

State of Arizona  
House of Representatives  
Fifty-second Legislature  
First Regular Session  
2015

**CHAPTER 286**  
**HOUSE BILL 2415**

AN ACT

AMENDING SECTIONS 16-901, 16-902, 16-903, 16-905, 16-907 AND 41-1234.01,  
ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN FINANCE.

(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  
45 is reportable by the candidate's campaign committee as a contribution to the  
46 campaign.

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

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

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

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

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

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

36 (vi) Independent expenditures.

37 (vii) Monies loaned by a state bank, a federally chartered depository  
38 institution or a depository institution the deposits or accounts of which are  
39 insured by the federal deposit insurance corporation or the national credit  
40 union administration, other than an overdraft made with respect to a checking  
41 or savings account, that is made in accordance with applicable law and in the  
42 ordinary course of business. In order for this exemption to apply, this loan  
43 shall be deemed a loan by each endorser or guarantor, in that proportion of  
44 the unpaid balance that each endorser or guarantor bears to the total number  
45 of endorsers or guarantors, the loan shall be made on a basis that assures  
46 repayment, evidenced by a written instrument, shall be subject to a due date

1 or amortization schedule and shall bear the usual and customary interest rate  
2 of the lending institution.

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

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

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

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

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

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

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

42 7. "Election" means any election for any initiative, referendum or  
43 other measure or proposition or a primary, general, recall, special or runoff  
44 election for any office in this state other than the office of precinct  
45 committeeman and other than a federal office. ~~Unless otherwise provided by~~

1 ~~law~~ FOR THE PURPOSES OF SECTIONS 16-903 AND 16-905, the general election ~~does~~  
2 ~~not include~~ INCLUDES the primary election.

3 8. "ELECTION CYCLE" MEANS THE PERIOD BEGINNING TWENTY-ONE DAYS AFTER A  
4 GENERAL ELECTION AND ENDING TWENTY DAYS AFTER THE NEXT SUCCESSIVE GENERAL  
5 ELECTION FOR A PARTICULAR ELECTED OFFICE FOR THE PURPOSES OF SECTIONS 16-903  
6 AND 16-905.

7 ~~8-~~ 9. "Expenditures" includes any purchase, payment, distribution,  
8 loan, advance, deposit or gift of money or anything of value made by a person  
9 for the purpose of influencing an election in this state including supporting  
10 or 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-~~ 10. "Exploratory committee" means a political committee that is  
43 formed for the purpose of determining whether an individual will become a  
44 candidate and that receives contributions or makes expenditures of more than  
45 five hundred dollars in connection with that purpose.

1       ~~10.~~ 11. "Family contribution" means any contribution that is provided  
2 to a candidate's campaign committee by a parent, grandparent, spouse, child  
3 or sibling of the candidate or a parent or spouse of any of those persons.

4       ~~11.~~ 12. "Filing officer" means the office that is designated by  
5 section 16-916 to conduct the duties prescribed by this chapter.

6       ~~12.~~ 13. "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.~~ 14. "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.~~ 15. "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.

27       ~~15.~~ 16. "In-kind contribution" means a contribution of goods or  
28 services or anything of value and not a monetary contribution. The use by a  
29 candidate's campaign committee of a distinctive trade name, trademark or  
30 trade dress item, including a logo, that is owned by a business or other  
31 entity that is owned by that candidate or in which the candidate has a  
32 controlling interest is deemed to be an in-kind contribution to the  
33 candidate's campaign committee and shall be reported as otherwise prescribed  
34 by law.

35       ~~16.~~ 17. "Itemized" means that each contribution received or  
36 expenditure made is set forth separately.

37       ~~17.~~ 18. "Literature or advertisement" means information or materials  
38 that are mailed, distributed or placed in some medium of communication for  
39 the purpose of influencing the outcome of an election.

