



OKLAHOMA

Ethics Commission



Commission Meeting
July 10, 2025
10:00 AM
OK State Capitol, Rm. G-3



OKLAHOMA
Ethics Commission



Call to Order

Open Meeting Act Compliance

Introductions & Announcement

**Announcements, consideration,
discussion, and possible action
on the disqualification or recusal
of any Commissioner or
Commissioners pursuant to
Ethics Rule 1.6**

Resolution to Honor Former Chair Eddie Fields



The Ethics Commission would like to acknowledge Eddie Fields for his nearly 3 years of service to the Commission after being appointed by the Oklahoma Attorney General in July 2022.

Fields was recently appointed as the USDA State Director for Rural Development in Oklahoma.

During his tenure with the Commission, Fields consistently exemplified integrity and strength throughout challenging periods of transition for the Ethics Commission, serving as a member and Chair of the Commission. He offered astute insights drawn from his experiences in government service and established a benchmark of excellence that will be deeply missed by fellow Commissioners, Commission staff, and those who depend on the Commission's work. Fields' leadership helped ensure development of a new online filing and disclosure system and a path to unprecedented online public access to campaign finance expenses previously unavailable.

The Commission thanks Eddie Fields for his valuable service to the Oklahoma Ethics Commission and wishes him well in all his future endeavors.



OKLAHOMA
Ethics Commission



OKLAHOMA
Ethics Commission



Consideration, discussion, and possible action on minutes for the special meeting and executive session held June 10, 2025



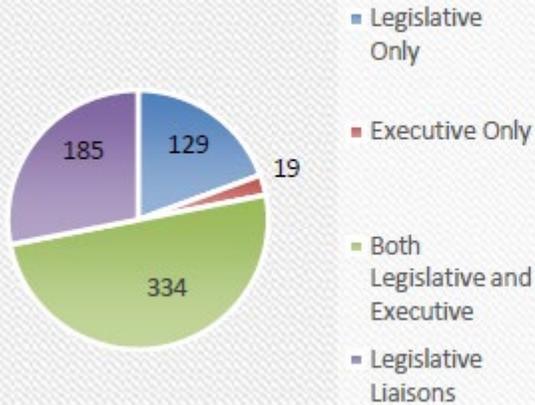
Executive Director's Report

Executive Director's Report

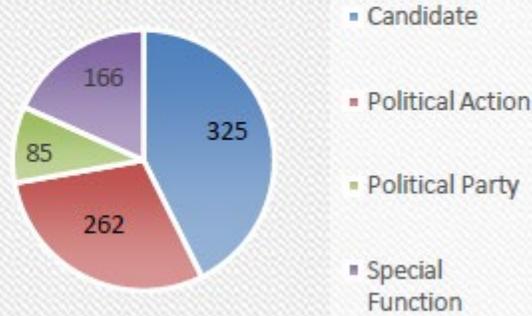
Compliance Update

THE GUARDIAN SYSTEM REGISTRANTS Active Filers as of July 1, 2025

Lobbyists



Committees



Total Lobbyists: 667

Total Committees: 838

Total Lobbyists and Committees: 1,505

Upcoming Reporting Schedules

Lobbyist/Liaison

Executive Only
Lobbyist
2nd Quarter –
July 15, 2025

Executive Only
Lobbyist
3rd Quarter –
October 15,
2025



Legislative
Lobbyist/Liaison
2025 June - July
15, 2025

Candidates & Non-Candidate Committees

2025 2nd Quarter Due
July 31, 2025
(Candidates and non-
Candidate Committees)

2025 Pre-General
Special Election House
District 97-- Due
September 1, 2025



2025 Pre-Runoff Special Election
House District 97
- Due August 4, 2025



OKLAHOMA
Ethics Commission

Compliance Update

Reporting Highlights

97% of expected Lobbyist/Liaison reports were timely filed (late/unfiled)

95% of expected Committee reports were timely filed

88% of expected special election reports

Proposed/Final Compliance Orders

Lobbyist/Liaison Compliance

17 Proposed Orders issued
1 Final Order issued

COMMITTEE Compliance

3 Proposed Orders issued
16 Final Orders issued

COMPLIANCE ACTIVITY TRACKER			
DATE – JUNE 2025			
	COMPLIANCE OFFICERS		
	CO#1	CO#2	CO#3
# CANDIDATES/OFFICES ASSIGNED	95	95	93
CALLS/WALK-INS	27	29	55
REPORTS REVIEWED	23	125	10
EMAIL CORRESPONDENCE	121	151	71
TOTALS	171	305	136



