



DRAFT NO. 1 Advisory Opinion 2025-03 (Cite as: 2025 OK Ethics 03)

Dear Representative Judd Strom:

We are responding to your advisory opinion request asking for clarity on the rule regarding depository accounts and whether a candidate/officeholder must open a new account with each election cycle to be in compliance with the Oklahoma Ethics Rules. Specifically, you are asking:

When an officeholder is running again for the same office in the subsequent election cycle, must that officeholder close out their current committee depository account and create a new committee depository account?

Once a candidate is elected for state office and carries out the full term of that office, that same candidate often runs for re-election for the same office in the next election cycle. This officeholder is responsible for zeroing out his/her campaign committee from the prior election cycle and opening a new campaign committee. This procedure is based on the obligations under Rules 2.69 and 2.95.

Rule 2.69. One Candidate Committee at Any Time; Exception

A candidate may have no more than one (1) candidate committee for any state office at any time; provided, however, a candidate may maintain two (2) separate candidate committees for state offices for a period of sixty (60) days after filing a Statement of Organization for a second committee. In such case, funds or debt, or both, may be transferred from the first committee to the second committee as permitted by law and these Rules.

Rule 2.95. Campaign Depository Account Requirements, provides in part:

Every candidate committee, political action committee and political party committee shall maintain a campaign account in the name of the committee as it is registered with the Commission.

To comply with Rules 2.69 and 2.95, the candidate files a Final Report with the Commission in the Guardian online filing system. This Final Report reflects the transfer of any remaining funds and/or debts from the prior committee to the new committee. The candidate then files a new Statement of Organization in the Guardian showing the funds and/or debts as being transferred from the prior committee. The question presented here is whether a new depository account, also called a bank account, must also be opened when the new committee is opened with the Commission.

Rule 2.95 requires that each committee maintain a campaign account in name of the committee. This has been interpreted to mean a new depository account must be opened when a new Statement of Organization is filed with the Commission for the subsequent committee. This interpretation considers that committee names often include the year of the election. Therefore, to have an

account with the same name as the committee may require a new account titled with the committee name and the year of the election.

One of the reasons a candidate committee is required to maintain a depository account in the name of the committee, is to keep the committee's finances separate from the finances of any individual involved with the committee, such as the candidate or the treasurer. However, this requirement can be met without a candidate opening a new account for a committee in a subsequent election cycle.

Closing one account and opening a new one requires a new Tax ID number, new checks, a new debit card, and other tasks associated with the transfer and opening of a new account. This can be cumbersome, expensive and opens the door to possible errors and omissions. The goal of transparency and the purposes of the Commission can be met by a simpler method.

So long as the candidate committee fully accounts for all funds and debt remaining in the prior committee before opening a new candidate committee, it is not necessary to open a new depository account and obtain a new account number with the committee's financial institution. If the first account was opened with the year of the committee included (such as "Susie for Senator 2022") the committee is permitted to request the financial institution to change the name on the account to the new committee year ("Susie for Senator 2026"). **It is also permissible for the committee's depository account to be opened with the financial institution without specifying the year on the account name.**

Allowing a candidate committee to maintain an account with the financial institution in a subsequent election cycle, in no way relieves the committee from the obligation to fully account for the funds and debt remaining in the first committee before opening the second committee. Additionally, this Advisory Opinion only applies when a candidate is running for the *same elected office* in a subsequent election cycle. It does not apply to a candidate running for a different office.

It is therefore the official opinion of the Ethics Commission that:

When an officeholder is running for re-election for the same office in the subsequent election cycle, that officeholder must close the prior campaign committee and open a new campaign committee with the Ethics Commission, but is not required to open a new depository account with the financial institution.
