

REFERENCE TITLE: campaign finance amendments

State of Arizona
Senate
Fifty-second Legislature
Second Regular Session
2016

SB 1516

Introduced by
Senator Driggs

AN ACT

AMENDING SECTIONS 11-138, 13-3302, 15-424, 15-1442, 16-311 AND 16-343, ARIZONA REVISED STATUTES; REPEALING SECTIONS 16-901, 16-902, 16-902.01, 16-902.02, 16-903, 16-904, 16-905, 16-906, 16-907, 16-911, 16-912, 16-912.01, 16-913, 16-913.01, 16-914, 16-914.01, 16-914.02, 16-915, 16-915.01, 16-916, 16-916.01, 16-916.02, 16-917, 16-918, 16-919, 16-920, 16-921, 16-922, 16-923, 16-924 AND 16-925, ARIZONA REVISED STATUTES; AMENDING TITLE 16, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 16-901; AMENDING TITLE 16, CHAPTER 6, ARIZONA REVISED STATUTES, BY ADDING ARTICLES 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 AND 1.7; AMENDING SECTIONS 16-941, 16-946, 16-947, 16-948, 16-958, 16-959, 16-961, 19-111, 19-111.01, 19-114, 23-361.02, 38-544, 41-128 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 11-138, Arizona Revised Statutes, is amended to
3 read:

4 11-138. Report by political action committees
5 ~~Campaign committees~~ A POLITICAL ACTION COMMITTEE, as defined in section
6 16-901, promoting or opposing the formation of new counties under this
7 article shall register with and report to the secretary of state and
8 otherwise comply with the requirements of title 16, chapter 6 regarding the
9 election under section 11-137.

10 Sec. 2. Section 13-3302, Arizona Revised Statutes, is amended to read:

11 13-3302. Exclusions

12 A. The following conduct is not unlawful under this chapter:

- 13 1. Amusement gambling.
14 2. Social gambling.
15 3. Regulated gambling if the gambling is conducted in accordance with
16 the statutes, rules or orders governing the gambling.
17 4. Gambling that is conducted at state, county or district fairs and
18 that complies with section 13-3301, paragraph 1, subdivision (d).

19 B. An organization that has qualified for an exemption from taxation
20 of income under section 43-1201, subsection A, paragraph 1, 2, 4, 5, 6, 7, 10
21 or 11 may conduct a raffle that is subject to the following restrictions:

- 22 1. The nonprofit organization shall maintain this status and no
23 member, director, officer, employee or agent of the nonprofit organization
24 may receive any direct or indirect pecuniary benefit other than being able to
25 participate in the raffle on a basis equal to all other participants.
26 2. The nonprofit organization has been in existence continuously in
27 this state for a five year period immediately before conducting the raffle.
28 3. No person except a bona fide local member of the sponsoring
29 organization may participate directly or indirectly in the management, sales
30 or operation of the raffle.

31 4. Nothing in paragraph 1 or 3 of this subsection prohibits:

32 (a) A licensed general hospital, a licensed special hospital or a
33 foundation established to support cardiovascular medical research that is
34 exempt from taxation of income under section 43-1201, subsection A, paragraph
35 4 or section 501(c)(3) of the internal revenue code from contracting with an
36 outside agent who participates in the management, sales or operation of the
37 raffle if the proceeds of the raffle are used to fund medical research,
38 graduate medical education or indigent care and the raffles are conducted no
39 more than three times per calendar year. The maximum fee for an outside
40 agent shall not exceed fifteen percent of the net proceeds of the raffle.

41 (b) An entity that is exempt from taxation of income under section
42 43-1201, subsection A, paragraph 4 or section 501(c)(3) of the internal
43 revenue code and that has at least a twenty-year history of providing
44 comprehensive services to prevent child abuse and to provide services and
45 advocacy for victims of child abuse from contracting with an outside agent

1 who participates in the management, sales or operation of the raffle if the
2 proceeds of the raffle are used to provide comprehensive services to prevent
3 child abuse and to provide services and advocacy for victims of child abuse
4 and the raffles are conducted no more than three times per calendar year.
5 The maximum fee for an outside agent shall not exceed fifteen percent of the
6 net proceeds of the raffle.

7 C. A state, county or local historical society designated by this
8 state or a county, city or town to conduct a raffle may conduct the raffle
9 subject to the following conditions:

10 1. No member, director, officer, employee or agent of the historical
11 society may receive any direct or indirect pecuniary benefit other than being
12 able to participate in the raffle on a basis equal to all other participants.

13 2. The historical society must have been in existence continuously in
14 this state for a five year period immediately before conducting the raffle.

15 3. No person except a bona fide local member of the sponsoring
16 historical society may participate directly or indirectly in the management,
17 sales or operation of the raffle.

18 D. A nonprofit organization that is a booster club, a civic club or a
19 political club or political organization ~~as defined in section 16-901~~ THAT IS
20 FORMALY AFFILIATED WITH AND RECOGNIZED BY A POLITICAL PARTY IN THIS STATE
21 may conduct a raffle that is subject to the following restrictions:

22 1. No member, director, officer, employee or agent of the club or
23 organization may receive any direct or indirect pecuniary benefit other than
24 being able to participate in the raffle on a basis equal to all other
25 participants.

26 2. No person except a bona fide local member of the sponsoring club or
27 organization may participate directly or indirectly in the management, sales
28 or operation of the raffle.

29 3. The maximum annual benefit that the club or organization receives
30 for all raffles is ten thousand dollars.

31 4. The club or organization is organized and operated exclusively for
32 pleasure, recreation or other nonprofit purposes and no part of the club's or
33 organization's net earnings inures to the personal benefit of any member,
34 director, officer, employee or agent of the club or organization.

35 Sec. 3. Section 15-424, Arizona Revised Statutes, is amended to read:

36 15-424. Election of governing board members; terms; statement
37 of contributions and expenditures

38 A. A regular election shall be held for each school district at the
39 time and place, and in the manner, of general elections as provided in
40 title 16.

41 B. Except as provided in subsection C of this section and sections
42 15-429 and 15-430, the term of office for each member shall be four years
43 from January 1 next following the member's election.