Budget

As of July 2, 2025

<u>Business Unit</u>	<u>Class</u>	<u>Dept</u>	<u>Bud Ref</u>	<u>Allocations</u>	<u>Pre Encumbered</u>	<u>Encumbered</u>	<u>Current Yr Exp</u>	<u>Prior Yr Exp</u>	<u>Allotment Budget</u>	<u>Available Cash</u>
29600										
	191									75,000.00
	19102	10	25	75,000.00	.00	.00	.00	.00	75,000.00	
	19102	88	25	75,000.00	.00	.00	75,000.00	.00	.00	
				150,000.00			75,000.00		75,000.00	
	195									0.00
	19501	10	25	1,014,630.00	.00	.00	1,014,630.00	.00	.00	
				1,014,630.00			1,014,630.00			
	200									659,414.49
	20000	10	23	358,488.00	.00	100,377.22	.00	76,842.15	181,268.63	
	20000	10	24	178,006.00	.00	41,501.74	(9,217.28)	48,672.03	97,049.51	
	20000	10	25	277,481.00	.00	156,432.94	67,922.32	.00	53,125.74	
				813,975.00		298,311.90	58,705.04	125,514.18	331,443.88	
	211									447,191.41
	21100	88	23	190,580.00	.00	7,745.02	.00	171,735.42	11,099.56	
	21100	88	24	164,186.00	.00	3,995.66	(76,926.61)	153,056.17	84,060.78	
	21100	88	25	231,540.00	.00	7,073.09	55,548.19	.00	168,918.72	
				586,306.00		18,813.77	(21,378.42)	324,791.59	264,079.06	
	212									656,970.00
	21200	88	25	1,200,000.00	.00	312,026.00	543,030.00	.00	344,944.00	
				1,200,000.00		312,026.00	543,030.00		344,944.00	
Business Unit Totals				5,140,825.00	.00	629,151.67	1,783,960.16	1,712,246.23	1,015,466.94	1,838,575.90
<u>Business Unit</u>	<u>Class</u>	<u>Dept</u>	<u>Bud Ref</u>	<u>Allocations</u>	<u>Pre Encumbered</u>	<u>Encumbered</u>	<u>Current Yr Exp</u>	<u>Prior Yr Exp</u>	<u>Allotment Budget</u>	<u>Available Cash</u>
Grand Totals				5,140,825.00	-	629,151.67	1,783,960.16	1,712,246.23	1,015,466.94	1,838,575.90



Budget

Actuals as of June 30, 2025

General Operations

Department: 1000010 Admin General Operations

Account	Annual Budget	YTD Budget	Expenses	Encumbrance	Pre-Encumbrance	Total Exp, Enc, Pre-Enc	Annual Variance	YTD Variance	Annual %	YTD %
511 Salary Expense	682,944	682,944	727,687.75	0.00	0.00	727,687.75	-44,743.75	-44,743.75	106.55	106.55
512 Insur.Prem-Hlth-Life,etc	153,996	153,996	77,713.14	1,172.62	0.00	78,885.76	75,110.24	75,110.24	51.23	51.23
513 FICA-Retirement Contributi	170,808	170,808	167,842.66	0.00	0.00	167,842.66	2,965.34	2,965.34	98.26	98.26
515 Professional Services	122,596	122,596	51,104.27	139,044.46	0.00	190,148.73	-67,552.73	-67,552.73	155.10	155.10
519 Inter/Intra Agy Pmt-Pers S	432	432	629.92	102.08	0.00	732.00	-300.00	-300.00	169.44	169.44
521 Travel - Reimbursements	32,904	32,904	10,902.03	0.00	0.00	10,902.03	22,001.97	22,001.97	33.13	33.13
522 Travel - Agency Direct Pmt	3,600	3,600	4,390.29	0.00	0.00	4,390.29	-790.29	-790.29	121.95	121.95
531 Misc. Administrative Expen	15,634	15,634	17,023.11	5,966.41	0.00	22,989.52	-7,355.52	-7,355.52	147.05	147.05
532 Rent Expense	1,839	1,839	2,806.92	513.81	0.00	3,320.73	-1,481.73	-1,481.73	180.57	180.57
533 Maintenance & Repair Expen	171,860	171,860	13,649.44	5,205.06	0.00	18,854.50	153,005.50	153,005.50	10.97	10.97
536 General Operating Expenses	9,412	9,412	7,712.58	250.00	0.00	7,962.58	1,449.42	1,449.42	84.60	84.60
541 Office Furniture & Equipme	1,086	1,086	1,086.00	0.00	0.00	1,086.00	0.00	0.00	100.00	100.00
552 Scholar., Tuition, Incentive	0	0	4.21	0.00	0.00	4.21	-4.21	-4.21	~	~
601 AFP Encumbrances	0	0	0.00	4,178.50	0.00	4,178.50	-4,178.50	-4,178.50	~	~
810 Req Only	0	0	0.00	2,057.00	0.00	2,057.00	-2,057.00	-2,057.00	~	~
	1,367,111	1,367,111	1,082,552.32	158,489.94	0.00	1,241,042.26	126,068.74	126,068.74	90.78	90.78
Class Funding	Annual Budget	YTD Budget	Expenses	Encumbrance	Pre-Encumbrance	Total Exp, Enc, Pre-Enc	Annual Variance	YTD Variance	Annual %	YTD %
19102 GRF-Duties	75,000	75,000	0.00	0.00	0.00	0.00	75,000.00	75,000.00	0.00	0.00
19501 GRF-Duties	1,014,630	1,014,630	1,014,630.00	57.00	0.00	1,014,687.00	-57.00	-57.00	100.01	100.01
20000 Ok Coun Campaign, Eth Rev	277,481	277,481	67,922.32	158,432.94	0.00	226,355.26	51,125.74	51,125.74	81.58	81.58
	1,367,111	1,367,111	1,082,552.32	158,489.94	0.00	1,241,042.26	126,068.74	126,068.74	90.78	90.78
Totals for Division 10	1,367,111	1,367,111	1,082,552.32	158,489.94	0.00	1,241,042.26	126,068.74	126,068.74	90.78	90.78