40       ~~18.~~ 19. "Personal monies" means any of the following:

41           (a) Except as prescribed in paragraph ~~15~~ 16 of this section, assets to  
42 which the candidate has a legal right of access or control at the time he  
43 becomes a candidate and with respect to which the candidate has either legal  
44 title or an equitable interest.

45           (b) Salary and other earned income from bona fide employment of the  
46 candidate, dividends and proceeds from the sale of the stocks or investments

1 of the candidate, bequests to the candidate, income to the candidate from  
2 trusts established before candidacy, income to the candidate from trusts  
3 established by bequest after candidacy of which the candidate is a  
4 beneficiary, gifts to the candidate of a personal nature that have been  
5 customarily received before the candidacy and proceeds received by the  
6 candidate from lotteries and other legal games of chance.

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

10 (d) Family contributions.

11 ~~19.~~ 20. "Political committee" means a candidate or any association or  
12 combination of persons that is organized, conducted or combined for the  
13 purpose of influencing the result of any election or to determine whether an  
14 individual will become a candidate for election in this state or in any  
15 county, city, town, district or precinct in this state, that engages in  
16 political activity in behalf of or against a candidate for election or  
17 retention or in support of or opposition to an initiative, referendum or  
18 recall or any other measure or proposition and that applies for a serial  
19 number and circulates petitions and, in the case of a candidate for public  
20 office except those exempt pursuant to section 16-903, that receives  
21 contributions or makes expenditures of more than two hundred fifty dollars in  
22 connection therewith, notwithstanding that the association or combination of  
23 persons may be part of a larger association, combination of persons or  
24 sponsoring organization not primarily organized, conducted or combined for  
25 the purpose of influencing the result of any election in this state or in any  
26 county, city, town or precinct in this state. Political committee includes  
27 the following types of committees:

28 (a) A candidate's campaign committee.

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

31 (c) A committee acting in support of or opposition to the  
32 qualification, passage or defeat of a ballot measure, question or  
33 proposition.

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

36 (e) A political party.

37 (f) A committee organized for the purpose of making independent  
38 expenditures.

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

41 (h) A political organization.

42 (i) An exploratory committee.

43 ~~20.~~ 21. "Political organization" means an organization that is  
44 formally affiliated with and recognized by a political party including a  
45 district committee organized pursuant to section 16-823.

1           ~~21-~~ 22. "Political party" means the state committee as prescribed by  
2 section 16-825 or the county committee as prescribed by section 16-821 of an  
3 organization that meets the requirements for recognition as a political party  
4 pursuant to section 16-801 or section 16-804, subsection A.

5           ~~22-~~ 23. "Sponsoring organization" means any organization that  
6 establishes, administers or contributes financial support to the  
7 administration of, or that has common or overlapping membership or officers  
8 with, a political committee other than a candidate's campaign committee.

9           ~~23-~~ 24. "Standing political committee" means a political committee  
10 that satisfies all of the following:

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

13           (b) Files a statement of organization as prescribed by section  
14 16-902.01, subsection E.

15           (c) Is any of the following as defined by paragraph ~~19~~ 20 of this  
16 section:

17           (i) A separate, segregated fund.

18           (ii) A political party.

19           (iii) A committee organized for the purpose of making independent  
20 expenditures.

21           (iv) A political organization.

22           ~~24-~~ 25. "Statewide office" means the office of governor, secretary of  
23 state, state treasurer, attorney general, superintendent of public  
24 instruction, corporation commissioner or mine inspector.

25           ~~25-~~ 26. "Surplus monies" means those monies of a political committee  
26 remaining after all of the committee's expenditures have been made and its  
27 debts have been extinguished.

28           Sec. 2. Section 16-902, Arizona Revised Statutes, is amended to read:

29           16-902. Organization of political committees; accounting

30           A. Each political committee shall have a chairman and treasurer. The  
31 position of chairman and treasurer of a single political committee may not be  
32 held by the same individual, except that a candidate may be chairman and  
33 treasurer of ~~his~~ THE CANDIDATE'S own campaign committee.

