

REFERENCE TITLE: multiple committees; exploratory committees; repeal

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HB 2083

Introduced by
Representative Stevens

AN ACT

AMENDING SECTIONS 16-901, 16-902, 16-902.01, 16-903, 16-905, 16-913, 16-914, 16-915.01, 16-918, 16-919, 16-947, 16-961 AND 41-133, ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENSES.

(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 ballot measure, question or proposition or a primary, general, recall,
3 special or runoff election for any office in this state other than the office
4 of precinct committeeman and other than a federal office. For the purposes
5 of sections 16-903 and 16-905, the general election includes the primary
6 election.

7 8. "Election cycle" means the period beginning twenty-one days after a
8 general election and ending twenty days after the next successive general
9 election for a particular elected office for the purposes of sections 16-903
10 and 16-905.

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

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

24 (b) Nonpartisan activity designed to encourage individuals to vote or
25 to register to vote.

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

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

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

1 ~~10. "Exploratory committee" means a political committee that is formed~~
2 ~~for the purpose of determining whether an individual will become a candidate~~
3 ~~and that receives contributions or makes expenditures of more than five~~
4 ~~hundred dollars in connection with that purpose.~~

5 ~~11.~~ 10. "Family contribution" means any contribution that is provided
6 to a candidate's campaign committee by a parent, grandparent, spouse, child
7 or sibling of the candidate or a parent or spouse of any of those persons.

8 ~~12.~~ 11. "Filing officer" means the office that is designated by
9 section 16-916 to conduct the duties prescribed by this chapter.

10 ~~13.~~ 12. "Identification" means:

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

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

17 ~~14.~~ 13. "Incomplete contribution" means any contribution received by
18 a political committee for which the contributor's mailing address,
19 occupation, employer or identification number has not been obtained and is
20 not in the possession of the political committee.

21 ~~15.~~ 14. "Independent expenditure" means an expenditure by a person or
22 political committee, other than a candidate's campaign committee, that
23 expressly advocates the election or defeat of a clearly identified candidate,
24 that is made without cooperation or consultation with any candidate or
25 committee or agent of the candidate and that is not made in concert with or
26 at the request or suggestion of a candidate, or any committee or agent of the
27 candidate. Independent expenditure includes an expenditure that is subject
28 to the requirements of section 16-917, which requires a copy of campaign
29 literature or advertisement to be sent to a candidate named or otherwise
30 referred to in the literature or advertisement.

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

39 ~~17.~~ 16. "Itemized" means that each contribution received or
40 expenditure made is set forth separately.

41 ~~18.~~ 17. "Literature or advertisement" means information or materials
42 that are mailed, distributed or placed in some medium of communication for
43 the purpose of influencing the outcome of an election.

1 ~~19.~~ 18. "Personal monies" means any of the following:

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

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

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

17 (d) Family contributions.

18 ~~20.~~ 19. "Political committee" means any of the following:

19 (a) A candidate or a candidate's campaign committee.

20 (b) A separate, segregated fund established pursuant to section
21 16-920, subsection A, paragraph 3.

22 (c) An association or combination of persons that circulates petitions
23 in support of the qualification of a ballot measure, question or proposition.

24 (d) An association or combination of persons that circulates a
25 petition to recall a public officer.

26 (e) A political party.

27 (f) An association or combination of persons that meets both of the
28 following requirements:

29 (i) Is organized, conducted or combined for the primary purpose of
30 influencing the result of any election in this state or in any county, city,
31 town or other political subdivision in this state, including a judicial
32 retention election.

33 (ii) Knowingly receives contributions or makes expenditures of more
34 than five hundred dollars in connection with any election during a calendar
35 year, including a judicial retention election.

36 (g) A political organization.

37 ~~(h) An exploratory committee.~~

38 ~~21.~~ 20. "Political organization" means an organization that is
39 formally affiliated with and recognized by a political party including a
40 district committee organized pursuant to section 16-823.

41 ~~22.~~ 21. "Political party" means the state committee as prescribed by
42 section 16-825 or the county committee as prescribed by section 16-821 of an
43 organization that meets the requirements for recognition as a political party
44 pursuant to section 16-801, 16-802 or 16-804.

1 ~~23.~~ 22. "Sponsoring organization" means any organization that
2 establishes, administers or contributes financial support to the
3 administration of, or that has common or overlapping membership or officers
4 with, a political committee other than a candidate's campaign committee.

5 ~~24.~~ 23. "Standing political committee" means a political committee
6 that satisfies all of the following:

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

9 (b) Files a statement of organization as prescribed by section
10 16-902.01, subsection F.

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

13 (i) A separate, segregated fund.

14 (ii) A political party.

15 (iii) A political committee as prescribed by paragraph ~~20~~ 19,
16 subdivision (f) of this section and that is organized for the purpose of
17 making independent expenditures.

18 (iv) A political organization.

19 ~~25.~~ 24. "Statewide office" means the office of governor, secretary of
20 state, state treasurer, attorney general, superintendent of public
21 instruction, corporation commissioner or mine inspector.

22 ~~26.~~ 25. "Surplus monies" means those monies of a political committee
23 remaining after all of the committee's expenditures have been made and its
24 debts have been extinguished.

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

26 16-902. Organization of political committees

27 A. Each political committee shall have a chairman and treasurer. The
28 position of chairman and treasurer of a single political committee may not be
29 held by the same individual, except that a candidate may be chairman and
30 treasurer of the candidate's own campaign committee.

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

36 C. A political committee that accepts contributions or makes
37 expenditures shall deposit contributions and make expenditures from one or
38 more state banks, federally chartered depository institutions or depository
39 institutions the deposits or accounts of which are insured by the federal
40 deposit insurance corporation or the national credit union administration as
41 its campaign depository or depositories. The political committee shall
42 notify the filing officer of the name of the financial institution at the
43 time of filing the statement of organization pursuant to section 16-902.01 or
44 16-903. On meeting the definition of political committee pursuant to section

1 16-901, all withdrawals or disbursements from these accounts require the
2 signature of the treasurer or a designated agent of the political committee.