Budget

Actuals as of June 30, 2025

IS Services

Department: 1000010 Admin General Operations

Account	Annual Budget	YTD Budget	Expenses	Encumbrance	Pre-Encumbrance	Total Exp, Enc, Pre-Enc	Annual Variance	YTD Variance	Annual %	YTD %
511 Salary Expense	682,944	682,944	727,687.75	0.00	0.00	727,687.75	-44,743.75	-44,743.75	106.55	106.55
512 Insur.Prem-Hlth-Life,etc	153,996	153,996	77,713.14	1,172.62	0.00	78,885.76	75,110.24	75,110.24	51.23	51.23
513 FICA-Retirement Contributi	170,808	170,808	167,842.66	0.00	0.00	167,842.66	2,965.34	2,965.34	98.26	98.26
515 Professional Services	122,596	122,596	51,104.27	139,044.46	0.00	190,148.73	-67,552.73	-67,552.73	155.10	155.10
519 Inter/Intra Agy Pmt-Pers S	432	432	629.92	102.08	0.00	732.00	-300.00	-300.00	169.44	169.44
521 Travel - Reimbursements	32,904	32,904	10,902.03	0.00	0.00	10,902.03	22,001.97	22,001.97	33.13	33.13
522 Travel - Agency Direct Pmt	3,600	3,600	4,390.29	0.00	0.00	4,390.29	-790.29	-790.29	121.95	121.95
531 Misc. Administrative Expen	15,634	15,634	17,023.11	5,966.41	0.00	22,989.52	-7,355.52	-7,355.52	147.05	147.05
532 Rent Expense	1,839	1,839	2,806.92	513.81	0.00	3,320.73	-1,481.73	-1,481.73	180.57	180.57
533 Maintenance & Repair Expen	171,860	171,860	13,649.44	5,205.06	0.00	18,854.50	153,005.50	153,005.50	10.97	10.97
536 General Operating Expenses	9,412	9,412	7,712.58	250.00	0.00	7,962.58	1,449.42	1,449.42	84.60	84.60
541 Office Furniture & Equipme	1,086	1,086	1,086.00	0.00	0.00	1,086.00	0.00	0.00	100.00	100.00
552 Scholar.,Tuition,Incentive	0	0	4.21	0.00	0.00	4.21	-4.21	-4.21	~	~
601 AFP Encumbrances	0	0	0.00	4,178.50	0.00	4,178.50	-4,178.50	-4,178.50	~	~
810 Req Only	0	0	0.00	2,057.00	0.00	2,057.00	-2,057.00	-2,057.00	~	~
	1,367,111	1,367,111	1,082,552.32	158,489.94	0.00	1,241,042.26	126,068.74	126,068.74	90.78	90.78
Class Funding	Annual Budget	YTD Budget	Expenses	Encumbrance	Pre-Encumbrance	Total Exp, Enc, Pre-Enc	Annual Variance	YTD Variance	Annual %	YTD %
19102 GRF-Duties	75,000	75,000	0.00	0.00	0.00	0.00	75,000.00	75,000.00	0.00	0.00
19501 GRF-Duties	1,014,630	1,014,630	1,014,630.00	57.00	0.00	1,014,687.00	-57.00	-57.00	100.01	100.01
20000 Ok Coun Campaign, Eth Rev	277,481	277,481	67,922.32	158,432.94	0.00	226,355.26	51,125.74	51,125.74	81.58	81.58
	1,367,111	1,367,111	1,082,552.32	158,489.94	0.00	1,241,042.26	126,068.74	126,068.74	90.78	90.78
Totals for Division 10	1,367,111	1,367,111	1,082,552.32	158,489.94	0.00	1,241,042.26	126,068.74	126,068.74	90.78	90.78



