Assembly Bill No. 497–Assemblymember Yeager

CHAPTER.....

AN ACT relating to campaign finance; authorizing a committee for political action to use money in its campaign finance account for certain purposes; providing that a labor union and certain business organizations and corporations are not a committee for political action for purposes of campaign finance requirements; revising provisions relating to the disposal of unspent campaign contributions; requiring certain persons that are not committees for political action to report certain expenditures; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires every committee for political action to, not later than 1 week after receiving contributions the sum of which, in the aggregate is \$1,000 or more, open and maintain a separate account in a financial institution located in the United States for the deposit of any contributions received. (NRS 294A.130) **Section 1** of this bill authorizes a committee for political action to use money in the account for certain purposes.

Existing law provides that, except in certain circumstances, certain corporations and other business organizations as well as labor unions are excluded from the definition of a "committee for political action." (NRS 294A.0055) **Section 2** of this bill revises the definition of a "committee for political action" to exclude from the definition: (1) any nonprofit organization or nonprofit corporation duly organized under federal law or under the laws of this State, any other state, the District of Columbia or any territory of the United States; (2) all individual corporations and business organizations that have filed certain organizational information with the Secretary of State; and (3) all labor unions.

Existing law requires certain persons, committees and political parties to report certain independent expenditures or other expenditures. (NRS 294A.210) **Section 3.5** of this bill requires any entity excluded from the definition of "committee for political action" pursuant to **section 2** that makes certain expenditures in excess of \$1,000 to report such expenditures.

Existing law governs the disposition of unspent campaign contributions by a candidate or former public officer. Under existing law, a candidate who is elected to office may use unspent contributions in the candidate's next election, but a candidate who is defeated is required to dispose of unspent contributions. (NRS 294A.160) Section 3 of this bill authorizes a candidate who is defeated to use unspent contributions in the candidate's next election. If, within 4 years, such a candidate doesn't file a declaration of candidacy or appear on an official ballot at any election, section 3 requires the defeated candidate to dispose of unspent contributions.

Existing law authorizes certain former public officers who resigned or did not run for reelection to use unspent contributions in a future election. In such a circumstance, existing law requires such unspent contributions to be disposed of within 4 years if the former public officer does not file a declaration of candidacy or appear on the ballot. (NRS 294A.160) **Section 3** of this bill instead requires any former public officer to dispose of unspent contributions not later than 15 days after the 4-year period immediately following leaving office.



Section 4 of this bill requires any candidate who was defeated and any former officer who resigned or did not run for reelection who have unspent contributions, and for whom the time period in which he or she is required to dispose of such contributions has yet to expire, to dispose of such contributions not later than October 1, 2029.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 294A of NRS is hereby amended by adding thereto a new section to read as follows:

A committee for political action may use money in the separate account opened and maintained pursuant to subsection 3 of NRS 294A.130 to:

- 1. Subject to the limitations set forth in NRS 294A.100, make a contribution to a candidate;
 - 2. Make a contribution to a legal defense fund;
 - 3. Make a contribution to a nonprofit corporation;
- 4. Make a contribution to another committee for political action;
- 5. Make a contribution to a committee for the recall of a public officer;
- 6. Make a contribution to a political party or a committee sponsored by a political party; or
- 7. Make any expenditure, including, without limitation, an independent expenditure.
 - **Sec. 2.** NRS 294A.0055 is hereby amended to read as follows: 294A.0055 1. "Committee for political action" means:
- (a) Any group of natural persons or entities that solicits or receives contributions from any other person, group or entity and:
- (1) Makes or intends to make contributions to candidates or other persons; or
 - (2) Makes or intends to make expenditures,
- designed to affect the outcome of any primary election, general election, special election or question on the ballot.
- (b) [Any] Except as otherwise provided in subsection 2, any business or social organization, corporation, partnership, association, trust [,] or unincorporated organization: [or labor union:]
- (1) Which has as its primary purpose affecting the outcome of any primary election, general election, special election or any question on the ballot and for that purpose receives contributions in



excess of \$1,500 in a calendar year or makes expenditures in excess of \$1,500 in a calendar year; or

