

## **Model State Legislation for Voting Equipment Vendors©**

**Section One** – No vendor of voting machines, voting devices, computer software programs or other such election equipment designed to register, receive, tally or count votes (“Voting Equipment”) shall be allowed to distribute Voting Equipment in the State of [ ] unless the Secretary of State [or appropriate state election official] has approved the vendor after investigation of the financial responsibility, security, and integrity of the vendor. The Secretary of State may require the following items from the vendor during such investigation and periodically thereafter if the vendor continues to distribute Voting Equipment in this State:

- (A)** Disclosure of the vendor’s name and address and, as applicable, the names and addresses of the following individuals or entities (“Key Personnel”):
  - (1)** If the vendor is a corporation, the officers, directors, and each stockholder in such corporation; provided, however, that in the case of owners of equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to own beneficially five percent (5%) or more of such securities need be disclosed;
  - (2)** If the vendor is a trust, the trustee and all persons entitled to receive income or benefits from the trust;
  - (3)** If the vendor is an association, the members, officers, and directors; and
  - (4)** If the vendor is a partnership or joint venture, all of the general partners, limited partners, or joint venturers;
- (B)** Disclosure of all the states and jurisdictions in which the vendor does business and the nature of the business for each such state or jurisdiction;
- (C)** Disclosure of all the states and jurisdictions in which the vendor has contracts to supply Voting Equipment and the nature of the goods or services involved for each such state or jurisdiction;
- (D)** Disclosure of all licenses and certificates of authority issued by any governmental entity to the vendor and Key Personnel, including any pending applications, renewals, denials, cancellations, terminations, or revocations;
- (E)** Disclosure of the details of any conviction, adjudication, or plea of guilt, including a plea of nolo contendere, in a state or federal court, of the vendor, Key Personnel, or other managers for any felony or other criminal offense other than a traffic violation;
- (F)** Disclosure of the details of any past or pending bankruptcy, insolvency, or reorganization of the vendor;
- (G)** Disclosure of all litigation in which the vendor or Key Personnel were named defendants within the past five years or any judgment awarded against the Vendor, Key Personnel or managers; and
- (H)** Such additional disclosures and information as the Secretary of State may determine to be appropriate for the approval process.

If at least twenty-five percent (25%) of the cost of a vendor's Voting Equipment is subcontracted, the vendor shall disclose all of the information required by this Code Section for the subcontractor as if the subcontractor was itself a vendor.

**Section Two** – No vendor shall be allowed to distribute Voting Equipment in this State who has not complied with the disclosure requirements described in Section One and has not been approved by the Secretary of State. Any contract with such a vendor shall be voided by the Secretary of State. Any contract entered into by a vendor who does not comply with such requirements for periodically updating such disclosures shall also be voided by the Secretary of State. The provisions of this Code section shall be construed broadly and liberally to achieve the ends of full disclosure of all information necessary to allow for a full and complete evaluation by the Secretary of State of the competence, integrity, background, and character of vendors distributing Voting Equipment in this State.

**Section Three** – A vendor who has been found guilty of a felony involving fraud, embezzlement, misrepresentation, or dishonesty or a felony related to the security or integrity of an election or the bribery of a government official in this or any other jurisdiction shall not distribute any Voting Equipment in this State. If any of the Key Personnel or managers of a vendor have been found guilty of a felony involving fraud, embezzlement, misrepresentation, or dishonesty or a felony related to the security or integrity of an election or the bribery of a government official in this or any other jurisdiction, such vendor shall not be allowed to apply for approval to the Secretary of State for permission to distribute any Voting Equipment in this State until such individual's or entity's relationship with the vendor is completely severed. Any vendor that has already received such approval shall have that approval revoked until such individual's or entity's relationship with the vendor is completely severed.

**Section Four** – No vendor may pay, give, or make any gift, loan, gratuity, special discount, favor, hospitality, or service, excluding food and beverages having any aggregate value not exceeding \$100.00 in any calendar year, to any elected official, or to any state, city or county employee, or member of a board or commission, who has any responsibility for conducting elections.

**Section Five** – A vendor that is not a corporation, trust or partnership that is organized and existing under the laws of the United States or of any state of the United States or that is a wholly-owned or majority-controlled subsidiary of a corporation, trust or partnership that is not organized and existing under the laws of the United States or of any state of the United States shall not distribute any Voting Equipment in this State.

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