

State of Arizona  
Senate  
Fifty-first Legislature  
Second Regular Session  
2014

# SENATE BILL 1344

AN ACT

AMENDING SECTIONS 16-901 AND 16-905, ARIZONA REVISED STATUTES; AMENDING TITLE 16, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 16-911; RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENDITURES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 16-901, Arizona Revised Statutes, is amended to  
3 read:

4 16-901. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Agent" means, with respect to any person other than a candidate,  
7 any person who has oral or written authority, either express or implied, to  
8 make or authorize the making of expenditures as defined in this section on  
9 behalf of a candidate, any person who has been authorized by the treasurer of  
10 a political committee to make or authorize the making of expenditures or a  
11 political consultant for a candidate or political committee.

12 2. "Candidate" means an individual who receives or gives consent for  
13 receipt of a contribution for his nomination for or election to any office in  
14 this state other than a federal office.

15 3. "Candidate's campaign committee" means a political committee  
16 designated and authorized by a candidate.

17 4. "Clearly identified candidate" means that the name, a photograph or  
18 a drawing of the candidate appears or the identity of the candidate is  
19 otherwise apparent by unambiguous reference.

20 5. "Contribution" means any gift, subscription, loan, advance or  
21 deposit of money or anything of value made for the purpose of influencing an  
22 election including supporting or opposing the recall of a public officer or  
23 supporting or opposing the circulation of a petition for a ballot measure,  
24 question or proposition or the recall of a public officer and:

25 (a) Includes all of the following:

26 (i) A contribution made to retire campaign debt.

27 (ii) Money or the fair market value of anything directly or indirectly  
28 given or loaned to an elected official for the purpose of defraying the  
29 expense of communications with constituents, regardless of whether the  
30 elected official has declared his candidacy.

31 (iii) The entire amount paid to a political committee to attend a  
32 fund-raising or other political event and the entire amount paid to a  
33 political committee as the purchase price for a fund-raising meal or item,  
34 except that no contribution results if the actual cost of the meal or  
35 fund-raising item, based on the amount charged to the committee by the  
36 vendor, constitutes the entire amount paid by the purchaser for the meal or  
37 item, the meal or item is for the purchaser's personal use and not for resale  
38 and the actual cost is the entire amount paid by the purchaser in connection  
39 with the event. This exception does not apply to auction items.

40 (iv) Unless specifically exempted, the provision of goods or services  
41 without charge or at a charge that is less than the usual and normal charge  
42 for such goods and services. The acquisition or use of campaign assets by a  
43 committee that are paid for with the candidate's personal monies, including  
44 campaign signs and other similar promotional materials, is a contribution and

1 is reportable by the candidate's campaign committee as a contribution to the  
2 campaign.

3 (b) Does not include any of the following:

4 (i) The value of services provided without compensation by any  
5 individual who volunteers on behalf of a candidate, a candidate's campaign  
6 committee or any other political committee.

7 (ii) Money or the value of anything directly or indirectly provided to  
8 defray the expense of an elected official meeting with constituents if the  
9 elected official is engaged in the performance of the duties of his office or  
10 provided by the state or a political subdivision to an elected official for  
11 communication with constituents if the elected official is engaged in the  
12 performance of the duties of his office.

13 (iii) The use of real or personal property, including a church or  
14 community room used on a regular basis by members of a community for  
15 noncommercial purposes, that is obtained by an individual in the course of  
16 volunteering personal services to any candidate, candidate's committee or  
17 political party, and the cost of invitations, food and beverages voluntarily  
18 provided by an individual to any candidate, candidate's campaign committee or  
19 political party in rendering voluntary personal services on the individual's  
20 residential premises or in the church or community room for candidate-related  
21 or political party-related activities, to the extent that the cumulative  
22 value of the invitations, food and beverages provided by the individual on  
23 behalf of any single candidate does not exceed one hundred dollars with  
24 respect to any single election.