- (2) Which does not have as its primary purpose affecting the outcome of any primary election, general election, special election or any question on the ballot, but for the purpose of affecting the outcome of any election or question on the ballot receives contributions in excess of \$5,000 in a calendar year or makes independent expenditures in excess of \$5,000 in a calendar year.
 - 2. "Committee for political action" does not include:
- (a) An organization made up of legislative members of a political party whose primary purpose is to provide support for their political efforts.
- (b) An entity solely because it provides goods or services to a candidate or committee in the regular course of its business at the same price that would be provided to the general public.
 - (c) An individual natural person.
- (d) [Except as otherwise provided in paragraph (b) of subsection 1, an] An individual corporation or other business organization who has filed articles of incorporation or other documentation of organization with the Secretary of State pursuant to title 7 of NRS.
- (e) Except as otherwise provided in paragraph (b) of subsection 1, al A labor union.
- (f) A personal campaign committee or the personal representative of a candidate who receives contributions or makes expenditures that are reported as contributions or expenditures by the candidate.
 - (g) A committee for the recall of a public officer.
- (h) A major or minor political party or any committee sponsored by a major or minor political party.
- (i) Any nonprofit organization or nonprofit corporation duly organized under federal law or under the laws of this State, any other state, the District of Columbia or any territory of the United States.
 - **Sec. 3.** NRS 294A.160 is hereby amended to read as follows: 294A.160 1. It is unlawful for:
 - (a) A candidate to spend money received as a contribution:
 - (1) For the candidate's personal use; or
 - (2) To pay himself or herself a salary.
 - (b) A public officer to spend unspent contributions:
 - (1) For the public officer's personal use; or
 - (2) To pay himself or herself a salary.
- 2. Notwithstanding the provisions of NRS 294A.286, a candidate or public officer may use contributions to pay for any



legal expenses that the candidate or public officer incurs in relation to a campaign or serving in public office without establishing a legal defense fund. Any such candidate or public officer shall report any expenditure of contributions to pay for legal expenses in the same manner and at the same time as the report filed pursuant to NRS 294A.120 or 294A.200. A candidate or public officer shall not use contributions to satisfy a civil or criminal penalty imposed by law.

- 3. Except as otherwise provided in [subsection 5,] this section, every candidate for office at a primary election, general election or special election who is elected to that office and received contributions that were not spent or committed for expenditure before the primary election, general election or special election shall dispose of the money through one or any combination of the following methods:
 - (a) Return the unspent money to contributors;
- (b) Use the money in the candidate's next election or for the payment of other expenses related to public office or his or her campaign, regardless of whether he or she is a candidate for a different office in the candidate's next election;
 - (c) Contribute the money to:
- (1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;
- (2) If the candidate was elected to the office of a Legislator, another member of the Legislature who is authorized to solicit or accept contributions pursuant to NRS 294A.117;
 - (3) A political party; or
- (4) Any combination of persons or groups set forth in subparagraphs (1), (2) and (3);
 - (d) Donate the money to any tax-exempt nonprofit entity; or
- (e) Donate the money to any governmental entity or fund of this State or a political subdivision of this State. A candidate who donates money pursuant to this paragraph may request that the money be used for a specific purpose.
- 4. Except as otherwise provided in subsection 5, every candidate for office at a primary election, general election or special election who withdraws pursuant to NRS 293.202 or 293C.195 after filing a declaration of candidacy [,] or is removed from the ballot by court order [or is defeated for or otherwise not elected to that office] and who received contributions that were not spent or committed for expenditure before the primary election, general election or special election shall, not later than the 15th day of the second month after the election, dispose of the money through one or any combination of the following methods:



- (a) Return the unspent money to contributors;
- (b) Contribute the money to:
- (1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;
 - (2) A political party; or
- (3) Any combination of persons or groups set forth in subparagraphs (1) and (2);
 - (c) Donate the money to any tax-exempt nonprofit entity; or
- (d) Donate the money to any governmental entity or fund of this State or a political subdivision of this State. A candidate who donates money pursuant to this paragraph may request that the money be used for a specific purpose.
- 5. Every candidate for office at a special election to recall a public officer shall dispose of the unspent contributions through one or any combination of the methods set forth in subsection 4 not later than the 15th day of the second month following the last day for the candidate to receive a contribution pursuant to NRS 294A.115.
- 6. Every candidate for office who withdraws after filing a declaration of candidacy, is defeated for that office at a primary election or is removed from the ballot by court order before a primary election or general election and who received a contribution from a person in excess of \$5,000 shall, not later than the 15th day of the second month after the primary election or general election, as applicable, return any money in excess of \$5,000 to the contributor.
- 7. Except [for a former public officer who is subject to the provisions of subsection 11, every person who qualifies as a] as otherwise provided in this subsection, every candidate [by receiving one or more qualifying contributions in excess of \$100 but who,] who appears on the ballot but is defeated at a primary election or general election may use unspent contributions in the candidate's next election. Such a candidate is subject to the reporting requirements set forth in NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.362 for as long as the candidate has unspent contributions. If, within 4 years [after the date of receiving the first of those qualifying contributions,], the candidate does not:
 - (a) File a declaration of candidacy; or
 - (b) Appear on an official ballot at any election,
- → the candidate shall, not later than the 15th day of the month after the end of the 4-year period, dispose of all contributions that have not been spent or committed for expenditure through one or any combination of the methods set forth in subsection 4.



- 8. [Except as otherwise provided in subsection 9, every] *Every former* public officer who [:
- (a) Does not run for reelection to the office which he or she holds;
- (b) Is not a candidate for any other office and does not qualify as a candidate by receiving one or more qualifying contributions in excess of \$100; and
- $\frac{\text{(c) Has]}}{\text{has}}$ contributions that are not spent or committed for expenditure remaining from a previous election $\frac{1}{5}$.
- → shall, not later than [the 15th day of the second month] 15 days after [the expiration of the public officer's term of] the 4-year period immediately following leaving office, dispose of those contributions in the manner provided in subsection 4.
 - 9. [Every public officer who:
 - (a) Resigns from his or her office;
- (b) Is not a candidate for any other office and does not qualify as a candidate by receiving one or more qualifying contributions in excess of \$100; and
- (c) Has contributions that are not spent or committed for expenditure remaining from a previous election,
- ⇒ shall, not later than the 15th day of the second month after the effective date of the resignation, dispose of those contributions in the manner provided in subsection 4.
- 10. Except as otherwise provided in subsection 11, every public officer who:
- (a) Does not run for reelection to the office which he or she holds or who resigns from his or her office;
- (b) Is a candidate for any other office or qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100; and
- (c) Has contributions that are not spent or committed for expenditure remaining from a previous election,
- may use the unspent contributions in a future election. Such a public officer is subject to the reporting requirements set forth in NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.362 for as long as the public officer is a candidate for any office or qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100.
- 11. Every former public officer described in subsection 10 who qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100 but who, within 4 years after the date of receiving the first of those qualifying contributions, does not:
- (a) File a declaration of candidacy; or



- (b) Appear on an official ballot at any election,
- → shall, not later than the 15th day of the month after the end of the 4 year period, dispose of all contributions that have not been spent or committed for expenditure through one or any combination of the methods set forth in subsection 4.
- 12.] In addition to the methods for disposing of the unspent money set forth in this section, a Legislator may donate not more than \$500 of that money to the Nevada Silver Haired Legislative Forum created pursuant to NRS 427A.320.
- [13.] 10. Any contributions received before a candidate for office at a primary election, general election or special election dies that were not spent or committed for expenditure before the death of the candidate must be disposed of in the manner provided in subsection 4.
- [14.] 11. The court shall, in addition to any penalty which may be imposed pursuant to NRS 294A.420, order the candidate or public officer to dispose of any remaining contributions in the manner provided in this section.
 - [15.] 12. As used in this section [:
- (a) "Contribution" includes, without limitation, any interest and other income earned on a contribution.
- [(b) "Qualifying contribution" means the receipt of a contribution that causes a person to qualify as a candidate pursuant to subsection 3 of NRS 294A.005.]
- **Sec. 3.5.** NRS 294A.210 is hereby amended to read as follows:
 - 294A.210 1. The provisions of this section apply to:
- (a) Every person who makes an independent expenditure in excess of \$1,000; [and]
- (b) Every committee for political action, political party and committee sponsored by a political party which receives contributions in excess of \$1,000 or makes an expenditure for or against a candidate for office or a group of such candidates [...]; and
- (c) Every person that makes expenditures in excess of \$1,000 designed to affect the outcome of any primary election, general election or special election or question on the ballot and that is:
- (1) An individual corporation or other business organization that has filed articles of incorporation or other documentation of organization with the Secretary of State pursuant to title 7 of NRS;
- (2) A nonprofit organization or nonprofit corporation duly organized under federal law or under the laws of this State, any



other state, the District of Columbia or any territory of the United States; or

(3) A labor union.