34           B. The name of each political committee shall include the name of any  
35 sponsoring organization, and, in the case of a candidate's campaign  
36 committee, the committee's name shall include the name of the candidate, or,  
37 if for an exploratory committee, the individual, who designated the committee  
38 pursuant to section 16-903.

39           C. Before a political committee accepts a contribution or makes an  
40 expenditure it shall designate one or more state banks, federally chartered  
41 depository institutions or depository institutions the deposits or accounts  
42 of which are insured by the federal deposit insurance corporation or the  
43 national credit union administration as its campaign depository or  
44 depositories. The political committee shall notify the filing officer of the  
45 designation of the financial institution either at the time of filing the  
46 statement of organization pursuant to section 16-902.01 or within five

1 business days after opening an account. All withdrawals or disbursements  
2 from these accounts require the signature of the treasurer or a designated  
3 agent of the political committee.

4 ~~D. If a committee receives contributions designated for use in the~~  
5 ~~general election before the primary election, the committee must use an~~  
6 ~~acceptable accounting method to distinguish between contributions received~~  
7 ~~for the primary election and contributions received for the general election.~~  
8 ~~Acceptable accounting methods include designating separate accounts for each~~  
9 ~~election or establishing separate books and records for each election.~~

10 Sec. 3. Section 16-903, Arizona Revised Statutes, is amended to read:

11 16-903. Candidate's campaign committees; exploratory  
12 committees; designation; candidate as agent; civil  
13 penalty

14 A. Each candidate who intends to receive contributions or make  
15 expenditures of more than five hundred dollars in connection with a campaign  
16 for office shall designate in the format prescribed by the filing officer a  
17 political committee for each election **CYCLE** to serve as the candidate's  
18 campaign committee. ~~Subject to section 16-902, subsection D, a candidate~~  
19 ~~shall only designate a single candidate campaign committee that applies to~~  
20 ~~both the primary election and the general election for that designated~~  
21 ~~office.~~ The candidate shall make the designation pursuant to this subsection  
22 by filing a statement of organization before making any expenditures,  
23 accepting any contributions, distributing any campaign literature or  
24 circulating any petitions. Each candidate who intends to receive  
25 contributions or make expenditures of five hundred dollars or less shall file  
26 a signed exemption statement in the format prescribed by the filing officer  
27 that states that intention before making any expenditures, accepting any  
28 contributions, distributing any campaign literature or circulating  
29 petitions. If a candidate who has filed a five hundred dollar exemption  
30 statement receives contributions or makes expenditures of more than five  
31 hundred dollars, that candidate shall file a statement of organization with  
32 the filing officer within five business days after exceeding the five hundred  
33 dollar limit.

34 B. An individual who receives contributions or makes expenditures of  
35 more than five hundred dollars for the purpose of determining whether the  
36 individual will become a candidate for election to an office in this state  
37 shall designate in the format prescribed by the filing officer a political  
38 committee to serve as the individual's exploratory committee. The individual  
39 shall make the designation pursuant to this subsection before making any  
40 expenditures, accepting any contributions, circulating any petitions or  
41 distributing any campaign literature. ~~If an individual's exploratory~~  
42 ~~committee receives contributions designated for use in the general election~~  
43 ~~before the primary election, the committee must use an acceptable accounting~~  
44 ~~method to distinguish between contributions received for the primary election~~  
45 ~~and contributions received for the general election. Acceptable accounting~~

1 ~~methods include designating separate accounts for each election or~~  
2 ~~establishing separate books and records for each election.~~

3 C. An individual may have only one exploratory committee in existence  
4 at one time. A candidate may have only one campaign committee designated for  
5 each election CYCLE, but a candidate may have more than one campaign  
6 committee simultaneously in existence.

7 D. A political committee that supports or has supported another  
8 candidate or more than one candidate may not be designated as a candidate's  
9 campaign committee.