25 (iv) Any unreimbursed payment for personal travel expenses made by an  
26 individual who on his own behalf volunteers his personal services to a  
27 candidate.

28 (v) The payment by a political party for party operating expenses,  
29 party staff and personnel, party newsletters and reports, voter registration  
30 and efforts to increase voter turnout, party organization building and  
31 maintenance and printing and postage expenses for slate cards, sample  
32 ballots, other written materials that substantially promote three or more  
33 nominees of the party for public office and other election activities not  
34 related to a specific candidate, except that this item does not apply to  
35 costs incurred with respect to a display of the listing of candidates made on  
36 telecommunications systems or in newspapers, magazines or similar types of  
37 general circulation advertising.

38 (vi) Independent expenditures.

39 (vii) Monies loaned by a state bank, a federally chartered depository  
40 institution or a depository institution the deposits or accounts of which are  
41 insured by the federal deposit insurance corporation or the national credit  
42 union administration, other than an overdraft made with respect to a checking  
43 or savings account, that is made in accordance with applicable law and in the  
44 ordinary course of business. In order for this exemption to apply, this loan  
45 shall be deemed a loan by each endorser or guarantor, in that proportion of

1 the unpaid balance that each endorser or guarantor bears to the total number  
2 of endorsers or guarantors, the loan shall be made on a basis that assures  
3 repayment, evidenced by a written instrument, shall be subject to a due date  
4 or amortization schedule and shall bear the usual and customary interest rate  
5 of the lending institution.

6 (viii) A gift, subscription, loan, advance or deposit of money or  
7 anything of value to a national or a state committee of a political party  
8 specifically designated to defray any cost for the construction or purchase  
9 of an office facility not acquired for the purpose of influencing the  
10 election of a candidate in any particular election.

11 (ix) Legal or accounting services rendered to or on behalf of a  
12 political committee or a candidate, if the only person paying for the  
13 services is the regular employer of the individual rendering the services and  
14 if the services are solely for the purpose of compliance with this title.

15 (x) The payment by a political party of the costs of campaign  
16 materials, including pins, bumper stickers, handbills, brochures, posters,  
17 party tabloids and yard signs, used by the party in connection with volunteer  
18 activities on behalf of any nominee of the party or the payment by a state or  
19 local committee of a political party of the costs of voter registration and  
20 get-out-the-vote activities conducted by the committee if the payments are  
21 not for the costs of campaign materials or activities used in connection with  
22 any telecommunication, newspaper, magazine, billboard, direct mail or similar  
23 type of general public communication or political advertising.

24 (xi) Transfers between political committees to distribute monies  
25 raised through a joint fund-raising effort in the same proportion to each  
26 committee's share of the fund-raising expenses and payments from one  
27 political committee to another in reimbursement of a committee's  
28 proportionate share of its expenses in connection with a joint fund-raising  
29 effort.

30 (xii) An extension of credit for goods and services made in the  
31 ordinary course of the creditor's business if the terms are substantially  
32 similar to extensions of credit to nonpolitical debtors that are of similar  
33 risk and size of obligation and if the creditor makes a commercially  
34 reasonable attempt to collect the debt, except that any extension of credit  
35 under this item made for the purpose of influencing an election that remains  
36 unsatisfied by the candidate after six months, notwithstanding good faith  
37 collection efforts by the creditor, shall be deemed receipt of a contribution  
38 by the candidate but not a contribution by the creditor.

39 (xiii) Interest or dividends earned by a political committee on any  
40 bank accounts, deposits or other investments of the political committee.

41 6. "Earmarked" means a designation, instruction or encumbrance that  
42 results in all or any part of a contribution or expenditure being made to, or  
43 expended on behalf of, a clearly identified candidate or a candidate's  
44 campaign committee.