- 2. Every person, committee and political party described in subsection 1 shall, not later than January 15 of the election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report each independent expenditure or other expenditure, as applicable, made during the period in excess of \$1,000 and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 3. In addition to the requirements set forth in subsection 2, every person, committee and political party described in subsection 1 shall, not later than:
- (a) April 15 of the election year, for the period beginning January I and ending on March 31 of the election year;
- (b) July 15 of the election year, for the period beginning April 1 and ending on June 30 of the election year;
- (c) October 15 of the election year, for the period beginning July 1 and ending on September 30 of the election year; and
- (d) January 15 of the year immediately following the election year, for the period beginning October 1 and ending on December 31 of the election year,
- report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 4. Except as otherwise provided in subsections 5, 6 and 7 and NRS 294A.223, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election or for or against a group of such candidates shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the nomination of the candidate through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and



- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 5. Except as otherwise provided in subsections 6 and 7 and NRS 294A.223, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the date the notice of intent to circulate the petition for recall is filed pursuant to NRS 306.015 through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 6. Except as otherwise provided in subsection 7, if a petition for recall is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of that chapter, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall, not later than 30 days after the expiration of the notice of intent, for the period from the filing of the notice of intent through the date that the notice of intent expires or the petition is determined to be legally insufficient, report each of



the campaign expenses described in subsection 1 incurred during the period. The provisions of this subsection apply to the person, committee and political party if the petition for recall:

- (a) Is not submitted to the filing officer as required by chapter 306 of NRS:
- (b) Is submitted to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Is otherwise legally insufficient or efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS are suspended or discontinued.
- 7. If the legal sufficiency of a petition for recall is challenged and a district court determines that the petition is legally:
- (a) Sufficient pursuant to chapter 306 of NRS and the order of the district court is appealed, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall:
- (1) Not later than 30 days after the date on which the notice of appeal is filed, for the period from the filing of the notice of intent to circulate the petition for recall through the date on which the notice of appeal is filed, report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- (2) Not later than 30 days after the date on which all appeals regarding the petition are exhausted, for the period from the day after the date on which the notice of appeal is filed through the date on which all appeals regarding the petition are exhausted, report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- (b) Insufficient pursuant to chapter 306 of NRS, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall:



- (1) Not later than 30 days after the date on which the district court orders the filing officer to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's order, report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- (2) Not later than 30 days after the date on which all appeals regarding the petition are exhausted, for the period from the day after the date of the district court's order through the date on which all appeals regarding the petition are exhausted, report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 8. In addition to complying with the applicable requirements of subsections 2 to 7, inclusive, a person, committee or political party described in subsection 1 must, not later than January 15 of each year that is not an election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report each independent expenditure or other expenditure, as applicable, made during the period in excess of \$1,000 and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000. Nothing in this subsection:
- (a) Requires the person, committee or political party to report information that has previously been reported in a timely manner pursuant to subsections 2 to 7, inclusive; or
- (b) Authorizes the person, committee or political party to not comply with any applicable requirement set forth in subsections 2 to 7, inclusive.
- 9. Independent expenditures and other expenditures made within the State or made elsewhere but for use within the State, including independent expenditures and other expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.
- 10. Except as otherwise provided in NRS 294Å.3737, the reports must be filed electronically with the Secretary of State.
- 11. If an independent expenditure or other expenditure, as applicable, is made for or against a group of candidates, the reports must be itemized by the candidate.



- 12. A report shall be deemed to be filed on the date that it was received by the Secretary of State. Every person, committee or political party described in subsection 1 shall file a report required by this section even if the person, committee or political party receives no contributions.
- **Sec. 4.** Any former public officer who on October 1, 2025, has unspent contributions pursuant to the former provisions of subsections 7 to 11, inclusive, of NRS 294A.160 as that section existed on September 30, 2025, shall dispose of such unspent contributions pursuant to NRS 294A.160, as amended by section 3 of this act, not later than October 1, 2029.

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