1 C. At the first general election held for a newly formed district,
2 three members shall be elected. The candidate receiving the highest number
3 of votes shall be elected to a four year term, and the candidates having the
4 second and third highest number of votes shall be elected to two year terms.
5 A district increasing its governing board to five members shall elect at the
6 next general election members in the following manner:

7 1. If one of the previous three offices is to be filled, the three
8 candidates receiving the highest, the second highest and the third highest
9 number of votes shall be elected to four year terms.

10 2. If two of the previous three offices are to be filled, the
11 candidates receiving the highest, the second highest and the third highest
12 number of votes shall be elected to four year terms. The candidate receiving
13 the fourth highest number of votes shall be elected to a two year term.
14 Thereafter all such offices shall have four year terms.

15 D. If only one person files ~~or no person files~~ a nominating petition
16 or nomination paper for a write-in candidate for an election to fill a
17 district office, the board of supervisors no earlier than seventy-five days
18 before the election may cancel the election for the position and appoint the
19 person who filed the nominating petition or nomination paper to fill the
20 position. If no person files a nominating petition or nomination paper for
21 an election to fill a district office, the board of supervisors no earlier
22 than seventy-five days before the election may cancel the election for that
23 office and that office is deemed vacant and shall be filled as provided in
24 section 15-302. A person who is appointed pursuant to this subsection is
25 fully vested with the powers and duties of the office as if elected to that
26 office.

27 E. If two or more candidates receive an equal number of votes for the
28 same office, and a higher number than any other candidate for that office,
29 whether upon the tally by the school election board or canvass of returns by
30 the board of supervisors, or upon recount by a court, the officer or board
31 whose duty it is to declare the result shall determine by lot and in the
32 presence of the candidates which candidate shall be declared elected.

33 F. Position of the names of candidates for each office shall be
34 rotated so that each candidate occupies each position on the ballot an equal
35 number of times, insofar as is possible, for each ballot style. For
36 candidates seeking election to fill a vacancy on the governing board, the
37 ballot shall be designated as provided in section 16-502.

38 G. This section does not require that a school election at which no
39 member is to be elected be held on a general election day.

40 H. All candidates for the office of school district governing board
41 member shall file with the county school superintendent a statement of
42 contributions and expenditures as provided in section ~~16-913~~ 16-926.

1 Sec. 4. Section 15-1442, Arizona Revised Statutes, is amended to read:
2 15-1442. Nominating petitions; election; returns; results;
3 certificate of election; statement of contributions
4 and expenditures

5 A. Candidates for the district board must file nominating petitions,
6 conforming to section 16-314, with the appropriate county officer.

7 B. Members of the district board shall be elected at the time and
8 place, and in the manner, of general elections as provided in title 16.

9 C. If only one person files ~~or no person files~~ a nominating petition
10 or nomination paper for a write-in candidate for an election to fill a
11 community college board office, the county school superintendent no earlier
12 than seventy-five days before the election may cancel the election for the
13 position and appoint the person who filed the nominating petition or
14 nomination paper to fill the position. If no person files a nominating
15 petition or nomination paper **FOR A CANDIDATE OR FOR A WRITE-IN CANDIDATE** for
16 an election to fill a community college board office, the county board of
17 supervisors no earlier than seventy-five days before the election may cancel
18 the election for that office and that office is deemed vacant and shall be
19 filled as provided in section 15-1441. A person who is appointed pursuant to
20 this subsection is fully vested with the powers and duties of the office as
21 if elected to that office.

22 D. The county school superintendent and the chairman of the board of
23 supervisors shall meet on the seventh day following the election to canvass
24 the returns in accordance with procedures for the canvass of returns in a
25 general election. The county school superintendent shall declare the results
26 of the election, declare elected the person receiving the highest number of
27 votes for each office to be filled and issue to that person a certificate of
28 election.

29 E. All candidates for the office of community college district
30 governing board member shall file with the clerk of the board of supervisors
31 a statement of contributions and expenditures as provided in section ~~16-913~~
32 **16-926**.

33 Sec. 5. Section 16-311, Arizona Revised Statutes, is amended to read:
34 16-311. Nomination papers; filing; definitions

35 A. Any person desiring to become a candidate at a primary election for
36 a political party and to have the person's name printed on the official
37 ballot shall be a qualified elector of such party and, not less than ~~ninety~~
38 ~~nor more than~~ one hundred ~~twenty~~ **EIGHTY** days before the primary election,
39 shall sign and cause to be filed a nomination paper giving the person's
40 actual residence address or description of place of residence and post office
41 address, naming the party of which the person desires to become a candidate,
42 stating the office and district or precinct, if any, for which the person
43 offers the person's candidacy, stating the exact manner in which the person
44 desires to have the person's name printed on the official ballot pursuant to
45 subsection G of this section, and giving the date of the primary election

1 and, if nominated, the date of the general election at which the person
2 desires to become a candidate. A candidate for public office shall be a
3 qualified elector at the time of filing and shall reside in the county,
4 district or precinct that the person proposes to represent.

5 B. Any person desiring to become a candidate at any nonpartisan
6 election and to have the person's name printed on the official ballot shall
7 be at the time of filing a qualified elector of such county, city, town or
8 district and, not less than ~~ninety nor more than~~ one hundred ~~twenty~~ EIGHTY
9 days before the election, shall sign and cause to be filed a nomination paper
10 giving the person's actual residence address or description of place of
11 residence and post office address, stating the office and county, city, town
12 or district and ward or precinct, if any, for which the person offers the
13 person's candidacy, stating the exact manner in which the person desires to
14 have the person's name printed on the official ballot pursuant to subsection
15 G of this section and giving the date of the election. A candidate for
16 office shall reside at the time of filing in the county, city, town,
17 district, ward or precinct that the person proposes to represent.

18 C. Notwithstanding subsection B of this section, any city or town may
19 adopt by ordinance for its elections the time frame provided in subsection A
20 of this section for filing nomination petitions. Such ordinance shall be
21 adopted not less than one hundred twenty days before the first election to
22 which it applies.

