

Proposed Amendment to AB 23

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Rationale:

Removing the word “independent” in Section 1.7sub b(1) (line 7, page 6) and Section 2.1 Sub 2(a) (line 22, page 7) would have the effect of causing an entity that has the primary purpose of affecting the outcome of elections to be deemed a PAC as soon as it has made \$1,500 in *either* independent expenditures or contributions to a candidate (because the definition of “expenditure” includes contributions to candidates). Since their primary purpose is influencing elections, they should become a PAC upon doing either.

By contrast, putting the word “independent” in Section 1.7, sub (b)(2) (line 14 of page 6) and Section 2.1, subsection 2(b) (line 26, page 7) means that an entity that does *not* have the primary purpose of influencing elections, e.g., a business, does *not* become a PAC simply because it makes more than \$5,000 in contributions to a candidate. Such contributions are reported by the candidate, so there is no need to also require the business to register and report as a PAC in that case.

35 Sec. 1.7. NRS 294A.0055 is hereby amended to read as  
36 follows:

37 294A.0055 1. “Committee for political action” means:

38 (a) Any group of natural persons or entities that solicits or  
39 receives contributions from any other person, group or entity and:

40 (1) Makes or intends to make contributions to candidates or  
41 other persons; or

42 (2) Makes or intends to make expenditures,  
43 designed to affect the outcome of any primary election, general  
44 election, special election or question on the ballot.

1 (b) Any business or social organization, corporation,  
2 partnership, association, trust, unincorporated organization or labor  
3 union:

4 (1) Which has as its primary purpose affecting the outcome  
5 of any primary election, general election, special election or any  
6 question on the ballot and for that purpose receives contributions in  
7 excess of \$1,500 in a calendar year or makes **independent**  
8 expenditures in excess of \$1,500 in a calendar year; or...

[...]

12 Sec. 2.1. NRS 294A.230 is hereby amended to read as  
13 follows:

14 294A.230 1. Except as otherwise provided in subsection 2,  
15 each committee for political action shall, before it engages in any  
16 activity in this State, register with the Secretary of State on forms  
17 supplied by the Secretary of State.

18 2. A person who qualifies as a committee for political action in  
19 accordance with:  
20 (a) Subparagraph (1) of paragraph (b) of subsection 1 of NRS  
21 294A.0055 by receiving contributions in excess of \$1,500 in a  
22 calendar year or making ~~independent~~ expenditures in excess of  
23 \$1,500 in a calendar year; or...