Budget

Actuals as of July 2 2025

Summary of Receipts and Disbursements

Class Fund 200

BUSINESS UNIT		29600							
CLASS		200							
Acctg Period	Revenue (Credit) Debit 4xxxxx	Expenditures (Credit) Debit 5xxxxx	Change in Liabilities (Incr) Decr 2xxxxx	Change in Receivables Incr (Decr) 1xxxxx	Net Payroll Withholdings (Credit) Debit 633xxx	Transfers In (Credit) 631100 and 631150	Transfers Out Debit 621000,621150, 631200, and 499600	Balance Or Changes In Investment (Credit) Debit 632100	Ending Cash Balance
0-Beg			0.00	0.00				0.00	568,741.50
1-Jul	(23,630.00)	3,778.91	0.00	0.00	0.00	0.00	0.00	0.00	588,592.59
2-Aug	(11,500.00)	4,631.51	0.00	0.00	0.00	0.00	0.00	0.00	595,461.08
3-Sep	(28,997.50)	4,087.84	(468.30)	0.00	0.00	0.00	0.00	0.00	620,839.04
4-Oct	(18,242.50)	12,711.91	281.86	0.00	0.00	0.00	0.00	0.00	626,087.77
5-Nov	(6,301.31)	11,233.25	186.44	0.00	0.00	0.00	0.00	0.00	620,969.39
6-Dec	(30,667.50)	20,744.78	(70.00)	0.00	0.00	0.00	0.00	0.00	630,962.11
7-Jan	(30,661.19)	277.83	70.00	0.00	0.00	0.00	0.00	0.00	661,275.47
8-Feb	0.00	4,596.16	(35.00)	0.00	0.00	0.00	0.00	0.00	656,714.31
9-Mar	0.00	6,509.63	35.00	0.00	0.00	0.00	0.00	0.00	650,169.68
10-Apr	0.00	2,811.87	0.00	0.00	0.00	0.00	0.00	0.00	647,357.81
11-May	0.00	(36,382.55)	0.00	0.00	0.00	0.00	0.00	0.00	683,740.36
12-Jun	0.00	24,325.87	(162.63)	0.00	0.00	0.00	0.00	0.00	659,577.12
Column Totals:	(150,000.00)	59,327.01	(162.63)	0.00	0.00	0.00	0.00		
Current Ledger Balance:			(162.63)	0.00					
Class/Fund Balances:							0.00	659,577.12	
								Current Ledger Balance-Liabilities:	(162.63)
								*Budgeted Cash Balance:	659,414.49



Budget

Actuals as of July 2, 2025

Summary of Receipts and Disbursements

Class Fund 211

BUSINESS UNIT		29600							
CLASS		211							
Acctg Period	Revenue (Credit) Debit 4xxxxx	Expenditures (Credit) Debit 5xxxxx	Change in Liabilities (Incr) Decr 2xxxxx	Change in Receivables Incr (Decr) 1xxxxx	Net Payroll Withholdings (Credit) Debit 633xxx	Transfers In (Credit) 631100 and 631150	Transfers Out Debit 621000,621150, 631200, and 499600	Balance Or Changes In Investment (Credit) Debit 632100	Ending Cash Balance
0-Beg			0.00	0.00				0.00	228,117.03
1-Jul	0.00	11,269.22	0.00	0.00	0.00	0.00	0.00	0.00	216,847.81
2-Aug	0.00	9,685.27	0.00	0.00	0.00	0.00	0.00	0.00	207,162.54
3-Sep	0.00	11,868.46	(52.50)	0.00	0.00	0.00	0.00	0.00	195,346.58
4-Oct	0.00	59,122.46	52.50	0.00	0.00	0.00	0.00	0.00	136,171.62
5-Nov	0.00	15,237.32	0.00	0.00	0.00	0.00	0.00	0.00	120,934.30
6-Dec	0.00	(62,934.91)	(4,500.00)	0.00	0.00	0.00	0.00	0.00	188,369.21
7-Jan	(161,331.31)	46,767.60	4,500.00	0.00	0.00	0.00	0.00	0.00	298,432.92
8-Feb	(35,752.47)	13,276.74	0.00	0.00	0.00	0.00	0.00	0.00	320,908.65
9-Mar	(15,845.00)	14,648.36	0.00	0.00	0.00	0.00	0.00	0.00	322,105.29
10-Apr	0.00	19,277.31	0.00	0.00	0.00	0.00	0.00	0.00	302,827.98
11-May	0.00	(86,134.34)	0.00	0.00	0.00	0.00	15,147.82	0.00	373,814.50
12-Jun	0.00	(73,376.91)	(1,458.09)	0.00	0.00	0.00	0.00	0.00	448,649.50
Column Totals:	(212,928.78)	(21,293.42)	(1,458.09)	0.00	0.00	0.00	15,147.82		
Current Ledger Balance:			(1,458.09)	0.00					
Class/Fund Balances:							0.00		448,649.50
							Current Ledger Balance-Liabilities:		(1,458.09)
							*Budgeted Cash Balance:		447,191.41