3 Sec. 3. Section 16-902.01, Arizona Revised Statutes, is amended to
4 read:

5 16-902.01. Registration of political committees: contents:
6 amendment

7 A. Except for a political committee as defined in section 16-901,
8 paragraph ~~20~~ 19, subdivision (f), each political committee that intends to
9 accept contributions or make expenditures of more than five hundred dollars
10 shall file a statement of organization with the filing officer in the format
11 prescribed by the filing officer before accepting contributions, making
12 expenditures, distributing any campaign literature or circulating petitions.
13 A political committee as defined in section 16-901, paragraph ~~20~~ 19,
14 subdivision (f) shall file a statement of organization with the filing
15 officer in the format prescribed by the filing officer within five business
16 days after meeting the definition of political committee.

17 B. Except for a political committee as defined in section 16-901,
18 paragraph ~~20~~ 19, subdivision (f), each political committee that intends to
19 accept contributions or make expenditures of five hundred dollars or less
20 shall file a signed exemption statement in a form prescribed by the filing
21 officer that states that intention before making any expenditures, accepting
22 any contributions, distributing any campaign literature or circulating
23 petitions. If a political committee that has filed a five hundred dollar
24 threshold exemption statement receives contributions or makes expenditures of
25 more than five hundred dollars, that political committee shall file a
26 statement of organization with the filing officer in the format prescribed by
27 the filing officer within five business days after exceeding the five hundred
28 dollar limit.

29 C. The statement of organization of a political committee shall
30 include all of the following:

31 1. The name, address and type of committee.

32 2. The name, address, relationship and type of any sponsoring
33 organization.

34 3. The names, addresses, telephone numbers, occupations and employers
35 of the chairman and treasurer of the committee.

36 4. In the case of a candidate's campaign committee, the name, address,
37 office sought and party affiliation of the candidate.

38 5. A listing of all banks, safety deposit boxes or other depositories
39 used by the committee.

40 6. A statement that the chairman and treasurer have read all of the
41 applicable laws relating to campaign finance and reporting.

42 D. Except as prescribed by subsection F of this section, on the filing
43 of a statement of organization, a political committee shall be issued an
44 identification number in the format prescribed by the filing officer.

1 E. The political committee shall file an amended statement of
2 organization reporting any change in the information prescribed in
3 subsections C and G of this section within five business days after the
4 change.

5 F. A standing political committee shall file a statement of
6 organization with the secretary of state and in each jurisdiction in which
7 the committee is active, and only the secretary of state shall issue an
8 identification number for the committee. The statement of organization shall
9 include a statement with the notarized signature of the chairman or treasurer
10 of the standing political committee that declares the committee's status as a
11 standing political committee. The secretary of state may charge an annual
12 fee for the filing.

13 G. For a political committee that makes expenditures in an attempt to
14 influence the results of a ballot proposition election, the statement of
15 organization shall include in the name of the political committee the
16 official serial number for the petition, if assigned, and a statement as to
17 whether the political committee supports or opposes the passage of the ballot
18 measure. On completion of the designation of statewide ballot propositions
19 by number as prescribed in section 19-125, the secretary of state is
20 authorized to and shall amend the name of the political committee by
21 attaching to the statement of organization the ballot proposition number as a
22 substitute for the official serial number in the name of the political
23 committee. The secretary of state shall promptly notify the political
24 committee of the amended political committee name and shall make that
25 information available to the public.

26 Sec. 4. Section 16-903, Arizona Revised Statutes, is amended to read:
27 16-903. Candidate's campaign committees: designation; candidate
28 as agent; civil penalty

29 A. Each candidate who intends to receive contributions or make
30 expenditures of more than five hundred dollars in connection with a campaign
31 for office shall designate in the format prescribed by the filing officer ~~a-~~
32 ~~ONE OR MORE~~ political ~~committee~~ COMMITTEES for each election cycle to serve
33 as the candidate's campaign committee. The candidate shall make the
34 designation pursuant to this subsection by filing a statement of organization
35 before making any expenditures, accepting any contributions, distributing any
36 campaign literature or circulating any petitions. Each candidate who intends
37 to receive contributions or make expenditures of five hundred dollars or less
38 shall file a signed exemption statement in the format prescribed by the
39 filing officer that states that intention before making any expenditures,
40 accepting any contributions, distributing any campaign literature or
41 circulating petitions. If a candidate who has filed a five hundred dollar
42 exemption statement receives contributions or makes expenditures of more than
43 five hundred dollars, that candidate shall file a statement of organization
44 with the filing officer within five business days after exceeding the five
45 hundred dollar limit.

1 ~~B. An individual who receives contributions or makes expenditures of~~
2 ~~more than five hundred dollars for the purpose of determining whether the~~
3 ~~individual will become a candidate for election to an office in this state~~
4 ~~shall designate in the format prescribed by the filing officer a political~~
5 ~~committee to serve as the individual's exploratory committee. The individual~~
6 ~~shall make the designation pursuant to this subsection before making any~~
7 ~~expenditures, accepting any contributions, circulating any petitions or~~
8 ~~distributing any campaign literature.~~

9 ~~C. B. An individual may have only one exploratory committee in~~
10 ~~existence at one time. A candidate may have only one ANY NUMBER OF campaign~~
11 ~~committee COMMITTEES designated for each ANY election cycle, but a candidate~~
12 ~~may have more than one campaign committee simultaneously in existence~~
13 ~~INCLUDING COMMITTEES FOR MULTIPLE OFFICES.~~

14 ~~D. C. A political committee that supports or has supported another~~
15 ~~candidate or more than one candidate may not be designated as a candidate's~~
16 ~~campaign committee.~~