10 E. Any candidate who receives a contribution or any loan for use in  
11 connection with the campaign of that candidate for election or who makes a  
12 disbursement in connection with that campaign shall be deemed as having  
13 received the contribution or loan or as having made the disbursement as an  
14 agent of the candidate's campaign committee for purposes of this article.

15 F. An elected official is not deemed to have offered himself for  
16 nomination or election to an office within the meaning of section 38-296  
17 solely by ~~his~~ THE ELECTED OFFICIAL'S designation of a candidate campaign  
18 committee.

19 G. After designating an exploratory committee, a candidate may  
20 lawfully collect signatures on nomination petitions and receive  
21 contributions.

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

28 Sec. 4. Section 16-905, Arizona Revised Statutes, is amended to read:  
29 16-905. Contribution limitations; civil penalty; complaint;  
30 reductions

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

34 1. For an election for a legislative office, ~~two~~ SIX thousand ~~five~~ TWO  
35 hundred FIFTY dollars PER ELECTION CYCLE from an individual.

36 2. For an election other than for a legislative office, ~~two~~ SIX  
37 thousand ~~five~~ TWO hundred FIFTY dollars PER ELECTION CYCLE from an  
38 individual.

39 3. For an election for a legislative office, ~~two~~ SIX thousand ~~five~~ TWO  
40 hundred FIFTY dollars PER ELECTION CYCLE from a single political committee,  
41 excluding a political party, not certified under subsection G of this section  
42 to make contributions at the higher limits prescribed by paragraph 5 of this  
43 subsection and subsection B, paragraph 3 of this section.

44 4. For an election other than for a legislative office, ~~two~~ SIX  
45 thousand ~~five~~ TWO hundred FIFTY dollars PER ELECTION CYCLE from a single  
46 political committee, excluding a political party, not certified under

1 subsection G of this section to make contributions at the higher limits  
2 prescribed by subsection B, paragraph 3 of this section.

3 5. ~~Five~~ TWELVE thousand FIVE HUNDRED dollars PER ELECTION CYCLE from a  
4 single political committee that is certified pursuant to subsection G of this  
5 section, excluding a political party.

6 6. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS PER ELECTION CYCLE FROM A  
7 SINGLE PARTNERSHIP. CONTRIBUTIONS FROM A PARTNERSHIP SHALL BE ALLOCATED TO  
8 THE INDIVIDUAL PARTNERS WHO ARE CONTRIBUTING, AS DESIGNATED BY THE  
9 PARTNERSHIP. PARTNERSHIP CONTRIBUTIONS FROM DESIGNATED PARTNERS SHALL BE  
10 COMBINED WITH OTHER CONTRIBUTIONS BY THAT INDIVIDUAL PARTNER TO THE SAME  
11 RECIPIENT AND ARE SUBJECT TO THE LIMITS ON AN INDIVIDUAL PRESCRIBED BY THIS  
12 SECTION. NONPARTNERSHIP MONIES THAT ARE CONTRIBUTED BY AN INDIVIDUAL SHALL  
13 NOT BE COUNTED AGAINST THE PARTNERSHIP CONTRIBUTION LIMIT FOR THAT SAME  
14 RECIPIENT.

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

18 1. ~~Two~~ SIX thousand ~~five~~ TWO hundred FIFTY dollars PER ELECTION CYCLE  
19 from an individual.

20 2. ~~Two~~ SIX thousand ~~five~~ TWO hundred FIFTY dollars PER ELECTION CYCLE  
21 from a single political committee, excluding a political party, not certified  
22 under subsection G of this section to make contributions at the higher limits  
23 prescribed by subsection A, paragraph 5 of this section and paragraph 3 of  
24 this subsection.

25 3. ~~Five~~ TWELVE thousand ~~ten~~ FIVE HUNDRED dollars PER ELECTION CYCLE  
26 from a single political committee that is certified pursuant to subsection G  
27 of this section, excluding a political party.