Budget

Actuals as of July 2, 2025

Summary of Receipts and Disbursements

BUSINESS UNIT		29600								
CLASS		212								
Acctg Period	Revenue (Credit) Debit 4xxxxx	Expenditures (Credit) Debit 5xxxxx	Change in Liabilities (Incr) Decr 2xxxxx	Change in Receivables Incr (Decr) 1xxxxx	Net Payroll Withholdings (Credit) Debit 633xxx	Transfers In (Credit) 631100 and 631150	Transfers Out Debit 621000,621150, 631200, and 499600	Balance Or Changes In Investment (Credit) Debit 632100	Ending Cash Balance	
1-Jul	0.00	0.00	0.00	0.00	0.00	(1,200,000.00)	0.00	0.00	1,200,000.00	
2-Aug	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200,000.00	
3-Sep	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200,000.00	
4-Oct	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200,000.00	
5-Nov	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200,000.00	
6-Dec	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200,000.00	
7-Jan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200,000.00	
8-Feb	0.00	11,520.00	0.00	0.00	0.00	0.00	0.00	0.00	1,188,480.00	
9-Mar	0.00	5,220.00	0.00	0.00	0.00	0.00	0.00	0.00	1,183,260.00	
10-Apr	0.00	281,050.00	0.00	0.00	0.00	0.00	0.00	0.00	902,210.00	
11-May	0.00	17,280.00	0.00	0.00	0.00	0.00	0.00	0.00	884,930.00	
12-Jun	0.00	227,960.00	0.00	0.00	0.00	0.00	0.00	0.00	656,970.00	
Column Totals:	0.00	543,030.00	0.00	0.00	0.00	(1,200,000.00)	0.00			
Current Ledger Balance:			0.00	0.00						
Class/Fund Balances:							0.00	656,970.00		
							Current Ledger Balance-Liabilities:		0.00	
							*Budgeted Cash Balance:		656,970.00	

Class Fund 212

Guardian 2.0

Updates from Last Meeting

➤ **GO-LIVE: Early September**

➤ Current Guardian System Public Shut-Off: **End of August**

➤ RFD On-Site for first few weeks of *Go-Live*

➤ **Training:** Live/In-Person & Virtual through October;
Training Material In Development

➤ User Acceptance Testing (**UAT**) with Current Users/Filers: **Next Week**

➤ Login/Registrations/Filings/Calendar Set-up/Uploads/E-Signature

➤ **RISKS**

➤ **Data Conversion:** On-Going Development; Running into Breaks

➤ **Data Analytics** for Public Facing Reports: Build out of Power BI

➤ **CONTINGENCY PLANS**

➤ PHASE 1 & PHASE 2: Moved to **one (1) Go-Live Date** at this time

➤ Pivots & Communication: 1 Delay thus far

Guardian 2.0

Risk Register

➤ RISKS

- Inability to get timely access to data from Civix. Data was needed early in project for RFD's database design and needed again at final migration
- Delays in certain aspects of licensing and architecture (i.e., Power BI, SSO, Security). Short timeline & aggressive schedule caused delay of Go-Live past end of Civix contract.
- Limited Ethics Staff & technical expertise in dealing with software development project.