17 ~~E. D. Any candidate who receives a contribution or any loan for use~~
18 ~~in connection with the campaign of that candidate for election or who makes a~~
19 ~~disbursement in connection with that campaign shall be deemed as having~~
20 ~~received the contribution or loan or as having made the disbursement as an~~
21 ~~agent of the candidate's campaign committee for purposes of this article.~~

22 ~~F. E. An elected official is not deemed to have offered himself for~~
23 ~~nomination or election to an office within the meaning of section 38-296~~
24 ~~solely by the elected official's designation of a candidate campaign~~
25 ~~committee.~~

26 ~~G. After designating an exploratory committee, a candidate may~~
27 ~~lawfully collect signatures on nomination petitions and receive~~
28 ~~contributions.~~

29 ~~H. F. A person who violates this section is subject to a civil~~
30 ~~penalty imposed as prescribed in section 16-924 of up to three times the~~
31 ~~amount of money that has been received, expended or promised in violation of~~
32 ~~this section or up to three times the value in money for an equivalent of~~
33 ~~money or other things of value that have been received, expended or promised~~
34 ~~in violation of this section.~~

35 Sec. 5. Section 16-905, Arizona Revised Statutes, is amended to read:

36 16-905. Contribution limitations; civil penalty; complaint;
37 reductions

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

41 1. For an election for a legislative office, six thousand two hundred
42 fifty dollars per election cycle from an individual.

43 2. For an election other than for a legislative office, six thousand
44 two hundred fifty dollars per election cycle from an individual.

1 3. For an election for a legislative office, six thousand two hundred
2 fifty dollars per election cycle from a single political committee, excluding
3 a political party, not certified under subsection G of this section to make
4 contributions at the higher limits prescribed by paragraph 5 of this
5 subsection and subsection B, paragraph 3 of this section.

6 4. For an election other than for a legislative office, six thousand
7 two hundred fifty dollars per election cycle from a single political
8 committee, excluding a political party, not certified under subsection G of
9 this section to make contributions at the higher limits prescribed by
10 subsection B, paragraph 3 of this section.

11 5. Twelve thousand five hundred dollars per election cycle from a
12 single political committee that is certified pursuant to subsection G of this
13 section, excluding a political party.

14 6. Six thousand two hundred fifty dollars per election cycle from a
15 single partnership. Contributions from a partnership shall be allocated to
16 the individual partners who are contributing, as designated by the
17 partnership. Partnership contributions from designated partners shall be
18 combined with other contributions by that individual partner to the same
19 recipient and are subject to the limits on an individual prescribed by this
20 section. Nonpartnership monies that are contributed by an individual shall
21 not be counted against the partnership contribution limit for that same
22 recipient.

23 B. For an election for a statewide office, a contributor shall not
24 give and ~~an exploratory committee~~, a candidate or a candidate's committee
25 shall not accept contributions of more than:

26 1. Six thousand two hundred fifty dollars per election cycle from an
27 individual.

28 2. Six thousand two hundred fifty dollars per election cycle from a
29 single political committee, excluding a political party, not certified under
30 subsection G of this section to make contributions at the higher limits
31 prescribed by subsection A, paragraph 5 of this section and paragraph 3 of
32 this subsection.

33 3. Twelve thousand five hundred dollars per election cycle from a
34 single political committee that is certified pursuant to subsection G of this
35 section, excluding a political party.

36 4. Six thousand two hundred fifty dollars per election cycle from a
37 single partnership. Contributions from a partnership shall be allocated to
38 the individual partners who are contributing, as designated by the
39 partnership. Partnership contributions from designated partners shall be
40 combined with other contributions by that individual partner to the same
41 recipient and are subject to the limits on an individual prescribed by this
42 section. Nonpartnership monies that are contributed by an individual shall
43 not be counted against the partnership contribution limit for that same
44 recipient.

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

5 D. A nominee of a political party shall not accept contributions from
6 all political parties or political organizations combined totaling more than
7 ten thousand dollars for an election for an office other than a statewide
8 office, and one hundred thousand dollars for an election for a statewide
9 office.

10 E. An individual may make contributions as otherwise prescribed by
11 this section, and an individual is not restricted as to the aggregate total
12 that an individual may give. An individual may make an otherwise lawful
13 contribution using personal monies contained in a revocable trust, which
14 shall be reported as an individual contribution and which is subject to the
15 limits on an individual contribution.

16 F. A candidate's campaign committee ~~or an individual's exploratory~~
17 ~~committee~~ shall not make a loan and shall not transfer or contribute money to
18 any other campaign ~~or exploratory committee~~ that is designated pursuant to
19 this chapter or 52 United States Code section 30101 except ~~as follows:~~

20 ~~1. An exploratory committee may transfer monies to a subsequent~~
21 ~~candidate's campaign committee of the individual designating the exploratory~~
22 ~~committee, subject to the limits of subsection B of this section.~~

23 ~~2.~~ THAT a candidate's campaign committee may transfer or contribute
24 monies to another campaign committee designated by the same candidate as
25 follows:

26 ~~(a)~~ 1. Subject to the contribution limits of this section per
27 contributor, transfer or contribute monies in the aggregate from one
28 committee to another if both committees have been designated for an election
29 in the same year including to a committee for another office or in another
30 jurisdiction.

31 ~~(b)~~ 2. Without application of the contribution limits of this
32 section, transfer or contribute monies from one committee to another
33 designated for an election in a subsequent year.

34 G. Only political committees that received monies from five hundred or
35 more individuals in amounts of ten dollars or more in the two year period
36 immediately before application to the secretary of state for qualification as
37 a political committee pursuant to this section may make contributions to
38 candidates under subsection A, paragraph 5 of this section and subsection B,
39 paragraph 3 of this section. The secretary of state shall obtain information
40 necessary to make the determination that a committee meets the requirements
41 of this subsection and shall provide written certification of the fact to the
42 committee. A political committee certification is valid for four years. A
43 candidate's campaign committee shall not accept a contribution pursuant to
44 this subsection unless it is accompanied by a copy of the certification. All
45 political committees that do not meet the requirements of this subsection are

1 subject to the individual campaign contribution limits of subsection A,
2 paragraphs 1 and 2 of this section and subsection B, paragraph 1 of this
3 section.

