject; or
14	(vi) Defeat; and
15	(b) In context has no other reasonable meaning than to urge the election of
16	defeat of one or more clearly identified candidates, or public office holders
17	or the:
18	<ul> <li>(i) The election or defeat of a candidate or public office holder;</li> </ul>
19	(ii) The placement of a ballot question on the ballot or the; or
20	(iii) The adoption or defeat of any ballot question using explicit word
21	of advocacy of election or defeat such as: vote, re-elect, support
22	cast your ballot for, reject, and defeat; or
23	(b)(c) If taken as a whole and with limited reference to external events, such a
24	the proximity to the election, may only be interpreted by a reasonabl
25	person as containing advocacy of urging the election or defeat of one of
26	more clearly identified candidates or public office holders,-or the placemen
27	of a ballot question on the ballot, or the adoption or defeat of any ballo
28	question because:
29	(i) The electoral portion of the communication is unmistakable
30	unambiguous, and suggestive of suggests only one meaning; and
31	(ii) Reasonable minds could not differ as to whether—it <u>th</u>
32	communication encourages actions to elect or defeat one or more
33	clearly identified candidates or public office holders,—or th
34	placement of a ballot question on the ballot, or the adoption or defea
35	of any ballot question, or encourages some other kind of action;

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1	(10)(12) "Immediate family," a a person who is:
2	(a) The spouse of a candidate or public office holder; a
3	(b) A person under the age of eighteen years who is claimed by that candidate
4	or public office holder or that candidate's or public office holder's spouse as
5	a dependent for federal income tax purposes; or any
6	(c) Any relative within the third degree of kinship of the candidate or the
7	candidate's spouse, and the spouses of-such the relatives;
8	(13) "Inactive candidate campaign committee," the candidate campaign committee of a
9	candidate who:
10	(a) Is not actively pursuing nomination for or election to a public office, has
11	failed to secure the nomination for a public office, or has lost the election
12	for that office; and
13	(b) Has not filed a termination report pursuant to § 12-27-25;
14	(11)(14) "Independent communication expenditure," an expenditure, including the
15	payment of money or exchange of other valuable consideration or promise, made
16	by a person, entity, or political committee for a communication concerning a
17	candidate or a ballot question which that is not made to, controlled by, coordinated
18	with, requested by, or made upon consultation with that candidate, political
19	committee, or agent of a candidate or political committee. The, provided the term
20	does not include administration:
21	(a) Administration and solicitation of any contribution for a political action
22	committee established by an entity and associated expenses, nor the
23	(b) The use of an entity's real or personal property located on its business
24	premises for such purposes. The term does not include any of administering
25	and soliciting any contribution for a political action committee established
26	by the entity;
27	(c) Any communication by a person made in the regular course and scope of
28	the person's business or ministry or any; or
29	(d) Any communication made by a membership organization solely to any
30	member of the organization and the member's family;
31	$\frac{(12)(15)}{(15)}$ "Donated good or service," a good or service provided at no charge or for less
32	than its fair market value. The, provided the term does not include the value of
33	services provided by a person as a volunteer for or on behalf of any candidate or
34	political committee including the free or discounted use of the volunteer's residence
35	or office;

(13)(16) "Legislative office," the Senate and the House of Representatives of the South Dakota Legislature;

- (14)(17) "Loan," a transfer of money, property, guarantee, or anything of value in exchange for an obligation, conditional or not, to repay in whole or part;
- (14A)(18) "Mailing address," includes street or PO Box, city, state, and zip code;
- (15) "Entity," any organized or unorganized association, business corporation, limited liability company, nonprofit corporation, limited liability partnership, limited liability limited partnership, limited partnership, partnership, cooperative, trust except for a trust account representing or containing only a contributor's personal funds, a business trust, association, club, labor union, or collective bargaining organization; any local, state, or national organization to which a labor organization pays membership or per capita fees, based upon its affiliation and membership; any trade or professional association that receives its funds from membership dues or service fees, whether organized inside or outside the state; any other entity of any kind, except a natural person that is, has been, or could be recognized by law; or any group of persons acting in concert that is not defined as a political committee in this chapter except, an entity is not a candidate, a public office holder, or a political committee;
- (16)(19) "Person," a natural person;