➤ SOLUTIONS

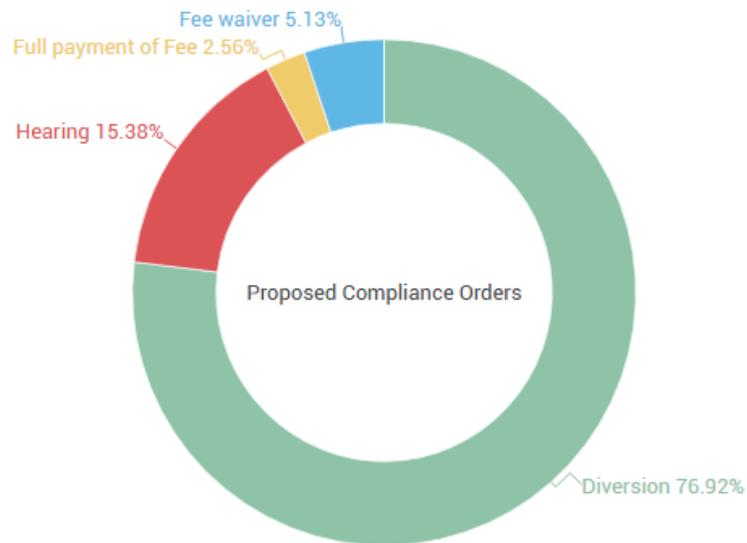
- CIVIX agreed to an extension allowing delayed Go-Live up to 90 days.
 - Requested Letter of Reference.
- Extended schedule has eased pressure on all fronts & allowed for more intentional planning and action.
- Maxim serving as Project Manager has played a dramatically important role throughout entire development aspect of project.



Diversions in 2025

Proposed Compliance Orders

Potential Outcomes



39 Total Proposed Compliance Order Respondents were offered opportunity for fee reduction of 1/2 by participating in 1:1 training session with Compliance Officer



In 2025, we've had 39 requests for a hearing following the issuance of a Proposed Compliance Order. Of those 39,

- 30 participated in diversion
- 1 paid in full
- 2 were waived for good cause shown (i.e., in the hospital)
- 4 went to hearing
- 2 are set for hearing in September

Feedback from the Diversion Program

- Please extend my deepest thanks to the entire team. You've helped lift a heavy burden of worry.
- Your compliance officer couldn't have been more patient and generous with his time.
- You have made sure of my success.
- Thank you so much for all of your help!
- I want to thank you for your time and consideration in helping get this issue resolved
- I really can't thank you enough for all you did to help me and direct me in what I needed to do! I really appreciate you and your kindness!
- Your compliance officer could not have been more helpful.
- Now I know who I can reach out to when I have a question!



Rules Working Groups

- Virtual and In-Person Working Groups
- Commissioner Opportunities for Involvement

Potential Rulemaking Suggestions

- Foreign Adversary Registration for Lobbyists (Sponsored by Commission Jan.'25)
- Campaign Account Surplus Funds/Closure Deadline for Outgoing Officeholders
- Gifts to Officeholders
- Digital Currency



Open Meetings Update



OKLAHOMA
Ethics Commission

- Zoom Licensing
- PowerPoint Request



Potential Rule Change to Add Provision Related to Acceptance of Digital Currency

Potential Rule Change to Add Provision Related to Acceptance of Digital Currency

Receiving, Liquidating, and Retaining Digital Currency Contributions:

1. Deposit of Digital Currency Contributions

- Digital currency **cannot be directly deposited** into the committee's bank account.
- Rule 2.22 requires contributions be deposited within **10 days of receipt** or returned to the contributor.
- Therefore, digital currency contributions should be **liquidated into U.S. dollars and deposited within 10 days.**
- *Must consider how to liquidate. Could require treasurers to only use digital currency payment processors **registered with the U.S. Treasury***

2. Valuation of Digital Currency Contributions

- Contributions valued at **fair market value** at the time of receipt.
- Convert immediately to **U.S. dollars at prevailing exchange rates** at receipt time.
- Deposit conversion proceeds into committee bank account **within 10 days.**
- **Processor fees are not deducted from contribution value**; instead, record fees as an expenditure on committee reports.

Potential Rule Change to Add Provision Related to Acceptance of Digital Currency

3. Reporting Digital Currency Contributions

- Report value on **Committee Schedule D – In Kind Contributions**.
- Under Description of Goods/Services, list: **“Digital Currency.”**
- Under Amount, record the **fair market value at receipt date**.
- All rules on contribution limits and prohibitions apply (e.g., no corporate digital currency contributions).

4. Legal and Ethical Considerations

- Digital currency is a **“thing of value”** under Rule 2.2(6).
- It qualifies as a contribution since it is not excluded by the Ethics rules.
- Committees may accept digital currency, but must comply with **all existing contribution regulations**.