28 4. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS PER ELECTION CYCLE FROM A  
29 SINGLE PARTNERSHIP. CONTRIBUTIONS FROM A PARTNERSHIP SHALL BE ALLOCATED TO  
30 THE INDIVIDUAL PARTNERS WHO ARE CONTRIBUTING, AS DESIGNATED BY THE  
31 PARTNERSHIP. PARTNERSHIP CONTRIBUTIONS FROM DESIGNATED PARTNERS SHALL BE  
32 COMBINED WITH OTHER CONTRIBUTIONS BY THAT INDIVIDUAL PARTNER TO THE SAME  
33 RECIPIENT AND ARE SUBJECT TO THE LIMITS ON AN INDIVIDUAL PRESCRIBED BY THIS  
34 SECTION. NONPARTNERSHIP MONIES THAT ARE CONTRIBUTED BY AN INDIVIDUAL SHALL  
35 NOT BE COUNTED AGAINST THE PARTNERSHIP CONTRIBUTION LIMIT FOR THAT SAME  
36 RECIPIENT.

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

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

1 E. An individual may make contributions as otherwise prescribed by  
2 this section, and an individual is not restricted as to the aggregate total  
3 that an individual may give. AN INDIVIDUAL MAY MAKE AN OTHERWISE LAWFUL  
4 CONTRIBUTION USING PERSONAL MONIES CONTAINED IN A REVOCABLE TRUST, WHICH  
5 SHALL BE REPORTED AS AN INDIVIDUAL CONTRIBUTION AND WHICH IS SUBJECT TO THE  
6 LIMITS ON AN INDIVIDUAL CONTRIBUTION.

7 F. A candidate's campaign committee or an individual's exploratory  
8 committee shall not make a loan and shall not transfer or contribute money to  
9 any other campaign or exploratory committee that is designated pursuant to  
10 this chapter or ~~2- 52~~ United States Code section ~~431~~ 30101 except as follows:

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

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

16 (a) Subject to the contribution limits of this section per  
17 contributor, transfer or contribute monies in the aggregate from one  
18 committee to another if both committees have been designated for an election  
19 in the same year including to a committee for another office or in another  
20 jurisdiction.

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

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

39 H. The secretary of state biennially shall adjust to the nearest ten  
40 dollars the amounts in subsections A through E of this section by the  
41 percentage change in the consumer price index and publish the new amounts for  
42 distribution to election officials, candidates and campaign committees. For  
43 the purposes of this subsection, "consumer price index" means the consumer  
44 price index for all urban consumers, United States city average, that is  
45 published by the United States department of labor, bureau of labor  
46 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 CYCLE 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. A contribution to a candidate's exploratory or campaign committee~~  
20 ~~shall be applied to the primary election unless:~~  
21 ~~(a) The contributor has designated otherwise.~~  
22 ~~(b) That application would result in exceeding a contribution limit.~~  
23 ~~In that event, the committee may:~~  
24 ~~(i) Apply that portion of the contribution that exceeds the limit to~~  
25 ~~the general election. Any portion applied to the general election is subject~~  
26 ~~to the contribution limits for that election and for that contributor.~~  
27 ~~(ii) Refund the excess amount.~~  
28 ~~(c) The contribution was received after the primary election and the~~  
29 ~~contribution was not being used to retire primary election debt. In that~~  
30 ~~event, the contribution shall be applied to the general election subject to~~  
31 ~~the contribution limits for that election and for that contributor.~~  
32 ~~7. Contributions made to the candidate for the general election are~~  
33 ~~solely for influencing the general election. If the candidate prevailed in~~  
34 ~~the primary election or if the candidate filed pursuant to section 16-341,~~  
35 ~~unexpended or unencumbered primary election contributions may be combined~~  
36 ~~after the primary election with all of the general election contributions~~  
37 ~~that were received for use in the general election.~~  
38 6. After the general election, all contributions may be combined for  
39 use in a subsequent election CYCLE.  
40 ~~8.~~ 7. An individual or political committee shall not use economic  
41 influence to induce members of an organization to make contributions to a  
42 candidate, collect contributions from members of an organization for  
43 transmittal to a candidate, make payments to candidates for public  
44 appearances or services that are ordinarily uncompensated or use any similar  
45 device to circumvent any of the limitations of this section.