23 D. All persons desiring to become a candidate shall file with the
24 nomination paper provided for in subsection A of this section ~~an affidavit~~ A
25 DECLARATION, which shall be printed in a form prescribed by the secretary of
26 state. The ~~affidavit~~ DECLARATION shall include facts sufficient to show
27 that, other than the residency requirement provided in subsection A of this
28 section and the satisfaction of any monetary penalties, fines or judgments as
29 prescribed in subsection I of this section, the candidate will be qualified
30 at the time of election to hold the office the person seeks, and that for any
31 monetary penalties, fines or judgments as prescribed in subsection I of this
32 section, the candidate has made complete payment before the time of filing.

33 E. The nomination paper of a candidate for the office of United States
34 senator or representative in Congress, for the office of presidential elector
35 or for a state office, including a member of the legislature, or for any
36 other office for which the electors of the entire state or a subdivision of
37 the state greater than a county are entitled to vote, shall be filed with the
38 secretary of state no later than 5:00 p.m. on the last date for filing.

39 F. The nomination paper of a candidate for superior court judge or for
40 a county, district and precinct office for which the electors of a county or
41 a subdivision of a county other than an incorporated city or town are
42 entitled to vote shall be filed with the county elections officer no later
43 than 5:00 p.m. on the last date for filing as prescribed by subsection A of
44 this section. The nomination paper of a candidate for a city or town office
45 shall be filed with the city or town clerk no later than 5:00 p.m. on the

1 last date for filing. The nomination paper of a candidate for school
2 district office shall be filed with the county school superintendent no later
3 than 5:00 p.m. on the last date for filing.

4 G. The nomination paper shall include the exact manner in which the
5 candidate desires to have the person's name printed on the official ballot
6 and shall be limited to the candidate's surname and given name or names, an
7 abbreviated version of such names or appropriate initials such as "Bob" for
8 "Robert", "Jim" for "James", "Wm." for "William" or "S." for "Samuel".
9 Nicknames are permissible, but in no event shall nicknames, abbreviated
10 versions or initials of given names suggest reference to professional,
11 fraternal, religious or military titles. No other descriptive name or names
12 shall be printed on the official ballot, except as provided in this section.
13 Candidates' abbreviated names or nicknames may be printed within quotation
14 marks. The candidate's surname shall be printed first, followed by the given
15 name or names.

16 H. A person who does not file a timely nomination paper that complies
17 with this section is not eligible to have the person's name printed on the
18 official ballot for that office. **A PERSON MAY NOT FILE MORE THAN ONE**
19 **NOMINATION PAPER IN A CALENDAR YEAR.** The filing officer shall not accept the
20 nomination paper of a candidate for state or local office unless the person
21 provides or has provided all of the following:

22 ~~1. The nomination petition required by this title.~~

23 ~~2. A political committee statement of organization or the five hundred~~
24 ~~dollar threshold exemption statement for that office.~~

25 ~~3.~~ 1. The financial disclosure statement as prescribed for candidates
26 for that office.

27 ~~4.~~ 2. The ~~affidavit~~ **DECLARATION** of qualification and eligibility as
28 prescribed in subsection D of this section.

29 I. Except in cases where the liability is being appealed, the filing
30 officer shall not accept the nomination paper of a candidate for state or
31 local office if the person is liable for an aggregation of one thousand
32 dollars or more in fines, penalties, late fees or administrative or civil
33 judgments, including any interest or costs, in any combination, that have not
34 been fully satisfied at the time of the attempted filing of the nomination
35 paper and the liability arose from failure to comply with or enforcement of
36 chapter 6 of this title.

37 J. For the purposes of this title:

38 1. "Election district" means the state, any county, city, town,
39 precinct or other political subdivision or a special district that is not a
40 political subdivision, that is authorized by statute to conduct an election
41 and that is authorized or required to conduct its election in accordance with
42 this title.

43 2. "Nomination paper" means the form filed with the appropriate office
44 by a person wishing to declare the person's intent to become a candidate for
45 a particular political office.

1 candidates shall comply with section 16-312. A candidate running as a
2 write-in candidate under this subsection shall file the nomination paper no
3 later than 5:00 p.m. on the fifth day before the election.

4 E. Candidates nominated pursuant to subsection A of this section or a
5 candidate running as a write-in candidate under subsection D of this section
6 may be a candidate who ran in the immediately preceding primary election for
7 the office and failed to be nominated.

8 F. If a vacancy occurs as described in subsection A of this section
9 for a state office, the secretary of state shall notify the various boards of
10 supervisors as to the vacancy. The boards of supervisors shall notify the
11 inspectors of the various precinct election boards in the county, district or
12 precinct where a vacancy occurs. In the case of a city or town election, the
13 city or town clerk shall notify the appropriate inspectors. A vacancy that
14 occurs as prescribed in subsection D of this section due to the death or
15 incapacity of the candidate shall not be filled and the secretary of state
16 shall notify the appropriate county board of supervisors to post a notice of
17 the death or incapacity of the candidate in each polling place along with
18 notice that any votes cast for that candidate will be tabulated.

19 G. The inspectors shall post the notice of vacancy in the same manner
20 as posting official write-in candidates. In the case of a withdrawal of a
21 candidate that occurs after the printing of official ballots, the inspectors
22 shall post the notice of withdrawal in a conspicuous location in each polling
23 place. Notice of withdrawal shall also be posted at all early voting
24 locations and shall be made available to early voters by providing with the
25 early ballot instructions a website address at which prompt updates to
26 information regarding write-in and withdrawn candidates ~~is~~ ARE available.

27 Sec. 7. Repeal

28 Sections 16-901, 16-902, 16-902.01, 16-902.02, 16-903, 16-904, 16-905,
29 16-906, 16-907, 16-911, 16-912, 16-912.01, 16-913, 16-913.01, 16-914,
30 16-914.01, 16-914.02, 16-915, 16-915.01, 16-916, 16-916.01, 16-916.02,
31 16-917, 16-918, 16-919, 16-920, 16-921, 16-922, 16-923, 16-924 and 16-925,
32 Arizona Revised Statute, are repealed.

33 Sec. 8. Title 16, chapter 6, article 1, Arizona Revised Statutes, is
34 amended by adding a new section 16-901, to read:

35 16-901. Definitions

36 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

37 1. "ADVERTISEMENT" MEANS INFORMATION OR MATERIALS, OTHER THAN SOCIAL
38 MEDIA MESSAGES, THAT ARE MAILED, E-MAILED, POSTED, DISTRIBUTED, PUBLISHED,
39 DISPLAYED, DELIVERED, BROADCASTED OR PLACED IN A COMMUNICATION MEDIUM AND
40 THAT ARE FOR THE PURPOSE OF INFLUENCING AN ELECTION.