Potential Rule Change to Add Provision Related to Acceptance of Digital Currency

Other States and Federal Election Commission:

Tennessee § 2-10-113 — Digital Currency Contributions

- **Acceptance:** Digital currency allowed as a contribution.
- **Valuation:** Value = market value at time of receipt
- **Reporting:** Any increase in value while held must be reported as interest on campaign finance statements.
- **Liquidation:** Candidate/committee must sell digital currency and deposit proceeds before spending

Minnesota Virtual Currency Contribution Rules

- **Acceptance:** Virtual currency accepted as in-kind contribution.
- **Processor:** Must be received via a U.S.-based, Treasury-registered virtual currency payment processor with contributor identity verification.
- **Valuation:** Fair market value at donation time.
- **Liquidation:** Virtual currency must be sold and converted to U.S. dollars within 5 business days after receipt.
- **Value Fluctuation Reporting:**
 - Increase in value before conversion = reported as receipt (not contribution).
 - Decrease in value before conversion = reported as expenditure.

Iowa – Cryptocurrency Contributions (IECDB Advisory Opinion 2022-01)

- **Acceptance:** Allowed as **in-kind contributions** (not money).
- **Valuation:** Use **fair market value at time of receipt**.
- **Reporting:**
 - Report on Schedule E (in-kind).
 - Include contributor info, crypto type/amount, and liquidation status.
 - Processing fees reported separately as expenditures.
- **Spending:**
 - Cannot spend crypto directly.
 - Must sell and deposit funds in Iowa bank account within 7 days before spending.

California – Cryptocurrency Contributions (FPPC Regulation 18421.2)

- **Acceptance:** Allowed but must be processed through a U.S.-based payment processor (not directly by the committee).
- **Valuation:** Value = fair market value at time of processor's receipt.
- **Processing Requirements:**
 - Payment processor must be registered with FinCEN.
 - Must use KYC protocols and collect contributor info (name, address, occupation, employer).
 - Must convert crypto to USD immediately and deposit funds within 2 days.
- **Reporting:**
 - Report as a monetary contribution (not in-kind).
 - Processing fees reported separately as expenditures.
 - \$25+: report date, amount, name, address.
 - \$100+: also report occupation and employer.
 - Contribution date = date processor receives crypto.
- **Spending:**
 - Only USD may be spent. Crypto must be converted and deposited first.

Potential Rule Change to Add Provision Related to Acceptance of Digital Currency

State	Pros	Cons
Tennessee	Simple rules; treats crypto as cash; gains reported as interest	No firm liquidation deadline; value fluctuation risk
Minnesota	KYC-required; tight reporting; 5-day liquidation; no direct spending	Complex reporting; strict rules; no crypto spending allowed
California	Must use US-based KYC processor; fees reported as expenditure	Requires immediate conversion; admin burden
Iowa	Treats as in-kind; requires 7-day liquidation	Reporting of gain/loss required; additional forms

Federal Election Commission:

Allows committees to accept bitcoins as they are “money or anything of value.”

Must examine all contributions for evidence of illegality, and refund if not legal. 11 CFR 103.3

Valuation is based on market value at the time the contribution is received, and determined based on information from the entity that processes the bitcoin contribution.

Cost of the sale of the bitcoin is logged as an expense, not deducted from the value of the bitcoin.



**Proposed Advisory Opinion Request
AOR 2025-02
Regarding whether Security Devices
and/or Security Services may be
Considered as Ordinary and Necessary
Officeholder Expenses.**

➤ **Notice of Hearing for AOR 2025-02:
August 14, 2025, if AOR is accepted**



Proposed Advisory Opinion Request AOR 2025-02



➤ Notice of Hearing for AOR 2025-02:
August 14, 2025, if AOR is accepted

Oklahoma State Legislature

Director Lee Anne Bruce Boone,

As I am sure you are aware, there has been a lot of attention nationally regarding the issue of safety and security for state elected officials. The tragic assassination of state representative Melissa Hortman by shooting at her home in Brooklyn Park, Minnesota last month has emphasized to me the need to evaluate what can be done to prevent such an awful event from occurring in Oklahoma.

I am exploring how we can find a way to help provide security measures in our members' residences. I know this can be costly. I am also aware that not everyone has the personal resources to install these kind of measures.

The FEC has recently codified some of their previous guidance on the matter in Final Rule – 11 CFR 113.1(g)(10) (Effective Jan 1, 2025)

Candidate and federal officeholder security. The use of campaign funds to pay for the reasonable costs of security measures for a federal candidate, federal officeholder, member of their family, and employees—as defined in [26 CFR 31.3401\(c\)-1](#)—of the candidate's campaign or the federal officeholder's office, is not personal use, so long as the security measures address ongoing dangers or threats that would not exist irrespective of the individual's status or duties as a federal candidate or federal officeholder. Disbursements for security measures must be for the usual and normal charge for such goods or services. Usual and normal charge means, in the case of goods, the price of those goods in the market in which they are ordinarily purchased, and, in the case of services, the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered. Examples of such security measures include, but are not limited to:

(i) Non-structural security devices, such as security hardware, locks, alarm systems, motion detectors, and security camera systems;

(ii) Structural security devices, such as wiring, lighting, gates, doors, and fencing, so long as such devices are intended solely to provide security and not to improve the property or increase its value;

- (iii) Security personnel and services that are bona fide, legitimate, and professional; and
- (iv) Cybersecurity software, devices, and services.