1 J. A person who violates this section is subject to a civil penalty  
2 imposed as prescribed in section 16-924 of three times the amount of money  
3 that has been received, expended or promised in violation of this section or  
4 three times the value in money for an equivalent of money or other things of  
5 value that have been received, expended or promised in violation of this  
6 section.

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

11 L. If the filing officer, attorney general or county attorney fails to  
12 institute an action within forty-five working days after receiving a  
13 complaint under subsection K of this section, the individual filing the  
14 complaint may bring a civil action in the individual's own name and at the  
15 individual's own expense, with the same effect as if brought by the filing  
16 officer, attorney general or county attorney. The individual shall execute a  
17 bond payable to the defendant if the individual fails to prosecute the action  
18 successfully. The court shall award to the prevailing party costs and  
19 reasonable attorney fees.

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

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

28 O. For any statewide or legislative candidate who is not participating  
29 in the citizens clean elections act funding system established pursuant to  
30 article 2 of this chapter:

31 1. Complaints and investigations relating to an alleged violation of  
32 this article are subject only to the jurisdiction, penalties and procedures  
33 established pursuant to this article and the enforcement and investigative  
34 authority of the secretary of state and attorney general.

35 2. The citizens clean elections commission has no authority to accept,  
36 investigate or otherwise act on any complaint involving an alleged violation  
37 of this article.

38 Sec. 5. Section 16-907, Arizona Revised Statutes, is amended to read:

39 16-907. Prohibited contributions; standing political  
40 committees; classification

41 A. Any person who makes a contribution in the name of another person  
42 or who knowingly permits his name to be used to effect such a contribution  
43 and any person who knowingly accepts a contribution made by one person in the  
44 name of another person is guilty of a class 6 felony.

1 B. Except for a contribution to a candidate's campaign committee, an  
2 individual or political committee shall not give and a political party or  
3 other political committee shall not accept an earmarked contribution.

4 ~~C. For purposes of this article, a contribution from partnership funds~~  
5 ~~shall only be made in the name of the individual partners who make the~~  
6 ~~contribution.~~

7 ~~D.~~ C. A standing political committee shall not act as a campaign  
8 committee or a sponsoring organization for any candidate, initiative,  
9 referendum or recall but may contribute to other political committees as  
10 provided by law.

11 Sec. 6. Section 41-1234.01, Arizona Revised Statutes, is amended to  
12 read:

13 41-1234.01. Contributions prohibited during session; exceptions

14 A. While registered under this article, a principal, public body,  
15 lobbyist, designated public lobbyist or authorized public lobbyist shall not  
16 make or promise to make a campaign contribution to or solicit or promise to  
17 solicit campaign contributions for:

18 1. A member of the legislature when the legislature is in regular  
19 session.

20 2. The governor when the legislature is in regular session or when  
21 regular session legislation is pending executive approval or veto.

22 B. Subsection A **OF THIS SECTION** only prohibits campaign contributions  
23 by principals, lobbyists, designated public lobbyists or authorized public  
24 lobbyists and the solicitation of campaign contributions by principals or  
25 lobbyists during any time that the legislature is in regular session but does  
26 not prohibit principals or lobbyists from raising monies for any other  
27 purpose during the regular session of the legislature.