41 2. "AGENT" MEANS ANY PERSON WHO HAS ACTUAL AUTHORITY, EITHER EXPRESS
42 OR IMPLIED, TO REPRESENT OR MAKE DECISIONS ON BEHALF OF ANOTHER PERSON.

43 3. "BEST EFFORT" MEANS THAT A COMMITTEE TREASURER OR TREASURER'S AGENT
44 MAKES AT LEAST ONE WRITTEN EFFORT, INCLUDING AN ATTEMPT BY E-MAIL, TEXT
45 MESSAGE, PRIVATE MESSAGE THROUGH SOCIAL MEDIA OR OTHER SIMILAR COMMUNICATION,

1 OR AT LEAST ONE ORAL EFFORT THAT IS DOCUMENTED IN WRITING TO IDENTIFY THE
2 CONTRIBUTOR OF AN INCOMPLETE CONTRIBUTION.

3 4. "CALENDAR QUARTER" MEANS A PERIOD OF THREE CONSECUTIVE CALENDAR
4 MONTHS ENDING ON MARCH 31, JUNE 30, SEPTEMBER 30 OR DECEMBER 31.

5 5. "CANDIDATE" MEANS AN INDIVIDUAL WHO RECEIVES CONTRIBUTIONS OR MAKES
6 EXPENDITURES OR WHO GIVES CONSENT TO ANOTHER PERSON TO RECEIVE CONTRIBUTIONS
7 OR MAKE EXPENDITURES ON BEHALF OF THAT INDIVIDUAL IN CONNECTION WITH THE
8 CANDIDATE'S NOMINATION, ELECTION OR RETENTION FOR ANY PUBLIC OFFICE.

9 6. "CLEARLY IDENTIFIED CANDIDATE" MEANS THAT THE NAME OR A
10 DESCRIPTION, IMAGE, PHOTOGRAPH OR DRAWING OF THE CANDIDATE APPEARS OR THE
11 IDENTITY OF THE CANDIDATE IS OTHERWISE APPARENT BY UNAMBIGUOUS REFERENCE.

12 7. "COMMITTEE" MEANS A CANDIDATE COMMITTEE, A POLITICAL ACTION
13 COMMITTEE OR A POLITICAL PARTY.

14 8. "CONTRIBUTION" MEANS ANY MONEY, ADVANCE, DEPOSIT OR OTHER THING OF
15 VALUE THAT IS MADE TO A PERSON FOR THE PURPOSE OF INFLUENCING AN ELECTION.
16 CONTRIBUTION INCLUDES:

17 (a) A CONTRIBUTION THAT IS MADE TO RETIRE CAMPAIGN DEBT FROM A
18 PREVIOUS ELECTION CYCLE.

19 (b) MONEY OR THE FAIR MARKET VALUE OF ANYTHING THAT IS DIRECTLY OR
20 INDIRECTLY PROVIDED TO AN ELECTED OFFICIAL FOR THE SPECIFIC PURPOSE OF
21 DEFRAYING THE EXPENSE OF COMMUNICATIONS WITH CONSTITUENTS.

22 (c) THE FULL PURCHASE PRICE OF ANY ITEM FROM A COMMITTEE.

23 (d) A LOAN THAT IS MADE TO A COMMITTEE FOR THE PURPOSE OF INFLUENCING
24 AN ELECTION, TO THE EXTENT THE LOAN REMAINS OUTSTANDING.

25 9. "CONTROL" MEANS TO POSSESS, DIRECTLY OR INDIRECTLY, THE POWER TO
26 DIRECT OR TO CAUSE THE DIRECTION OF THE MANAGEMENT OR POLICIES OF ANOTHER
27 ORGANIZATION, WHETHER THROUGH VOTING POWER, OWNERSHIP, CONTRACT OR OTHERWISE.

28 10. "COORDINATE", "COORDINATED" OR "COORDINATION" MEANS THE
29 COORDINATION OF AN EXPENDITURE AS PROSCRIBED BY SECTION 16-922.

30 11. "COORDINATED PARTY EXPENDITURES" MEANS EXPENDITURES THAT ARE MADE
31 BY A POLITICAL PARTY TO DIRECTLY PAY FOR GOODS OR SERVICES ON BEHALF OF ITS
32 NOMINEE.

33 12. "DISTRICT OFFICE" MEANS AN ELECTED OFFICE ESTABLISHED OR ORGANIZED
34 PURSUANT TO TITLE 15 OR TITLE 48.

35 13. "EARMARKED" MEANS A DESIGNATION, INSTRUCTION OR ENCUMBRANCE
36 BETWEEN THE TRANSFEROR OF A CONTRIBUTION AND A TRANSFEREE THAT REQUIRES THE
37 TRANSFEREE TO MAKE A CONTRIBUTION.

38 14. "ELECTION" MEANS ANY ELECTION FOR ANY BALLOT MEASURE IN THIS STATE
39 OR ANY CANDIDATE ELECTION DURING A PRIMARY, GENERAL, RECALL, SPECIAL OR
40 RUNOFF ELECTION FOR ANY OFFICE IN THIS STATE OTHER THAN A FEDERAL OFFICE AND
41 A POLITICAL PARTY OFFICE PRESCRIBED BY CHAPTER 5, ARTICLE 2 OF THIS TITLE.

42 15. "ELECTION CYCLE" MEANS THE TWO-YEAR PERIOD BETWEEN SUCCESSIVE
43 STATEWIDE GENERAL ELECTIONS OR, FOR CITIES AND TOWNS, THE TWO-YEAR PERIOD
44 BETWEEN THE SCHEDULED DATE OF THE CITY'S OR TOWN'S SECOND, RUNOFF OR GENERAL

1 ELECTION AND THE SCHEDULED DATE OF THE IMMEDIATELY FOLLOWING SECOND, RUNOFF
2 OR GENERAL ELECTION, HOWEVER DESIGNATED BY THE CITY OR TOWN.