4 H. The secretary of state biennially shall adjust to the nearest ten
5 dollars the amounts in subsections A through E of this section by the
6 percentage change in the consumer price index and publish the new amounts for
7 distribution to election officials, candidates and campaign committees. For
8 the purposes of this subsection, "consumer price index" means the consumer
9 price index for all urban consumers, United States city average, that is
10 published by the United States department of labor, bureau of labor
11 statistics.

12 I. The following specific limitations and procedures apply:

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

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

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

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

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

30 6. After the general election, all contributions may be combined for
31 use in a subsequent election cycle.

32 7. An individual or political committee shall not use economic
33 influence to induce members of an organization to make contributions to a
34 candidate, collect contributions from members of an organization for
35 transmittal to a candidate, make payments to candidates for public
36 appearances or services that are ordinarily uncompensated or use any similar
37 device to circumvent any of the limitations of this section.

38 J. A person who violates this section is subject to a civil penalty
39 imposed as prescribed in section 16-924 of three times the amount of money
40 that has been received, expended or promised in violation of this section or
41 three times the value in money for an equivalent of money or other things of
42 value that have been received, expended or promised in violation of this
43 section.

44 K. Any qualified elector may file a sworn complaint with the attorney
45 general or the county attorney of the county in which a violation of this

1 section is believed to have occurred, and the attorney general or the county
2 attorney shall investigate the complaint for possible action.

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

12 M. If a provision of this section or its application to any person or
13 circumstance is held invalid, the invalidity does not affect other provisions
14 or applications of the section that can be given effect without the invalid
15 provision or application, and to this end the provisions of this section are
16 severable.

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

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

23 1. Complaints and investigations relating to an alleged violation of
24 this article are subject only to the jurisdiction, penalties and procedures
25 established pursuant to this article and the enforcement and investigative
26 authority of the secretary of state and attorney general.

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

30 Sec. 6. Section 16-913, Arizona Revised Statutes, is amended to read:
31 16-913. Campaign finance reports; reporting of receipts and
32 disbursements; exemptions; civil penalty

33 A. Except as provided in subsection K of this section, each political
34 committee shall file campaign finance reports in the format prescribed by the
35 filing officer setting forth the committee's receipts and disbursements
36 according to the schedule prescribed in subsections B and C of this section.

37 B. In any calendar year during which there is a regularly scheduled
38 election at which any candidates, measures, questions or propositions appear
39 or may appear on the ballot, the political committee shall file each of the
40 following campaign finance reports:

41 1. A report covering the period beginning January 1 through May 31,
42 filed no later than June 30.

43 2. A preelection report, that shall be filed not less than four days
44 before any election and that shall be complete through the twelfth day before
45 the election.

1 3. A postelection report, that shall be filed not more than thirty
2 days after any election and that shall be complete through the twentieth day
3 after the election.

4 C. In any other calendar year, the political committee shall file a
5 report covering the period beginning twenty-one days after the date of the
6 election in the preceding calendar year through December 31 of the
7 nonelection year filed no later than January 31 of the following calendar
8 year. For a special election for which the secretary of state is the filing
9 officer, a political committee that receives contributions or makes
10 expenditures to influence that election shall file the following:

11 1. For an initiative, referendum or recall, a preelection report that
12 is due within fifteen days of filing the petition with the secretary of state
13 and **THAT IS** current through the date the petition was filed.

14 2. A preelection report that is due within fifteen days of the
15 governor's proclamation calling the special election and **THAT IS** current
16 through the date of the governor's proclamation.

17 3. A preelection report that is due as prescribed by subsection B,
18 paragraph 2 of this section.

19 4. A postelection report that is due as prescribed by subsection B,
20 paragraph 3 of this section.

21 D. In the event that a political committee receives no contributions
22 and makes no expenditures during a period in which it is required to file a
23 campaign finance report, the committee treasurer or if the treasurer is
24 unavailable the candidate, in lieu of filing a report required by subsection
25 B of this section, may sign and file a form prescribed by the secretary of
26 state indicating no activity during the specific reporting period.

27 E. In lieu of the reports prescribed in subsections B and C of this
28 section, a candidate's political committee that remains active after an
29 election due to outstanding debts may file a document no later than January
30 31 in a form prescribed by the secretary of state that states that the
31 committee does not intend to receive any contributions or make any
32 expenditures during the year. If a candidate's political committee does
33 receive a contribution or make an expenditure during that year, the committee
34 shall report as prescribed by subsection B or C of this section.

35 F. A judge who has filed a declaration of the desire to be retained in
36 office is exempt from filing any report required by this section if the
37 judge, not later than twelve days before the general election, files a
38 statement signed and sworn to by the judge certifying that the judge has
39 received no contributions, has made no expenditures and has no campaign
40 committee and that the judge does not intend to receive contributions, make
41 expenditures or have a campaign committee for the purpose of influencing the
42 result of the vote on the question of the judge's retention. With respect to
43 superior court judges, a statement filed pursuant to this subsection is
44 effective until the earlier of twelve days before the third general election
45 following the filing of this statement or the judge receives contributions,

1 makes expenditures or authorizes a campaign committee. Such a statement
2 filed by a supreme court justice or a court of appeals judge is effective
3 until the earlier of twelve days before the fourth general election following
4 the filing of this statement or the justice or judge receives contributions,
5 makes expenditures or authorizes a campaign committee.

6 G. Reports in connection with special or recall elections shall
7 conform to the filing deadlines set forth in subsections B and C of this
8 section.