1           7. "Election" means any election for any initiative, referendum or  
2 other measure or proposition or a primary, general, recall, special or runoff  
3 election for any office in this state other than the office of precinct  
4 committeeman and other than a federal office. For the purposes of sections  
5 16-903 and 16-905, the general election does not include the primary  
6 election.

7           8. "Expenditures" includes any purchase, payment, distribution, loan,  
8 advance, deposit or gift of money or anything of value made by a person for  
9 the purpose of influencing an election in this state including supporting or  
10 opposing the recall of a public officer or supporting or opposing the  
11 circulation of a petition for a ballot measure, question or proposition or  
12 the recall of a public officer and a contract, promise or agreement to make  
13 an expenditure resulting in an extension of credit and the value of any  
14 in-kind contribution received. Expenditure does not include any of the  
15 following:

16           (a) A news story, commentary or editorial distributed through the  
17 facilities of any telecommunications system, newspaper, magazine or other  
18 periodical publication, unless the facilities are owned or controlled by a  
19 political committee, political party or candidate.

20           (b) Nonpartisan activity designed to encourage individuals to vote or  
21 to register to vote.

22           (c) The payment by a political party of the costs of preparation,  
23 display, mailing or other distribution incurred by the party with respect to  
24 any printed slate card, sample ballot or other printed listing of three or  
25 more candidates for any public office for which an election is held, except  
26 that this subdivision does not apply to costs incurred by the party with  
27 respect to a display of any listing of candidates made on any  
28 telecommunications system or in newspapers, magazines or similar types of  
29 general public political advertising.

30           (d) The payment by a political party of the costs of campaign  
31 materials, including pins, bumper stickers, handbills, brochures, posters,  
32 party tabloids and yard signs, used by the party in connection with volunteer  
33 activities on behalf of any nominee of the party or the payment by a state or  
34 local committee of a political party of the costs of voter registration and  
35 get-out-the-vote activities conducted by the committee if the payments are  
36 not for the costs of campaign materials or activities used in connection with  
37 any telecommunications system, newspaper, magazine, billboard, direct mail or  
38 similar type of general public communication or political advertising.

39           (e) Any deposit or other payment filed with the secretary of state or  
40 any other similar officer to pay any portion of the cost of printing an  
41 argument in a publicity pamphlet advocating or opposing a ballot measure.

42           9. "Exploratory committee" means a political committee that is formed  
43 for the purpose of determining whether an individual will become a candidate  
44 and that receives contributions or makes expenditures of more than five  
45 hundred dollars in connection with that purpose.

1       10. "Family contribution" means any contribution that is provided to a  
2 candidate's campaign committee by a parent, grandparent, spouse, child or  
3 sibling of the candidate or a parent or spouse of any of those persons.

4       11. "Filing officer" means the office that is designated by section  
5 16-916 to conduct the duties prescribed by this chapter.

6       12. "Identification" means:

7       (a) For an individual, his name and mailing address, his occupation  
8 and the name of his employer.

9       (b) For any other person, including a political committee, the full  
10 name and mailing address of the person. For a political committee,  
11 identification includes the identification number issued on the filing of a  
12 statement of organization pursuant to section 16-902.01.

13       13. "Incomplete contribution" means any contribution received by a  
14 political committee for which the contributor's mailing address, occupation,  
15 employer or identification number has not been obtained and is not in the  
16 possession of the political committee.

17       14. "Independent expenditure" means an expenditure by a person or  
18 political committee, other than a candidate's campaign committee, that  
19 expressly advocates the election or defeat of a clearly identified candidate,  
20 that is made without cooperation or consultation with any candidate or  
21 committee or agent of the candidate and that is not made in concert with or  
22 at the request or suggestion of a candidate, or any committee or agent of the  
23 candidate. Independent expenditure includes an expenditure that is subject  
24 to the requirements of section 16-917, which requires a copy of campaign  
25 literature or advertisement to be sent to a candidate named or otherwise  
26 referred to in the literature or advertisement. ~~An expenditure is not an~~  
27 ~~independent expenditure if any of the following applies:~~