3 16. "EMPLOYEE" MEANS AN INDIVIDUAL WHO IS ENTITLED TO COMPENSATION FOR
4 LABOR OR SERVICES PERFORMED FOR THE INDIVIDUAL'S EMPLOYER.

5 17. "EMPLOYER" MEANS ANY PERSON THAT PAYS COMPENSATION TO AND DIRECTS
6 THE LABOR OR SERVICES OF ANY INDIVIDUAL IN THE COURSE OF EMPLOYMENT.

7 18. "ENFORCEMENT OFFICER" MEANS THE ATTORNEY GENERAL OR THE COUNTY,
8 CITY OR TOWN ATTORNEY WITH AUTHORITY TO COLLECT FINES OR ISSUE PENALTIES WITH
9 RESPECT TO A GIVEN ELECTION PURSUANT TO SECTION 16-938.

10 19. "ENTITY" MEANS A CORPORATION, LIMITED LIABILITY COMPANY, LABOR
11 ORGANIZATION, PARTNERSHIP, TRUST, ASSOCIATION, JOINT VENTURE, COOPERATIVE,
12 UNINCORPORATED ORGANIZATION OR ASSOCIATION OR OTHER ORGANIZED GROUP THAT
13 CONSISTS OF MORE THAN ONE INDIVIDUAL.

14 20. "EXCLUSIVE INSURANCE CONTRACT" MEANS AN INSURANCE PRODUCER'S
15 CONTRACT WITH AN INSURER THAT DOES EITHER OF THE FOLLOWING:

16 (a) PROHIBITS THE PRODUCER FROM SOLICITING INSURANCE BUSINESS FOR ANY
17 OTHER INSURER.

18 (b) REQUIRES A FIRST RIGHT OF REFUSAL ON ALL LINES OF INSURANCE
19 BUSINESS WRITTEN BY THE INSURER AND SOLICITED BY THE PRODUCER.

20 21. "EXPENDITURE" MEANS ANY PURCHASE, PAYMENT OR OTHER THING OF VALUE
21 THAT IS MADE BY A PERSON FOR THE PURPOSE OF INFLUENCING AN ELECTION.

22 22. "FAMILY CONTRIBUTION" MEANS ANY CONTRIBUTION THAT IS PROVIDED TO A
23 CANDIDATE'S COMMITTEE BY THE PARENT, GRANDPARENT, AUNT, UNCLE, CHILD OR
24 SIBLING OF THE CANDIDATE OR THE CANDIDATE'S SPOUSE, INCLUDING THE SPOUSE OF
25 ANY OF THE LISTED FAMILY MEMBERS, REGARDLESS OF WHETHER THE RELATION IS
26 ESTABLISHED BY MARRIAGE OR ADOPTION.

27 23. "FILING OFFICER" MEANS THE SECRETARY OF STATE OR THE COUNTY, CITY
28 OR TOWN OFFICER IN CHARGE OF ELECTIONS FOR THAT JURISDICTION WHO ACCEPTS
29 STATEMENTS AND REPORTS FOR THOSE ELECTIONS PURSUANT TO SECTION 16-928.

30 24. "FIREWALL" MEANS A WRITTEN POLICY THAT PRECLUDES ONE PERSON FROM
31 SHARING INFORMATION WITH ANOTHER PERSON.

32 25. "IDENTIFICATION" OR "IDENTIFY" MEANS:

33 (a) FOR AN INDIVIDUAL, THE INDIVIDUAL'S FIRST AND LAST NAME, RESIDENCE
34 LOCATION OR STREET ADDRESS AND OCCUPATION AND THE NAME OF THE INDIVIDUAL'S
35 PRIMARY EMPLOYER.

36 (b) FOR ANY OTHER PERSON, THE PERSON'S FULL NAME AND PHYSICAL LOCATION
37 OR STREET ADDRESS.

38 26. "INCOMPLETE CONTRIBUTION" MEANS ANY CONTRIBUTION THAT IS RECEIVED
39 BY A COMMITTEE FOR WHICH THE CONTRIBUTOR'S COMPLETE IDENTIFICATION HAS NOT
40 BEEN OBTAINED.

41 27. "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE BY A PERSON, OTHER
42 THAN A CANDIDATE COMMITTEE, THAT COMPLIES WITH BOTH OF THE FOLLOWING:

43 (a) EXPRESSLY ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED
44 CANDIDATE.

1 (b) IS NOT MADE IN COOPERATION OR CONSULTATION WITH OR AT THE REQUEST
2 OR SUGGESTION OF THE CANDIDATE OR THE CANDIDATE'S AGENT.

3 28. "IN-KIND CONTRIBUTION" MEANS A CONTRIBUTION OF GOODS, SERVICES OR
4 ANYTHING OF VALUE THAT IS PROVIDED WITHOUT CHARGE OR AT LESS THAN THE USUAL
5 AND NORMAL CHARGE.

6 29. "INSURANCE PRODUCER" MEANS A PERSON THAT:

7 (a) IS REQUIRED TO BE LICENSED TO SELL, SOLICIT OR NEGOTIATE
8 INSURANCE.

9 (b) HAS AN EXCLUSIVE INSURANCE CONTRACT WITH AN INSURER.

10 30. "ITEMIZED" MEANS THAT EACH CONTRIBUTION RECEIVED OR EXPENDITURE
11 MADE IS SET FORTH SEPARATELY.

12 31. "LABOR ORGANIZATION" MEANS ANY EMPLOYEE REPRESENTATION
13 ORGANIZATION THAT EXISTS FOR THE PURPOSE OF DEALING WITH EMPLOYERS CONCERNING
14 GRIEVANCES, LABOR DISPUTES, WAGES, RATES OF PAY, HOURS OF EMPLOYMENT OR OTHER
15 CONDITIONS OF EMPLOYMENT.

16 32. "LEGISLATIVE OFFICE" MEANS THE OFFICE OF REPRESENTATIVE IN THE
17 STATE HOUSE OF REPRESENTATIVES OR SENATOR IN THE STATE SENATE.