I am writing to ask you to interpret whether the Oklahoma Ethics rules (updated June 1, 2025) would allow for the same or a similar result.

Specifically, would Rule 2.2 (15) and Rule 2.44 which address "Officeholder expenses" include these type of expenditures.

The FEC rule does not require a personal reimbursement for such an expenditure. Do the Oklahoma Ethics Rules allow for a similar exemption.

Thank you for your assistance in this matter.

Sincerely,

Senator Lonnie Paxton
President Pro Tempore
Oklahoma Senate

Senator Julia Kirt
Minority Leader
Oklahoma Senate

Representative Kyle Hilbert
Speaker of the House
Oklahoma House of Representatives

Representative Cyndi Munson
Minority Leader
Oklahoma House of Representatives



OKLAHOMA
Ethics Commission

Comparisons & Similar Provisions

Federal Election Commission (FEC)

➤ **Irrespective Test:** Personal use is any use of funds in a campaign account of a candidate (or former candidate) to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or responsibilities as a federal officeholder

➤ **Candidate & Officeholder security**

Campaign funds may be used to pay for the reasonable cost of security measures for a federal candidate/officeholder, member of their family & employees [as defined in 26 CFR [31.3401\(c\)-1](#)] of the candidate's campaign/federal officeholder's office, so long as the security measures address ongoing dangers or threats that would not exist irrespective of the individual's status/duties as a federal candidate/officeholder.

States

- **New York:** Permits
- **Texas:** Permits
- **Minnesota:** Permits up to \$3,000 per campaign cycle
- **Arkansas:** likely via Irrespective Test
- **Iowa:** Directly Related/"but for" Test
- **Washington:** Irrespective Test
- **Colorado:** Permits for Existing Threats
 - Also have an election security grant program for local officials to fund security upgrades
- **Florida:** Does not allow or prohibit: case-by-case
- **New Mexico:** No specific policy
- **Kansas:** Not Permitted

Registration and Administration Fees for The Guardian System for FY 2026

- Registration and administration fees apply to state candidate committees, political party committees, political action committees, and lobbyists that are registered or are required to register in The Guardian System.
- Primarily all of the current registration and administration fee schedule was adopted by the Ethics Commission at its June 9, 2023 meeting and have been annually renewed at those same levels since.

Schedule of Fees for Registration and Administration

For specific timing and threshold requirements for each committee, see the Ethics rules, Registration Checklists, and/or applicable Guides.



Registration and Administration Fees for The Guardian System for FY 2026 for the following entities

Annual Fees

- **Lobbyist:** \$100 (revised November 2024 from \$125)
- **Legislative Liaisons:** \$100 (revised November 2024 from \$125)
- **Lobbyist Principals:** \$125

Political Party Committees

- **State Political Party:** \$125
- **Local Political Party:** \$125
- **Political Action Committees:** \$125
- **Candidate Committees:** \$125



OKLAHOMA Ethics Commission



Commission Meeting
July 10, 2025
OK State Capitol, Rm. G-3



Executive Session



OKLAHOMA

Ethics Commission



Commission Meeting
July 10, 2025
10:00 AM
OK State Capitol, Rm. G-3

No action on:

**Case No. 2024-38 alleging
violations of Ethics Rules 2,
Campaign Finance.**

Complaint C-25-12



OKLAHOMA
Ethics Commission

**Case No. 2022-25 alleging violations of
Campaign Finance Ethics Rule 2 and 3;**

**State of Oklahoma ex rel. Oklahoma
Ethics Commission v. Pittman,
Oklahoma County District Court, Case
No. CJ-2025-_____.**

Case No. 2024-5 alleging violations of Ethics Rule 3, Financial Disclosure.

Case No. 2024-11 alleging violations of Ethics Rule 4, Conflicts of Interest.

Complaint C-25-09

Complaint C-25-13



OKLAHOMA
Ethics Commission



New Business



Adjournment



OKLAHOMA

Ethics Commission



Next Regularly Scheduled
Commission Meeting
August 14, 2025, @10:00 a.m.
OK State Capitol, Rm. G-3