9 H. Except as provided in section 16-916, subsection B and subsection K
10 of this section, a political committee shall comply with the requirements of
11 this section in each jurisdiction in this state in which the committee has
12 filed a statement of organization until the committee terminates pursuant to
13 section 16-914, and its statements, designations and reports shall be filed
14 with each officer with whom it has filed a statement of organization, as
15 appropriate.

16 I. Each report required to be filed pursuant to this section shall be
17 signed by the committee treasurer or the candidate or the designating
18 individual if the treasurer is unavailable and shall contain the
19 certification of the signer under penalty of perjury that the report is true
20 and complete.

21 J. A political committee and the candidate, in the case of a
22 candidate's campaign committee, ~~or the designating individual, in the case of~~
23 ~~an exploratory committee,~~ who violate this section are subject to the penalty
24 prescribed in section 16-918.

25 K. A standing political committee shall file reports with the
26 secretary of state and is exempt from filing a report with any other
27 jurisdiction in which it is active. The reports shall be in an electronic
28 format as prescribed by the secretary of state or by use of the internet.
29 The secretary of state shall promptly make the reports available to the
30 public on the internet and shall make the reports available by electronic
31 means by request. The standing committee shall file the following reports:

32 1. A preelection report that is due as prescribed by subsection B,
33 paragraph 2 of this section shall be filed for each consolidated election
34 date prescribed by section 16-204.

35 2. A postelection report that is due as prescribed by subsection B,
36 paragraph 3 of this section shall be filed for each consolidated election
37 date prescribed by section 16-204.

38 3. An annual report that is due by January 31 in the year immediately
39 following the calendar year that is the subject of the report.

40 Sec. 7. Section 16-914, Arizona Revised Statutes, is amended to read:
41 16-914. Termination statement

42 A. Except as prescribed by subsection C of this section and section
43 16-904, subsection F, a political committee may terminate only when the
44 committee chairman and treasurer file a statement with the officer with whom
45 the committee's statement of organization is filed in the format prescribed

1 by the filing officer certifying under penalty of perjury that it will no
2 longer receive any contributions or make any disbursements, that the
3 committee has no outstanding debts or obligations and that any surplus monies
4 have been disposed of pursuant to section 16-915.01 together with a statement
5 of the manner of disposition of the surplus, the name and address of each
6 recipient of surplus monies and the date and amount of each disposition of
7 surplus monies. For a political committee that is ~~an individual's~~
8 ~~exploratory committee or~~ a candidate's campaign committee, the committee may
9 transfer the committee's debts and obligations to a subsequent committee for
10 that ~~individual or~~ candidate, as prescribed by section 16-915.01, and in that
11 event may terminate without certifying that the committee has no outstanding
12 debts or obligations.

13 B. After the filing of an appropriate termination statement, a
14 political committee is not required to file any subsequent campaign finance
15 reports and shall have no further receipts or disbursements without filing a
16 new statement of organization.

17 C. A political committee may terminate its activities in a reporting
18 jurisdiction and remain active in other jurisdictions by attaching a
19 statement to the reporting jurisdiction's termination statement that is
20 signed by the committee's chairman and treasurer, that attests to the intent
21 to remain active in other jurisdictions and that contains a statement that
22 the committee's remaining monies shall be used for activities in other
23 jurisdictions.

24 Sec. 8. Section 16-915.01, Arizona Revised Statutes, is amended to
25 read:

26 16-915.01. Disposal of surplus monies; transfer of debt

27 A. A political committee shall dispose of surplus monies only as
28 follows:

29 1. Retain surplus monies for use in a subsequent election, which
30 includes a transfer by ~~an individual's exploratory committee or~~ a candidate's
31 campaign committee to that ~~individual's subsequent exploratory committee or~~
32 ~~that~~ candidate's campaign committee designated for a subsequent election.

33 2. Return surplus monies to the contributor to the extent records are
34 available permitting such return.

35 3. Contribute surplus monies to the county, state or local committee
36 of a political party.

37 4. Donate the surplus monies to a charitable organization that
38 qualifies under section 501(c)(3) of the United States internal revenue code.

39 5. In the case of a political committee other than ~~an individual's~~
40 ~~exploratory committee or~~ a candidate's committee, contribute surplus monies
41 to a candidate's campaign committee if the contribution is within the
42 limitations of section 16-905.

43 6. Donate surplus monies to a political committee other than ~~an~~
44 ~~individual's exploratory committee or to~~ a candidate's campaign committee.

1 7. Subject to the restrictions in section 41-133, contribute surplus
2 monies to the individual's officeholder expense account.

3 8. Dispose of the surplus monies in any other lawful manner.

4 B. Surplus monies shall not be used for or converted to the personal
5 use of the ~~designating individual, in the case of an individual's exploratory~~
6 ~~committee, or a~~ candidate, in the case of a candidate's campaign committee,
7 or any person related to the candidate by blood or marriage. ~~Nothing in~~ This
8 subsection ~~precludes~~ DOES NOT PRECLUDE the repayment of a loan made by the
9 ~~designating individual or~~ candidate to his campaign.

10 C. ~~An individual's exploratory committee or~~ A candidate's campaign
11 committee may transfer its debts and obligations to that ~~individual's~~
12 ~~subsequent exploratory committee or that~~ candidate's campaign committee
13 designated for a subsequent election.

14 Sec. 9. Section 16-918, Arizona Revised Statutes, is amended to read:

15 16-918. Campaign finance reports; notice; civil penalty;
16 prohibition on candidacy

17 A. If a political committee fails to file a report in a timely manner
18 as required by this chapter, the filing officer shall send written notice of
19 the delinquency of the report to the political committee and the candidate,
20 in the case of the candidate's campaign committee, ~~or to the designating~~
21 ~~individual, in the case of an individual's exploratory committee~~. The notice
22 shall be sent by certified mail within fifteen days after the filing officer
23 determines there may be a failure to file a campaign finance report. The
24 notice shall provide with reasonable particularity the nature of the failure
25 and a statement of the penalties provided in this section.