28       ~~(a) Any officer, member, employee or agent of the political committee~~  
29 ~~making the expenditure is also an officer, member, employee or agent of the~~  
30 ~~committee of the candidate whose election or whose opponent's defeat is being~~  
31 ~~advocated by the expenditure or an agent of the candidate whose election or~~  
32 ~~whose opponent's defeat is being advocated by the expenditure.~~

33       ~~(b) There is any arrangement, coordination or direction with respect~~  
34 ~~to the expenditure between the candidate or the candidate's agent and the~~  
35 ~~person making the expenditure, including any officer, director, employee or~~  
36 ~~agent of that person. For the purposes of this subdivision, serving on a~~  
37 ~~host committee for a fund-raising event does not presumptively demonstrate~~  
38 ~~any arrangement, coordination or direction.~~

39       ~~(c) In the same election the person making the expenditure, including~~  
40 ~~any officer, director, employee or agent of that person, is or has been:~~

41       ~~(i) Authorized to raise or expend monies on behalf of the candidate or~~  
42 ~~the candidate's authorized committees.~~

43       ~~(ii) Receiving any form of compensation or reimbursement from the~~  
44 ~~candidate, the candidate's committees or the candidate's agent.~~

~~(d) The expenditure is based on information about the candidate's plans, projects or needs, or those of his campaign committee, provided to the expending person by the candidate or by the candidate's agents or any officer, member or employee of the candidate's campaign committee with a view toward having the expenditure made.~~

15. "In-kind contribution" means a contribution of goods or services or anything of value and not a monetary contribution. The use by a candidate's campaign committee of a distinctive trade name, trademark or trade dress item, including a logo, that is owned by a business or other entity that is owned by that candidate or in which the candidate has a controlling interest is deemed to be an in-kind contribution to the candidate's campaign committee and shall be reported as otherwise prescribed by law.

16. "Itemized" means that each contribution received or expenditure made is set forth separately.

17. "Literature or advertisement" means information or materials that are mailed, distributed or placed in some medium of communication for the purpose of influencing the outcome of an election.

18. "Personal monies" means any of the following:

(a) Except as prescribed in paragraph 15 of this section, assets to which the candidate has a legal right of access or control at the time he becomes a candidate and with respect to which the candidate has either legal title or an equitable interest.

(b) Salary and other earned income from bona fide employment of the candidate, dividends and proceeds from the sale of the stocks or investments of the candidate, bequests to the candidate, income to the candidate from trusts established before candidacy, income to the candidate from trusts established by bequest after candidacy of which the candidate is a beneficiary, gifts to the candidate of a personal nature that have been customarily received before the candidacy and proceeds received by the candidate from lotteries and other legal games of chance.

(c) The proceeds of loans obtained by the candidate that are not contributions and for which the collateral or security is covered by subdivision (a) or (b) of this paragraph.

(d) Family contributions.

19. "Political committee" means a candidate or any association or combination of persons that is organized, conducted or combined for the purpose of influencing the result of any election or to determine whether an individual will become a candidate for election in this state or in any county, city, town, district or precinct in this state, that engages in political activity in behalf of or against a candidate for election or retention or in support of or opposition to an initiative, referendum or recall or any other measure or proposition and that applies for a serial number and circulates petitions and, in the case of a candidate for public office except those exempt pursuant to section 16-903, that receives contributions or makes expenditures of more than two hundred fifty dollars in

1 connection therewith, notwithstanding that the association or combination of  
2 persons may be part of a larger association, combination of persons or  
3 sponsoring organization not primarily organized, conducted or combined for  
4 the purpose of influencing the result of any election in this state or in any  
5 county, city, town or precinct in this state. Political committee includes  
6 the following types of committees:

7 (a) A candidate's campaign committee.

8 (b) A separate, segregated fund established by a corporation or labor  
9 organization pursuant to section 16-920, subsection A, paragraph 3.