- (17)(20) "Political action committee," any person or entity that raises, collects or disburses contributions to influence the outcome of an election and who is not a candidate, public officer holder, candidate campaign committee, ballot question committee, or a political party. A political action committee is not any:
  - (a) Person who makes a contribution to a political committee; or
  - (b) Entity that makes a contribution to a ballot question committee from treasury funds;
- (18)(21) "Political committee," any candidate campaign committee, political action committee, political party, or ballot question committee;
- (19)(22) "Political party," any state or county—political party association organized pursuant to chapter 12-5 and qualified to participate in a primary or general election, including any auxiliary organization of—such\_a political party;
- (19A) "Auxiliary organization," any organization designated as an auxiliary organization in the political party's bylaws or constitution except any auxiliary organization that only accepts contributions to support volunteer activities of the organization and does not make monetary contributions or contribute donated goods or services or

1	any independent communication expenditures to any political committee except a
2	<del>political party;</del>
3	(20)(23) "Statewide office," the office of Governor, lieutenant governor, secretary of
4	state, attorney general, state auditor, state treasurer, commissioner of school and
5	public lands, and public utilities commissioner;
6	(21)(24) "Treasurer," the treasurer is the person who is designated as and has agreed
7	to serve as the person be responsible for each required filing that a committee is
8	required to make under this title;
9	(22)(25) "Treasury funds," funds of moneys of an entity not raised or collected from any
10	other source for the purpose of influencing a ballot question; and
11	(23)(26) "Volunteer," any person who provides services free of charge.
12	Section 2. That § 12-27-7 be AMENDED:
13	12-27-7. A statewide candidate or the candidate's campaign committee may
14	accept contributions during any calendar year as follows:
15	(1) Not to exceed four thousand dollars from a person, unless the person is the
16	candidate or a member of the candidate's immediate family, in which case
17	contributions may be made without limit;
18	(2) Not to exceed four thousand dollars from an entity;
19	(3) Not to exceed four thousand dollars from an inactive candidate campaign
20	committee;
21	(4) Without limit from a political action committee;
22	(4)(5) Without limit from a political party; and
23	(5)(6) Without limit from a candidate campaign committee.
24	Any contribution from a ballot question committee is prohibited. Any contribution
25	from a person who is an unemancipated minor—shall be is deducted from the total
26	contribution permitted under this section by the unemancipated minor's custodial parent
27	or parents.
28	A violation of this section is a Class 2 misdemeanor. A subsequent offense within
29	a calendar year is a Class 1 misdemeanor.
30	Section 3. That § 12-27-8 be AMENDED:

12-27-8. A legislative or county candidate or the candidate's campaign committee

may accept contributions during any calendar year as follows:

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- 1 (1) Not to exceed one thousand dollars from a person, unless the person is the 2 candidate or a member of the candidate's immediate family, in which case 3 contributions may be made without limit;
  - (2) Not to exceed one thousand dollars from an entity;
- 5 (3) Not to exceed one thousand dollars from an inactive candidate campaign
  6 committee;
  - (4) Without limit from a political action committee;
  - (4)(5) Without limit from a political party; and

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(5)(6) Without limit from a candidate campaign committee.

Any contribution from a ballot question committee is prohibited. Any contribution from a person who is an unemancipated minor—shall—be\_is\_deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents. A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

### Section 4. That § 12-27-9 be AMENDED:

- 16 **12-27-9.** A political action committee may accept contributions during any calendar year as follows:
  - (1) Not to exceed ten thousand dollars from a person;
- 19 (2) Not to exceed ten thousand dollars from an entity;
- 20 (3) Not to exceed ten thousand dollars from an inactive candidate campaign
  21 committee;
  - (4) Without limit from a political action committee;
- 23  $\frac{(4)(5)}{(5)}$  Without limit from a political party;
- 24 (5)(6) Without limit from a candidate campaign committee; and
- 25  $\frac{(6)(7)}{(6)(7)}$  Not to exceed ten thousand dollars from a ballot question committee.