26 B. A political committee, ~~or,~~ in the case of a candidate's campaign
27 committee, the candidate, ~~or in the case of an exploratory committee, the~~
28 ~~designating individual,~~ is liable for a late penalty of ten dollars for each
29 business day after failure to make or file a campaign finance report that is
30 required pursuant to this chapter up to a maximum of four hundred fifty
31 dollars. For filings for an officeholder expense account pursuant to section
32 41-133, the late penalty is five dollars for each day after failure to make
33 or file the campaign finance report, and the late penalty shall not accrue on
34 days during which the office of the secretary of state is not open for
35 business. A late penalty accrues only until the day the late report is filed
36 and the filing officer shall not refuse a campaign finance report except if
37 penalties imposed pursuant to section 16-924 are unpaid at the time of filing
38 the report. Beginning on the thirty-first day after the due date, the filing
39 officer may notify the appropriate enforcement officer under section 16-924
40 that a violation has occurred and that late fees and civil penalties are owed
41 as prescribed in subsection C of this section and may be collected in an
42 enforcement action pursuant to section 16-924.

43 C. A political committee, ~~or,~~ in the case of a candidate's campaign
44 committee, the candidate, ~~or in the case of an exploratory committee, the~~
45 ~~designating individual,~~ that has failed to file within fifteen days after

1 receiving a notice of delinquency pursuant to subsection A of this section is
2 liable for a civil penalty of twenty-five dollars for each subsequent day
3 that the filing is late. This penalty shall be assessed pursuant to section
4 16-924.

5 D. For the purposes of this section, there is a failure to make and
6 file a campaign finance report by the treasurer, ~~the designating individual,~~
7 ~~in the case of an exploratory committee,~~ the candidate, in the case of a
8 candidate's campaign committee, and for all other political committees, the
9 chairman, if any of the following occurs:

10 1. The report is not filed in a timely manner as prescribed by section
11 16-913.

12 2. The report is not signed in accordance with section 16-913.

13 3. A good faith effort is not made to substantially complete the
14 report as prescribed by section 16-915.

15 E. It is a defense to an enforcement action brought pursuant to this
16 section if good cause is shown by the treasurer, ~~the designating individual,~~
17 ~~in the case of an exploratory committee,~~ or the candidate, in the case of a
18 candidate's campaign committee, for the failure to make and file a campaign
19 finance report. For the purposes of this subsection, "good cause" includes
20 an illness or absence from this state at the time the campaign finance report
21 was due or the written notice of delinquency was delivered if the illness or
22 absence reasonably prevented the treasurer, designating individual or
23 candidate from filing the report or receiving the written notice.

24 F. In addition to the enforcement actions prescribed by this section,
25 a person who was a candidate for nomination or election to any local or state
26 office and who after written notice pursuant to this section failed to make
27 and file a campaign finance report as required by this chapter is not
28 eligible to be a candidate for nomination or election to any local or state
29 office for five years after the last failure to make and file a campaign
30 finance report occurred. This penalty shall be imposed as follows:

31 1. A candidate's failure to make and file a campaign finance report
32 with a filing officer for a jurisdiction is grounds for that filing officer
33 to refuse the candidate's nomination paper for any public office in that
34 jurisdiction as described in this subsection.

35 2. A candidate's failure to make and file a campaign finance report
36 with any filing officer is grounds for a filing officer from another
37 jurisdiction to refuse the candidate's nomination paper for any public office
38 on presentation of a certified copy of a final order issued pursuant to
39 section 16-924.

40 G. For a standing political committee, in addition to any late penalty
41 and civil penalty assessed pursuant to this section, if the standing
42 political committee makes a late filing three or more times, the standing
43 political committee is no longer eligible for consolidated filing status
44 pursuant to section 16-913, subsection K and shall make all of its filings in
45 each reporting jurisdiction in which it is active.

1 H. For any political committee that has failed to file three
 2 consecutive campaign finance reports with the filing officer as prescribed by
 3 section 16-913, the filing officer shall send the committee chairman and
 4 treasurer a written notice of intent to suspend the political committee. The
 5 notice of intent to suspend shall state that failure of the political
 6 committee to fully comply with all filing requirements for that committee,
 7 including any required payments, within thirty days of the date of the notice
 8 shall result in suspension of the political committee's authority to operate
 9 in that jurisdiction. On suspension of the political committee's authority
 10 to operate, the filing officer is no longer required to provide any further
 11 notice of delinquency to the political committee. This subsection does not
 12 reduce or eliminate the political committee's continuing obligation to make
 13 campaign finance filings and pay any fines, penalties, civil penalties or
 14 other sanctions that may continue to accrue as otherwise provided by law.
 15 This subsection does not apply to reports required pursuant to article 2 of
 16 this chapter or to a candidate's campaign committee designated by that
 17 candidate pursuant to section 16-903 during that election cycle.

18 Sec. 10. Section 16-919, Arizona Revised Statutes, is amended to read:

19 16-919. Prohibition of contributions by corporations, limited
 20 liability companies or labor organizations;
 21 exemption; violation; classification; definitions

22 A. Except as provided in section 16-914.02, it is unlawful for a
 23 corporation or a limited liability company to make an expenditure or any
 24 contribution of money or anything of value for the purpose of influencing an
 25 election, and it is unlawful for ~~the designating individual who formed an~~
 26 ~~exploratory committee, an exploratory committee,~~ a candidate or a candidate's
 27 campaign committee to accept any contribution of money or anything of value
 28 from a corporation or a limited liability company for the purpose of
 29 influencing an election. This subsection does not apply to political
 30 committees that are incorporated pursuant to title 10, chapters 24 through 40
 31 and political committees that are organized as limited liability companies.