18 33. "MEGA PAC STATUS" MEANS OFFICIAL RECOGNITION THAT A POLITICAL
19 ACTION COMMITTEE HAS RECEIVED CONTRIBUTIONS FROM FIVE HUNDRED OR MORE
20 INDIVIDUALS IN AMOUNTS OF TEN DOLLARS OR MORE IN THE FOUR-YEAR PERIOD
21 IMMEDIATELY BEFORE APPLICATION TO THE SECRETARY OF STATE.

22 34. "NOMINEE" MEANS A CANDIDATE WHO PREVAILS IN A PRIMARY ELECTION FOR
23 PARTISAN OFFICE AND INCLUDES THE NOMINEE'S CANDIDATE COMMITTEE.

24 35. "PERSON" MEANS AN INDIVIDUAL OR A CANDIDATE, NOMINEE, COMMITTEE,
25 CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION, PARTNERSHIP,
26 TRUST, ASSOCIATION, JOINT VENTURE, COOPERATIVE OR UNINCORPORATED ORGANIZATION
27 OR ASSOCIATION.

28 36. "PERSONAL MONIES" MEANS ANY OF THE FOLLOWING:

29 (a) ASSETS TO WHICH THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE HAS EITHER
30 LEGAL TITLE OR AN EQUITABLE INTEREST.

31 (b) SALARY AND OTHER EARNED INCOME FROM BONA FIDE EMPLOYMENT OF THE
32 INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

33 (c) DIVIDENDS AND PROCEEDS FROM THE SALE OF INVESTMENTS OF THE
34 INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

35 (d) BEQUESTS TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

36 (e) INCOME TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE FROM REVOCABLE
37 TRUSTS FOR WHICH THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE IS A BENEFICIARY.

38 (f) GIFTS OF A PERSONAL NATURE TO THE INDIVIDUAL OR INDIVIDUAL'S
39 SPOUSE THAT WOULD HAVE BEEN GIVEN REGARDLESS OF WHETHER THE INDIVIDUAL BECAME
40 A CANDIDATE OR ACCEPTED A CONTRIBUTION.

41 (g) THE PROCEEDS OF LOANS OBTAINED BY THE INDIVIDUAL OR INDIVIDUAL'S
42 SPOUSE THAT ARE SECURED BY COLLATERAL OR SECURITY PROVIDED BY THE INDIVIDUAL
43 OR INDIVIDUAL'S SPOUSE.

44 (h) FAMILY CONTRIBUTIONS.

1 37. "POLITICAL ACTION COMMITTEE" MEANS AN ENTITY THAT IS REQUIRED TO
2 REGISTER AS A POLITICAL ACTION COMMITTEE PURSUANT TO SECTION 16-905.

3 38. "POLITICAL PARTY" MEANS A COMMITTEE THAT MEETS THE REQUIREMENTS
4 FOR RECOGNITION AS A POLITICAL PARTY PURSUANT TO CHAPTER 5 OF THIS TITLE.

5 39. "PRIMARY PURPOSE" MEANS AN ENTITY'S PREDOMINANT PURPOSE.
6 NOTWITHSTANDING ANY OTHER LAW OR RULE, AN ENTITY IS NOT ORGANIZED FOR THE
7 PRIMARY PURPOSE OF INFLUENCING AN ELECTION IF ALL OF THE FOLLOWING APPLY:

8 (a) THE ENTITY HAS TAX EXEMPT STATUS UNDER SECTION 501(a) OF THE
9 INTERNAL REVENUE CODE.

10 (b) EXCEPT FOR A RELIGIOUS ORGANIZATION, ASSEMBLY OR INSTITUTION, THE
11 ENTITY HAS PROPERLY FILED A FORM 1023 OR FORM 1024 WITH THE INTERNAL REVENUE
12 SERVICE.

13 (c) THE ENTITY REMAINS IN GOOD STANDING WITH THE INTERNAL REVENUE
14 SERVICE.

15 (d) THE ENTITY REMAINS IN GOOD STANDING WITH THE CORPORATION
16 COMMISSION.

17 (e) THE ENTITY HAS PROPERLY FILED A FORM 990 WITH THE INTERNAL REVENUE
18 SERVICE.

19 40. "RETENTION" MEANS THE ELECTION PROCESS BY WHICH A SUPERIOR COURT
20 JUDGE, APPELLATE COURT JUDGE OR SUPREME COURT JUSTICE IS RETAINED IN OFFICE
21 AS PRESCRIBED BY ARTICLE VI, SECTION 38 OR 40, CONSTITUTION OF ARIZONA.

22 41. "SEPARATE SEGREGATED FUND" MEANS A FUND ESTABLISHED BY A
23 CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION OR PARTNERSHIP
24 THAT IS REQUIRED TO REGISTER AS A POLITICAL ACTION COMMITTEE.

25 42. "SOCIAL MEDIA MESSAGES" MEANS FORMS OF COMMUNICATION, INCLUDING
26 INTERNET SITES FOR SOCIAL NETWORKING OR BLOGGING, THROUGH WHICH USERS CREATE
27 A PERSONAL PROFILE AND PARTICIPATE IN ONLINE COMMUNITIES TO SHARE
28 INFORMATION, IDEAS AND PERSONAL MESSAGES.

29 43. "SPONSOR" MEANS ANY PERSON THAT ESTABLISHES, ADMINISTERS OR
30 CONTRIBUTES FINANCIAL SUPPORT TO THE ADMINISTRATION OF A POLITICAL ACTION
31 COMMITTEE OR THAT HAS COMMON OR OVERLAPPING MEMBERSHIP OR OFFICERS WITH THAT
32 POLITICAL ACTION COMMITTEE.

33 44. "STANDING COMMITTEE" MEANS A POLITICAL ACTION COMMITTEE OR
34 POLITICAL PARTY THAT IS ACTIVE IN MORE THAN ONE REPORTING JURISDICTION IN
35 THIS STATE AND THAT FILES A STATEMENT OF ORGANIZATION IN A FORMAT PRESCRIBED
36 BY THE SECRETARY OF STATE.

37 45. "STATEWIDE OFFICE" MEANS THE OFFICE OF GOVERNOR, SECRETARY OF
38 STATE, STATE TREASURER, ATTORNEY GENERAL, SUPERINTENDENT OF PUBLIC
39 INSTRUCTION, CORPORATION COMMISSIONER OR MINE INSPECTOR.