10 (c) A committee acting in support of or opposition to the  
11 qualification, passage or defeat of a ballot measure, question or  
12 proposition.

13 (d) A committee organized to circulate or oppose a recall petition or  
14 to influence the result of a recall election.

15 (e) A political party.

16 (f) A committee organized for the purpose of making independent  
17 expenditures.

18 (g) A committee organized in support of or opposition to one or more  
19 candidates.

20 (h) A political organization.

21 (i) An exploratory committee.

22 20. "Political organization" means an organization that is formally  
23 affiliated with and recognized by a political party including a district  
24 committee organized pursuant to section 16-823.

25 21. "Political party" means the state committee as prescribed by  
26 section 16-825 or the county committee as prescribed by section 16-821 of an  
27 organization that meets the requirements for recognition as a political party  
28 pursuant to section 16-801 or section 16-804, subsection A.

29 22. "Sponsoring organization" means any organization that establishes,  
30 administers or contributes financial support to the administration of, or  
31 that has common or overlapping membership or officers with, a political  
32 committee other than a candidate's campaign committee.

33 23. "Standing political committee" means a political committee that  
34 satisfies all of the following:

35 (a) Is active in more than one reporting jurisdiction in this state  
36 for more than one year.

37 (b) Files a statement of organization as prescribed by section  
38 16-902.01, subsection E.

39 (c) Is any of the following as defined by paragraph 19 of this  
40 section:

41 (i) A separate, segregated fund.

42 (ii) A political party.

43 (iii) A committee organized for the purpose of making independent  
44 expenditures.

45 (iv) A political organization.



1       24. "Statewide office" means the office of governor, secretary of  
2 state, state treasurer, attorney general, superintendent of public  
3 instruction, corporation commissioner or mine inspector.

4       25. "Surplus monies" means those monies of a political committee  
5 remaining after all of the committee's expenditures have been made and its  
6 debts have been extinguished.

7       Sec. 2. Section 16-905, Arizona Revised Statutes, is amended to read:

8       16-905. Contribution limitations; civil penalty; complaint;  
9       reductions

10       A. For an election other than for a statewide office, a contributor  
11 shall not give and an exploratory committee, a candidate or a candidate's  
12 campaign committee shall not accept contributions of more than:

13       1. For an election for a legislative office, two thousand five hundred  
14 dollars from an individual.

15       2. For an election other than for a legislative office, two thousand  
16 five hundred dollars from an individual.

17       3. For an election for a legislative office, two thousand five hundred  
18 dollars from a single political committee, excluding a political party, not  
19 certified under subsection G of this section to make contributions at the  
20 higher limits prescribed by paragraph 5 of this subsection and subsection B,  
21 paragraph 3 of this section.

22       4. For an election other than for a legislative office, two thousand  
23 five hundred dollars from a single political committee, excluding a political  
24 party, not certified under subsection G of this section to make contributions  
25 at the higher limits prescribed by subsection B, paragraph 3 of this section.

26       5. Five thousand dollars from a single political committee, excluding  
27 a political party, certified pursuant to subsection G of this section.

28       B. For an election for a statewide office, a contributor shall not  
29 give and an exploratory committee, a candidate or a candidate's committee  
30 shall not accept contributions of more than:

31       1. Two thousand five hundred dollars from an individual.

32       2. Two thousand five hundred dollars from a single political  
33 committee, excluding a political party, not certified under subsection G of  
34 this section to make contributions at the higher limits prescribed by  
35 subsection A, paragraph 5 of this section and paragraph 3 of this subsection.

36       3. Five thousand ten dollars from a single political committee  
37 excluding political parties certified pursuant to subsection G of this  
38 section.

39       C. A candidate may accept contributions from political committees,  
40 excluding political parties, as otherwise prescribed in this section and a  
41 candidate is not restricted as to the aggregate total that a candidate may  
42 lawfully receive from all political committees, excluding political parties.