32 B. Except as provided in section 16-914.02, it is unlawful for a labor
 33 organization to make an expenditure or any contribution of money or anything
 34 of value for the purpose of influencing an election.

35 C. Notwithstanding subsections A and B of this section, a corporation,
 36 limited liability company or labor organization may contribute to an
 37 independent expenditure committee.

38 D. A corporation, limited liability company or labor organization that
 39 violates this section is guilty of a class 2 misdemeanor.

40 E. The person through whom the violation is effected is guilty of a
 41 class 6 felony.

42 F. Notwithstanding subsection A of this section, a political committee
 43 that is incorporated only for the purposes of liability limitation may make
 44 contributions for the purpose of influencing an election. Notwithstanding
 45 the corporate status of a political committee, the chairman and treasurer of

1 an incorporated political committee remain personally responsible for
2 carrying out their respective duties under this article.

3 G. For the purposes of this section:

4 1. "Election" means any election to any political office, any election
5 to any political convention or caucus or any primary election held for the
6 purpose of selecting any candidate, political committee or other person for
7 any political office, convention or caucus.

8 2. "Employee" includes any employee, is not limited to the employees
9 of a particular employer and includes any individual whose work has ceased as
10 a consequence of, or in connection with, any current labor dispute or because
11 of any unfair labor practice.

12 3. "Employer" includes any person acting as an agent of an employer,
13 directly or indirectly.

14 4. "Labor organization" means any organization of any kind or any
15 agency or employee representation committee or plan in which employees
16 participate and that exists for the purpose in whole or in part of dealing
17 with employers concerning grievances, labor disputes, wages, rates of pay,
18 hours of employment or conditions of work.

19 Sec. 11. Subject to the requirements of article IV, part 1, section 1,
20 Constitution of Arizona, section 16-947, Arizona Revised Statutes, is amended
21 to read:

22 16-947. Certification as a participating candidate

23 A. A candidate who wishes to be certified as a participating candidate
24 shall file, before the end of the qualifying period, an application with the
25 secretary of state, in a form specified by the citizens clean elections
26 commission.

27 B. The application shall identify the candidate, the office that the
28 candidate plans to seek and the candidate's party, if any, and shall contain
29 the candidate's signature, under oath, certifying that:

30 1. The candidate has complied with the restrictions of section 16-941,
31 subsection A during the election cycle to date.

32 2. The candidate's campaign committee ~~and exploratory committee have~~
33 HAS filed all campaign finance reports required under article 1 of this
34 chapter during the election cycle to date and that they are complete and
35 accurate.

36 3. The candidate will comply with the requirements of section 16-941,
37 subsection A during the remainder of the election cycle and, specifically,
38 will not accept private contributions.

39 C. The commission shall act on the application within one week.
40 Unless, within that time, the commission denies an application and provides
41 written reasons that all or part of a certification in subsection B of this
42 section is incomplete or untrue, the candidate shall be certified as a
43 participating candidate. If the commission denies an application for failure
44 to file all complete and accurate campaign finance reports or failure to make
45 the certification in subsection B, paragraph 3 of this section, the candidate

1 may reapply within two weeks of the commission's decision by filing complete
2 and accurate campaign finance reports and another sworn certification.

3 D. A candidate shall be denied certification if that candidate was
4 removed from office by the commission or if the candidate is delinquent in
5 payment of a debt to the commission. If the debt is paid in full or if the
6 candidate is current on a payment agreement with the commission, the
7 candidate may apply for certification as a participating candidate and is
8 eligible to be certified if otherwise qualified by law.

9 Sec. 12. Subject to the requirements of article IV, part 1, section 1,
10 Constitution of Arizona, section 16-961, Arizona Revised Statutes, is amended
11 to read:

12 16-961. Definitions

13 A. The terms "candidate's campaign committee," "contribution,"
14 "expenditures," ~~"exploratory committee,"~~ "independent expenditure," "personal
15 monies," "political committee" and "statewide office" are defined in section
16 16-901.

17 B. 1. "Election cycle" means the period between successive general
18 elections for a particular office.

19 2. "Exploratory period" means the period beginning on the day after a
20 general election and ending the day before the start of the qualifying
21 period.

22 3. "Qualifying period" means the period beginning on the first day of
23 August in a year preceding an election and ending one week before the primary
24 election.

25 4. "Primary election period" means the nine-week period ending on the
26 day of the primary election.

27 5. "General election period" means the period beginning on the day
28 after the primary election and ending on the day of the general election.

29 6. For any recall election, the qualifying period shall begin when the
30 election is called and last for thirty days, there shall be no primary
31 election period and the general election period shall extend from the day
32 after the end of the qualifying period to the day of the recall election.
33 For recall elections, any reference to "general election" in this article
34 shall be treated as if referring to the recall election.

35 C. 1. "Participating candidate" means a candidate who becomes
36 certified as a participating candidate pursuant to section 16-947.

37 2. "Nonparticipating candidate" means a candidate who does not become
38 certified as a participating candidate pursuant to section 16-947.

39 3. Any limitation of this article that is applicable to a
40 participating candidate or a nonparticipating candidate shall also apply to
41 that candidate's campaign committee or exploratory committee.

42 D. "Commission" means the citizens clean elections commission
43 established pursuant to section 16-955.

44 E. "Fund" means the citizens clean elections fund defined by this
45 article.

1 F. 1. "Party nominee" means a person who has been nominated by a
2 political party pursuant to section 16-301 or 16-343.

3 2. "Independent candidate" means a candidate who has properly filed
4 nominating papers and nominating petitions with signatures pursuant to
5 section 16-341.

6 3. "Unopposed" means with reference to an election for:

7 (a) A member of the house of representatives, opposed by no more than
8 one other candidate who has qualified for the ballot and who is running in
9 the same district.