40 46. "SURPLUS MONIES" MEANS THOSE MONIES OF A TERMINATING COMMITTEE
41 THAT REMAIN AFTER ALL OF THE COMMITTEE'S EXPENDITURES HAVE BEEN MADE, ALL
42 DEBTS HAVE BEEN EXTINGUISHED AND THE COMMITTEE CEASES ACCEPTING
43 CONTRIBUTIONS.

1 Sec. 9. Title 16, chapter 6, Arizona Revised Statutes, is amended by
2 adding articles 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 and 1.7, to read:

3 ARTICLE 1.1. ESTABLISHMENT OF COMMITTEE

4 16-905. Committee qualification; requirements; exemption;
5 adjustments

6 A. A CANDIDATE FOR ELECTION OR RETENTION SHALL REGISTER AS A CANDIDATE
7 COMMITTEE IF THE CANDIDATE RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES, IN
8 ANY COMBINATION, OF AT LEAST ONE THOUSAND DOLLARS IN CONNECTION WITH THAT
9 CANDIDACY.

10 B. AN ENTITY SHALL REGISTER AS A POLITICAL ACTION COMMITTEE IF BOTH OF
11 THE FOLLOWING APPLY:

12 1. THE ENTITY IS ORGANIZED FOR THE PRIMARY PURPOSE OF INFLUENCING THE
13 RESULT OF AN ELECTION.

14 2. THE ENTITY KNOWINGLY RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES,
15 IN ANY COMBINATION, OF AT LEAST ONE THOUSAND DOLLARS IN CONNECTION WITH ANY
16 ELECTION DURING A CALENDAR YEAR.

17 C. A FILING OFFICER OR ENFORCEMENT OFFICER SHALL MAKE A REBUTTABLE
18 PRESUMPTION THAT AN ENTITY IS ORGANIZED FOR THE PRIMARY PURPOSE OF
19 INFLUENCING THE RESULT OF AN ELECTION IF THE ENTITY MEETS ANY OF THE
20 FOLLOWING:

21 1. EXCEPT FOR A RELIGIOUS ORGANIZATION, ASSEMBLY OR INSTITUTION,
22 CLAIMS TAX EXEMPT STATUS BUT HAD NOT FILED FORM 1023 OR FORM 1024 WITH THE
23 INTERNAL REVENUE SERVICE BEFORE MAKING A CONTRIBUTION OR EXPENDITURE.

24 2. MADE A CONTRIBUTION OR EXPENDITURE AND AT ANY TIME HAD ITS TAX
25 EXEMPT STATUS REVOKED BY THE INTERNAL REVENUE SERVICE.

26 3. MADE A CONTRIBUTION OR EXPENDITURE AND AT ANY TIME FAILED TO FILE
27 FORM 990 WITH THE INTERNAL REVENUE SERVICE IF REQUIRED BY LAW.

28 4. AT THE TIME OF MAKING A CONTRIBUTION OR EXPENDITURE WAS NOT
29 REGISTERED WITH THE CORPORATION COMMISSION IF REQUIRED BY LAW.

30 5. AT THE TIME OF MAKING A CONTRIBUTION OR EXPENDITURE WAS REGISTERED
31 WITH THE CORPORATION COMMISSION BUT WAS NOT IN GOOD STANDING.

32 D. A FUND THAT IS ESTABLISHED BY A CORPORATION, LIMITED LIABILITY
33 COMPANY, LABOR ORGANIZATION OR PARTNERSHIP FOR THE PURPOSE OF INFLUENCING THE
34 RESULT OF AN ELECTION SHALL REGISTER AS A POLITICAL ACTION COMMITTEE.

35 E. AN ENTITY MAY REGISTER AS A POLITICAL PARTY COMMITTEE ONLY AS
36 PRESCRIBED IN CHAPTER 5 OF THIS TITLE.

37 F. A COMMITTEE IS NOT SUBJECT TO STATE INCOME TAX AND IS NOT REQUIRED
38 TO FILE A STATE INCOME TAX RETURN.

39 G. THE DOLLAR AMOUNTS PRESCRIBED BY THIS SECTION SHALL BE INCREASED
40 EVERY TWO YEARS PURSUANT TO SECTION 16-931.

41 16-906. Committee statement of organization; amendment;
42 committee limitation

43 A. A COMMITTEE SHALL FILE A STATEMENT OF ORGANIZATION WITH THE FILING
44 OFFICER WITHIN TEN DAYS AFTER QUALIFYING AS A COMMITTEE.