43       D. A nominee of a political party shall not accept contributions from  
44 all political parties or political organizations combined totaling more than  
45 ten thousand twenty dollars for an election for an office other than a

1 statewide office, and one hundred thousand one hundred ten dollars for an  
2 election for a statewide office.

3 E. An individual may make contributions as otherwise prescribed by  
4 this section, and an individual is not restricted as to the aggregate total  
5 that an individual may give.

6 F. A candidate's campaign committee or an individual's exploratory  
7 committee shall not make a loan and shall not transfer or contribute money to  
8 any other campaign or exploratory committee that is designated pursuant to  
9 this chapter or 2 United States Code section 431 except as follows:

10 1. An exploratory committee may transfer monies to a subsequent  
11 candidate's campaign committee of the individual designating the exploratory  
12 committee, subject to the limits of subsection B of this section.

13 2. A candidate's campaign committee may transfer or contribute monies  
14 to another campaign committee designated by the same candidate as follows:

15 (a) Subject to the contribution limits of this section, transfer or  
16 contribute monies from one committee to another if both committees have been  
17 designated for an election in the same year.

18 (b) Without application of the contribution limits of this section,  
19 transfer or contribute monies from one committee to another designated for an  
20 election in a subsequent year.

21 G. Only political committees that received monies from five hundred or  
22 more individuals in amounts of ten dollars or more in the two year period  
23 immediately before application to the secretary of state for qualification as  
24 a political committee pursuant to this section may make contributions to  
25 candidates under subsection A, paragraph 5 of this section and subsection B,  
26 paragraph 3 of this section. The secretary of state shall obtain information  
27 necessary to make the determination that a committee meets the requirements  
28 of this subsection and shall provide written certification of the fact to the  
29 committee. A political committee certification is valid for four years. A  
30 candidate's campaign committee shall not accept a contribution pursuant to  
31 this subsection unless it is accompanied by a copy of the certification. All  
32 political committees that do not meet the requirements of this subsection are  
33 subject to the individual campaign contribution limits of subsection A,  
34 paragraphs 1 and 2 of this section and subsection B, paragraph 1 of this  
35 section.

36 H. The secretary of state biennially shall adjust to the nearest ten  
37 dollars the amounts in subsections A through E of this section by the  
38 percentage change in the consumer price index and publish the new amounts for  
39 distribution to election officials, candidates and campaign committees. For  
40 the purposes of this subsection, "consumer price index" means the consumer  
41 price index for all urban consumers, United States city average, that is  
42 published by the United States department of labor, bureau of labor  
43 statistics.

1 I. The following specific limitations and procedures apply:

2 1. The limits of subsections A through E of this section apply to each  
3 election for any office or offices that the candidate seeks.

4 2. The limits of subsections A and B of this section apply to the  
5 total contributions from all separate segregated funds established, as  
6 provided in section 16-920, by a corporation, labor organization, trade  
7 association, cooperative or corporation without capital stock.

8 3. A contribution by an unemancipated minor child shall be treated as  
9 a contribution by the child's custodial parent or parents for determining  
10 compliance with subsection A, paragraphs 1 and 2, subsection B, paragraph 1  
11 and subsection E of this section.

12 4. A contribution by an individual or a single political committee to  
13 two or more candidates in connection with a joint fund-raising effort shall  
14 be divided among the candidates in direct proportion to each candidate  
15 campaign committee's share of the expenses for the fund-raising effort.

16 5. A candidate shall sign and file with the candidate's nomination  
17 paper a statement that the candidate has read all applicable laws relating to  
18 campaign financing and reporting.

19 6. An individual or political committee shall not use economic  
20 influence to induce members of an organization to make contributions to a  
21 candidate, collect contributions from members of an organization for  
22 transmittal to a candidate, make payments to candidates for public  
23 appearances or services that are ordinarily uncompensated or use any similar  
24 device to circumvent any of the limitations of this section.