10 (b) A member of the corporation commission, opposed by a number of
11 candidates who have qualified for the ballot that is fewer than the number of
12 corporation commission seats open at that election and for which the term of
13 office ends on the same date.

14 (c) All other offices, opposed by no other candidate who has qualified
15 for the ballot and who is running in that district or running for that same
16 office and term.

17 G. "Primary election spending limits" means:

18 1. For a candidate for the legislature, twelve thousand nine hundred
19 twenty-one dollars.

20 2. For a candidate for mine inspector, forty-one thousand three
21 hundred forty-nine dollars.

22 3. For a candidate for treasurer, superintendent of public instruction
23 or the corporation commission, eighty-two thousand six hundred eighty
24 dollars.

25 4. For a candidate for secretary of state or attorney general, one
26 hundred sixty-five thousand three hundred seventy-eight dollars.

27 5. For a candidate for governor, six hundred thirty-eight thousand two
28 hundred twenty-two dollars.

29 H. "General election spending limits" means amounts fifty ~~per cent~~
30 PERCENT greater than the amounts specified in subsection G of this section.

31 I. 1. "Original" spending limit means a limit specified in
32 subsections G and H of this section, as adjusted pursuant to section 16-959,
33 or a special amount expressly set for a particular candidate by a provision
34 of this title.

35 2. "Adjusted" spending limit means an original spending limit as
36 further adjusted pursuant to section 16-952.

37 Sec. 13. Section 41-133, Arizona Revised Statutes, is amended to read:

38 41-133. Officeholder expenses; account; reporting; limitations;
39 civil penalty; definition

40 A. Any person who holds elected statewide public office or a
41 legislative office in this state, whether by election or appointment, may
42 receive or spend monies to defray the costs of performing officeholder duties
43 as follows:

1 1. An officeholder may receive contributions pursuant to this section
2 only from individuals, and the maximum amount that may be received from an
3 individual during an election cycle is one hundred fifty dollars.

4 2. The total amount that an officeholder may receive or spend pursuant
5 to this section during an election cycle is ninety-eight thousand three
6 hundred sixty dollars for the governor, fifty-one thousand six hundred eighty
7 dollars for the secretary of state and the attorney general, twenty-five
8 thousand eight hundred forty dollars for all other statewide officeholders
9 and nine thousand eight hundred dollars for a legislator, which may include
10 personal monies as prescribed by paragraph 3 of this subsection. The
11 secretary of state shall adjust this amount biennially as prescribed in
12 section 16-905, subsection H.

13 3. An officeholder may contribute up to thirty ~~per cent~~ PERCENT of the
14 limits as prescribed by paragraph 2 of this subsection of the officeholder's
15 personal monies to the officeholder's expense account.

16 B. For an officeholder's future campaign monies received do not
17 constitute a contribution as defined in section 16-901 if the monies are
18 received, expended and reported as prescribed in this section.

19 C. An officeholder shall establish a separate account for officeholder
20 expenses, which shall be separate from any candidate campaign account. The
21 officeholder shall file a statement of organization for the account
22 designated as an officeholder expense account. Monies raised or spent for
23 officeholder expenses shall be reported under campaign finance reporting
24 requirements pursuant to title 16, chapter 6, article 1.

25 D. An officeholder shall not use monies in the officeholder account
26 for campaign purposes. Permissible uses of monies in an officeholder account
27 include the following:

- 28 1. Office equipment and supplies.
- 29 2. Travel related to the officeholder's duties.
- 30 3. Meeting or communicating with constituents.
- 31 4. Expenses for informational and educational purposes, including
32 subscriptions to newspapers, magazines or other periodicals or websites or
33 other informational services, membership or participation in community,
34 professional or fraternal organizations and participation in conferences and
35 seminars.

36 E. An officeholder shall not receive or spend monies from the
37 officeholder account during the period beginning April 30 in an election
38 year, shall complete the purchase or otherwise use the item before April 30
39 in an election year and shall not spend those monies until after the day of
40 the general election. Any monies remaining in the officeholder expense
41 account beginning April 30 in an election year may not be used except as
42 follows:

- 43 1. Paid to the state general fund.
- 44 2. For a person who continues to hold office as prescribed in this
45 section, carried forward to an officeholder expense account for another

1 office or term of office, subject to the limitations prescribed by this
2 section.

3 3. Donated to a political committee other than a ~~person's exploratory~~
4 ~~committee or a~~ candidate's campaign committee, unless the officeholder
5 continues to hold office as prescribed in this section or the officeholder
6 holds any other elected office immediately following completion of the
7 officeholder's term.

8 4. Donated to an organization that qualifies under section 501(c)(4)
9 of the United States internal revenue code, unless the officeholder continues
10 to hold office as prescribed in this section or the officeholder holds any
11 other elected office immediately following completion of the officeholder's
12 term.

13 F. Except as prescribed in subsection E of this section, an
14 officeholder shall not transfer officeholder account monies to any other
15 account or committee except for another officeholder account for that same
16 officeholder.

17 G. Section 41-1234.01 applies to contributions to an officeholder
18 account for legislators.

19 H. A person who violates this section is subject to a civil penalty of
20 three times any amount improperly received, spent or reported.

21 I. Section 16-924 applies for the implementation and enforcement of
22 this section.

23 J. Any monies held by an officeholder pursuant to the officeholder
24 expense account rules established by the citizens clean elections commission
25 are subject to this section, and the citizens clean elections commission has
26 no further authority with respect to those monies.

27 K. For the purposes of this section, "officeholder" means a person who
28 holds an elected statewide public office or a legislative office in this
29 state, whether by election or appointment.

30 Sec. 14. Requirements for enactment; three-fourths vote

31 Pursuant to article IV, part 1, section 1, Constitution of Arizona,
32 sections 16-947 and 16-961, Arizona Revised Statutes, as amended by this act,
33 are effective only on the affirmative vote of at least three-fourths of the
34 members of each house of the legislature.