Any contribution from a person who is an unemancipated minor shall be is deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents. A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

### Section 5. That § 12-27-10 be AMENDED:

- **12-27-10.** A political party may accept contributions during any calendar year as follows:
  - (1) Not to exceed ten thousand dollars from a person;

- 1 (2) Not to exceed ten thousand dollars from an entity;
- 2 (3) Not to exceed ten thousand dollars from an inactive candidate campaign
  3 committee;
  - (4) Without limit from a political action committee;
  - (4)(5) Without limit from a political party; and

(5)(6) Without limit from a candidate campaign committee.

Any contribution from a ballot question committee is prohibited. Any contribution from a person who is an unemancipated minor—shall—be\_is deducted from the total contribution permitted under this section by the unemancipated minor's custodial parent or parents. A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.

## Section 6. That § 12-27-22 be AMENDED:

- **12-27-22.** A The treasurer of a political committee listed in this section shall file a campaign finance disclosure statement shall be submitted to or report with the secretary of state. The treasurer of each as follows:
- (1) Candidate or For a candidate, candidate campaign committee, or inactive candidate campaign committee for any statewide office shall, file a pre-primary, pre-general, year-end, and, if applicable, supplemental report and amendments in even numbered years. In and in odd numbered years shall file a year-end report and, if applicable, amendments. A termination report may be submitted at any time;
- (2) All candidates running For a candidate, candidate campaign committee, or inactive candidate campaign committee for a legislative or county office with a recognized political party-shall, file a pre-primary report if there is any primary race for that particular office in the legislative district or county, and for all candidates or candidate campaign committees for a legislative or county office-shall file a pregeneral, year-end and, if applicable, supplemental report and amendments in even numbered years. A termination report may be submitted at any time;
- (3) Statewide For a statewide political action committee-shall, file a pre-primary, pregeneral, year-end, and, if applicable, supplemental report and amendments in even numbered years. In and odd numbered years shall file a year-end-or report and, if applicable, amendments. A termination report may be submitted at any time;
- (4) Statewide For a statewide political party—shall, file a pre-primary, pre-general, year-end and, if applicable, supplemental report and amendments in even numbered years. In and odd numbered years shall file a year-end or amendments,

if applicable. A termination report may be submitted at any time. A political party that loses its status as a qualified party shall file a termination statement by 5:00 p.m. central time the last Friday in January following the calendar year in which qualified party status was lost;

- (5) County—For a county political party and auxiliary organization—shall, file a pregeneral and, if applicable, supplemental report and amendments in even numbered years. A termination report may be submitted at any time; and
- (6) Statewide-For a statewide ballot question committee-shall, file a pre-primary, pregeneral, year-end and, if applicable, supplemental report and amendments in even numbered years. In and in odd numbered years shall file a year-end and, if applicable, amendments. A termination report may be submitted at any time. If a statewide ballot question committee does not list any activity on the next required campaign finance report submitted to the secretary of state, that committee has until the next reporting period to report activity. If that committee does not have any activity to report by the next reporting period, the committee shall submit a termination report by that reporting period deadline.

A campaign finance disclosure statement shall be submitted to the secretary of state by the treasurer of each committee who shall file the following financial disclosure reports in accordance with the time frames stated in this chapter: pre-primary, pregeneral, year end, amendment, supplemental, and a termination when a committee is terminating its existence. The treasurer of a political committee listed in this section may submit a termination report at any time.

If a political party loses its status as a qualified party, the party must file a termination statement by five p.m. central time on the last Friday in January following the calendar year in which qualified party status was lost. If a statewide ballot question committee does not list any activity on the next required campaign finance report submitted to the secretary of state, that committee has until the next reporting period to report activity. If that committee does not have any activity to report by the next reporting period, the committee shall submit a termination report by that reporting period deadline.

A violation of this section is a Class 2 misdemeanor. A subsequent offense within a calendar year is a Class 1 misdemeanor.