25 J. A person who violates this section is subject to a civil penalty  
26 imposed as prescribed in section 16-924 of three times the amount of money  
27 that has been received, expended or promised in violation of this section or  
28 three times the value in money for an equivalent of money or other things of  
29 value that have been received, expended or promised in violation of this  
30 section.

31 K. Any qualified elector may file a sworn complaint with the attorney  
32 general or the county attorney of the county in which a violation of this  
33 section is believed to have occurred, and the attorney general or the county  
34 attorney shall investigate the complaint for possible action.

35 L. If the filing officer, attorney general or county attorney fails to  
36 institute an action within forty-five working days after receiving a  
37 complaint under subsection K of this section, the individual filing the  
38 complaint may bring a civil action in the individual's own name and at the  
39 individual's own expense, with the same effect as if brought by the filing  
40 officer, attorney general or county attorney. The individual shall execute a  
41 bond payable to the defendant if the individual fails to prosecute the action  
42 successfully. The court shall award to the prevailing party costs and  
43 reasonable attorney fees.

1 M. If a provision of this section or its application to any person or  
2 circumstance is held invalid, the invalidity does not affect other provisions  
3 or applications of the section that can be given effect without the invalid  
4 provision or application, and to this end the provisions of this section are  
5 severable.

6 N. The use of a candidate's personal monies, or the use of personal  
7 monies by an individual who designates an exploratory committee, is not  
8 subject to the limitations of this section.

9 O. FOR ANY STATEWIDE OR LEGISLATIVE CANDIDATE WHO IS NOT PARTICIPATING  
10 IN THE CITIZENS CLEAN ELECTIONS ACT FUNDING SYSTEM ESTABLISHED PURSUANT TO  
11 ARTICLE 2 OF THIS CHAPTER:

12 1. COMPLAINTS AND INVESTIGATIONS RELATING TO AN ALLEGED VIOLATION OF  
13 THIS ARTICLE ARE SUBJECT ONLY TO THE JURISDICTION, PENALTIES AND PROCEDURES  
14 ESTABLISHED PURSUANT TO THIS ARTICLE AND THE ENFORCEMENT AND INVESTIGATIVE  
15 AUTHORITY OF THE SECRETARY OF STATE AND ATTORNEY GENERAL.

16 2. THE CITIZENS CLEAN ELECTIONS COMMISSION HAS NO AUTHORITY TO ACCEPT,  
17 INVESTIGATE OR OTHERWISE ACT ON ANY COMPLAINT INVOLVING AN ALLEGED VIOLATION  
18 OF THIS ARTICLE.

19 Sec. 3. Title 16, chapter 6, article 1, Arizona Revised Statutes, is  
20 amended by adding section 16-911, to read:

21 16-911. Independent expenditures; election officer analysis;  
22 coordination

23 A. IN EVALUATING WHETHER AN EXPENDITURE IS AN INDEPENDENT EXPENDITURE  
24 AS DEFINED IN SECTION 16-901, AN ELECTION OFFICIAL SHALL USE THE FOLLOWING AS  
25 EVIDENCE OF COORDINATION AND AN EXPENDITURE IS NOT AN INDEPENDENT EXPENDITURE  
26 IF ANY OF THE FOLLOWING APPLIES:

27 1. ANY OFFICER, MEMBER, EMPLOYEE OR AGENT OF THE POLITICAL COMMITTEE  
28 MAKING THE EXPENDITURE IS ALSO AN OFFICER, MEMBER, EMPLOYEE OR AGENT OF THE  
29 COMMITTEE OF THE CANDIDATE WHOSE ELECTION OR WHOSE OPPONENT'S DEFEAT IS BEING  
30 ADVOCATED BY THE EXPENDITURE OR AN AGENT OF THE CANDIDATE WHOSE ELECTION OR  
31 WHOSE OPPONENT'S DEFEAT IS BEING ADVOCATED BY THE EXPENDITURE.