28 **C. A MEMBER OF THE LEGISLATURE OR THE GOVERNOR MAY ACCEPT A CAMPAIGN**  
29 **CONTRIBUTION THAT IS RECEIVED BY A MEMBER OF THE LEGISLATURE OR THE GOVERNOR**  
30 **WITHIN THREE CALENDAR DAYS AFTER THE FIRST DAY OF THE REGULAR SESSION OF THE**  
31 **LEGISLATURE IF THE CAMPAIGN CONTRIBUTION WAS MAILED AND POSTMARKED BEFORE THE**  
32 **FIRST DAY OF THE REGULAR LEGISLATIVE SESSION.**

33 Sec. 7. Retroactivity

34 A. Sections 16-901, 16-902, 16-903 and 16-905, Arizona Revised  
35 Statutes, as amended by this act, apply retroactively to from and after  
36 November 4, 2014.

37 B. Section 16-905, Arizona Revised Statutes, as amended by this act,  
38 applies retroactively to all contributions made for an election in the 2016  
39 election cycle or later.

40 Sec. 8. Applicability to candidates with existing political  
41 committees; transfers; debt retirement

42 Notwithstanding any other law, for candidates who have existing  
43 candidate campaign committees and who intend to seek elected office in the  
44 2016 or 2018 election cycle, as applicable:

45 1. For candidates who have surplus monies remaining in the primary or  
46 general election accounts, or both, from the 2014 election cycle but who do

1 not intend to dispose of those surplus monies pursuant to section 16-915.01,  
2 subsection A, paragraphs 2 through 8, Arizona Revised Statutes, the following  
3 apply:

4 (a) The candidate shall transfer those monies to a new candidate  
5 campaign committee established for the 2016 or 2018 election cycle, as  
6 applicable, and shall use the new candidate campaign committee instead of  
7 amending the statement of organization for an existing candidate campaign  
8 committee from the 2014 election cycle.

9 (b) For candidates who amended their statements of organization for  
10 their candidate campaign committees before the effective date of this act,  
11 the filing officer for that candidate shall take reasonable measures to  
12 assist those candidates and committees to come into conformance with this  
13 act.

14 2. Candidates who have a zero balance in both the primary and the  
15 general election accounts of their candidate campaign committees from the  
16 2014 election cycle shall file a termination statement for that committee  
17 with the filing officer.

18 3. For candidates who have debt remaining in a primary or general  
19 election account, or both, from the 2014 election cycle and who do not  
20 transfer the account debt to a new political committee established for the  
21 2016 or 2018 election cycle, as applicable, the following apply:

22 (a) The candidate may accept contributions to retire the account debt  
23 in accordance with the contribution limits that were in effect on November 4,  
24 2014 for the 2014 election cycle.

25 (b) A candidate's acceptance of contributions to retire debt pursuant  
26 to this paragraph does not affect a candidate's contribution limits for a new  
27 candidate campaign committee established pursuant to this act for the 2016 or  
28 2018 election cycle, as applicable.

29 4. For candidates who have debt remaining in a primary or general  
30 election account, or both, from the 2014 election cycle and who transfer that  
31 account debt to a new political committee established for the 2016 or 2018  
32 election cycle, as applicable, contributions to retire the transferred debt  
33 are counted against the contribution limits for the new political committee  
34 for that contributor and for that candidate.

35 Sec. 9. Secretary of state; campaign finance reporting system

36 As soon as is practicable, the office of the secretary of state shall  
37 modify the electronic campaign finance reporting system operated by that  
38 office to incorporate the amendments made to this state's campaign finance  
39 laws by this act and shall facilitate the consolidation of separate accounts  
40 created for the 2014 primary and general elections into one account for the  
41 2016 or 2018 election cycle, as applicable.

1           Sec. 10. Severability

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

7           (EMERGENCY NOT ENACTED BY THE HOUSE)

8           Sec. 11. Emergency

9           This act is an emergency measure that is necessary to preserve the  
10          public peace, health or safety and is operative immediately as provided by  
11          law.

APPROVED BY THE GOVERNOR APRIL 13, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 14, 2015.