32 2. THERE IS ANY ARRANGEMENT, COORDINATION OR DIRECTION WITH RESPECT TO  
33 THE EXPENDITURE BETWEEN THE CANDIDATE OR THE CANDIDATE'S AGENT AND THE PERSON  
34 MAKING THE EXPENDITURE, INCLUDING ANY OFFICER, DIRECTOR, EMPLOYEE OR AGENT OF  
35 THAT PERSON.

36 3. IN THE SAME ELECTION THE PERSON MAKING THE EXPENDITURE, INCLUDING  
37 ANY OFFICER, DIRECTOR, EMPLOYEE OR AGENT OF THAT PERSON, IS OR HAS BEEN:

38 (a) AUTHORIZED TO RAISE OR EXPEND MONIES ON BEHALF OF THE CANDIDATE OR  
39 THE CANDIDATE'S AUTHORIZED COMMITTEES.

40 (b) RECEIVING ANY FORM OF COMPENSATION OR REIMBURSEMENT FROM THE  
41 CANDIDATE, THE CANDIDATE'S COMMITTEES OR THE CANDIDATE'S AGENT.

42 4. THE EXPENDITURE IS BASED ON INFORMATION ABOUT THE CANDIDATE'S  
43 PLANS, PROJECTS OR NEEDS, OR THOSE OF THE CANDIDATE'S CAMPAIGN COMMITTEE,  
44 PROVIDED TO THE EXPENDING PERSON BY THE CANDIDATE OR BY THE CANDIDATE'S

1 AGENTS OR ANY OFFICER, MEMBER OR EMPLOYEE OF THE CANDIDATE'S CAMPAIGN  
2 COMMITTEE WITH A VIEW TOWARD HAVING THE EXPENDITURE MADE.

3 B. FOR THE PURPOSES OF SUBSECTION A, PARAGRAPHS 2 AND 3 OF THIS  
4 SECTION:

5 1. THE ACTIONS OF AN OFFICER, DIRECTOR, EMPLOYEE OR AGENT OF A TRADE  
6 ASSOCIATION ORGANIZED AND RECOGNIZED BY THE UNITED STATES INTERNAL REVENUE  
7 SERVICE UNDER SECTION 501(c)(6) OF THE INTERNAL REVENUE CODE ARE NOT  
8 ATTRIBUTABLE TO THE TRADE ASSOCIATION MAKING AN INDEPENDENT EXPENDITURE IF  
9 ALL OF THE FOLLOWING APPLY:

10 (a) THE OFFICER, DIRECTOR, EMPLOYEE OR AGENT DID NOT PARTICIPATE IN  
11 ANY WAY IN DECIDING TO MAKE AN INDEPENDENT EXPENDITURE OR IN DECIDING THE  
12 CONTENT, TIMING OR TARGETING OF AN INDEPENDENT EXPENDITURE.

13 (b) THE TRADE ASSOCIATION HAD AN EXPRESS WRITTEN POLICY DESCRIBING THE  
14 REQUISITE SEPARATION PRESCRIBED IN SUBDIVISION (a) OF THIS PARAGRAPH.

15 (c) THE TRADE ASSOCIATION AND THE OFFICER, DIRECTOR, EMPLOYEE OR AGENT  
16 FOLLOWED THE WRITTEN POLICY PRESCRIBED IN SUBDIVISION (b) OF THIS PARAGRAPH.

17 2. SERVING ON A HOST COMMITTEE FOR A FUND-RAISING EVENT DOES NOT  
18 PRESUMPTIVELY DEMONSTRATE ANY ARRANGEMENT, COORDINATION OR DIRECTION.

19 Sec. 4. Severability

20 If a provision of this act or its application to any person or  
21 circumstance is held invalid, the invalidity does not affect other provisions  
22 or applications of the act that can be given effect without the invalid  
23 provision or application, and to this end the provisions of this act are  
24 severable.