1 B. A STATEMENT OF ORGANIZATION SHALL INCLUDE THE FOLLOWING COMMITTEE
2 INFORMATION:
3 1. THE COMMITTEE NAME, MAILING ADDRESS, E-MAIL ADDRESS, WEBSITE, IF
4 ANY, TELEPHONE NUMBER, IF ANY, AND TYPE OF COMMITTEE. THE COMMITTEE NAME
5 SHALL INCLUDE:
6 (a) FOR A CANDIDATE COMMITTEE, THE CANDIDATE'S FIRST OR LAST NAME AND
7 OFFICE SOUGHT.
8 (b) FOR A POLITICAL ACTION COMMITTEE THAT IS SPONSORED, THE SPONSOR'S
9 NAME OR COMMONLY KNOWN NICKNAME.
10 2. THE NAME, MAILING ADDRESS, E-MAIL ADDRESS, WEBSITE, IF ANY, AND
11 TELEPHONE NUMBER OF ANY SPONSOR.
12 3. THE NAME, PHYSICAL LOCATION OR STREET ADDRESS, E-MAIL ADDRESS,
13 TELEPHONE NUMBER, OCCUPATION AND EMPLOYER OF THE COMMITTEE'S CHAIRPERSON AND
14 TREASURER. FOR A CANDIDATE COMMITTEE, THE CANDIDATE MAY SERVE AS BOTH
15 CHAIRPERSON AND TREASURER.
16 4. FOR A CANDIDATE COMMITTEE, THE CANDIDATE'S PARTY AFFILIATION, IF
17 ANY.
18 5. A LISTING OF ALL BANKS OR OTHER FINANCIAL INSTITUTIONS USED BY THE
19 COMMITTEE.
20 6. A STATEMENT THAT THE COMMITTEE CHAIRPERSON AND COMMITTEE TREASURER
21 HAVE READ THE FILING OFFICER'S CAMPAIGN FINANCE AND REPORTING GUIDE, AGREE TO
22 COMPLY WITH THIS ARTICLE AND ARTICLES 1.2, 1.3, 1.4, 1.5, 1.6 AND 1.7 OF THIS
23 CHAPTER, AND AGREE TO ACCEPT ALL NOTIFICATIONS AND SERVICE OF PROCESS VIA THE
24 E-MAIL ADDRESS PROVIDED BY THE COMMITTEE.
25 C. A COMMITTEE SHALL FILE AN AMENDED STATEMENT OF ORGANIZATION WITHIN
26 TEN DAYS AFTER ANY CHANGE IN COMMITTEE INFORMATION.
27 D. ON FILING A STATEMENT OF ORGANIZATION, THE FILING OFFICER SHALL
28 ISSUE AN IDENTIFICATION NUMBER TO THE COMMITTEE.
29 E. A STANDING COMMITTEE SHALL FILE A STATEMENT OF ORGANIZATION WITH
30 THE SECRETARY OF STATE AND A COPY OF THE STATEMENT IN EACH JURISDICTION IN
31 WHICH THE COMMITTEE IS ACTIVE. ONLY THE SECRETARY OF STATE SHALL ISSUE AN
32 IDENTIFICATION NUMBER.
33 F. A CANDIDATE MAY HAVE ONLY ONE COMMITTEE IN EXISTENCE FOR THE SAME
34 OFFICE DURING THE SAME ELECTION CYCLE.
35 G. ON FILING A STATEMENT OF ORGANIZATION, A POLITICAL ACTION COMMITTEE
36 OR POLITICAL PARTY MAY PERFORM ANY LAWFUL ACTIVITY, INCLUDING MAKING
37 CONTRIBUTIONS, MAKING EXPENDITURES OR CONDUCTING ISSUE ADVOCACY, WITHOUT
38 ESTABLISHING A SEPARATE COMMITTEE FOR EACH ACTIVITY OR SPECIFYING EACH
39 ACTIVITY IN ITS STATEMENT OF ORGANIZATION.
40 16-907. Committee recordkeeping; treasurer; accounts
41 A. A COMMITTEE TREASURER IS THE CUSTODIAN OF THE COMMITTEE'S BOOKS AND
42 ACCOUNTS. A COMMITTEE MAY NOT MAKE A CONTRIBUTION, EXPENDITURE OR
43 DISBURSEMENT WITHOUT THE AUTHORIZATION OF THE TREASURER OR THE TREASURER'S
44 DESIGNATED AGENT.

1 B. ALL COMMITTEE MONIES SHALL BE DEPOSITED IN ONE OR MORE BANK
2 ACCOUNTS HELD BY THE FINANCIAL INSTITUTIONS LISTED IN THE COMMITTEE'S
3 STATEMENT OF ORGANIZATION. COMMITTEE BANK ACCOUNTS SHALL BE SEGREGATED AS
4 FOLLOWS:

5 1. COMMITTEE MONIES SHALL BE SEGREGATED IN DIFFERENT BANK ACCOUNTS
6 FROM PERSONAL MONIES.

7 2. CONTRIBUTIONS FROM INDIVIDUALS AND COMMITTEES SHALL BE SEGREGATED
8 IN DIFFERENT BANK ACCOUNTS FROM CONTRIBUTIONS FROM CORPORATIONS, LIMITED
9 LIABILITY COMPANIES AND LABOR ORGANIZATIONS.

10 3. CONTRIBUTIONS TO A POLITICAL PARTY TO DEFRAY OPERATING EXPENSES OR
11 SUPPORT PARTY-BUILDING ACTIVITIES SHALL BE SEGREGATED IN DIFFERENT BANK
12 ACCOUNTS FROM CONTRIBUTIONS USED TO SUPPORT CANDIDATES.

13 C. A COMMITTEE SHALL EXERCISE ITS BEST EFFORT TO OBTAIN THE REQUIRED
14 INFORMATION FOR ANY INCOMPLETE CONTRIBUTION RECEIVED THAT IS REQUIRED TO BE
15 ITEMIZED AND REPORTED. THE COMMITTEE SHALL CLEARLY ASK FOR IDENTIFICATION
16 AND INFORM THE CONTRIBUTOR THAT THE COMMITTEE IS REQUIRED BY LAW TO SEEK
17 IDENTIFICATION. THE COMMITTEE SHALL REPORT IN AN AMENDED REPORT ANY
18 CONTRIBUTOR IDENTIFICATION OBTAINED AFTER THE CONTRIBUTION HAS BEEN DISCLOSED
19 ON A CAMPAIGN FINANCE REPORT.

20 D. A COMMITTEE SHALL KEEP RECORDS OF THE FOLLOWING:

21 1. ALL CONTRIBUTIONS MADE OR RECEIVED BY THE COMMITTEE.

22 2. THE IDENTIFICATION OF ANY CONTRIBUTOR THAT CONTRIBUTES IN THE
23 AGGREGATE AT LEAST FIFTY DOLLARS TO THE COMMITTEE DURING THE ELECTION CYCLE,
24 THE DATE AND AMOUNT OF EACH CONTRIBUTION AND THE DATE OF DEPOSIT INTO THE
25 COMMITTEE'S ACCOUNT.

26 3. CUMULATIVE TOTALS CONTRIBUTED BY EACH CONTRIBUTOR DURING THE
27 ELECTION CYCLE.

28 4. THE NAME AND ADDRESS OF EVERY PERSON THAT RECEIVES A CONTRIBUTION,
29 EXPENDITURE OR DISBURSEMENT FROM THE COMMITTEE, INCLUDING THE DATE AND
30 AMOUNT, AND, FOR ANY EXPENDITURE OR DISBURSEMENT, THE PURPOSE OF THE
31 EXPENDITURE OR DISBURSEMENT. A CONTRIBUTION IS DEEMED MADE WHEN TENDERED TO
32 THE COMMITTEE'S POSSESSION. AN EXPENDITURE OR DISBURSEMENT IS DEEMED MADE
33 WHEN PROMISED, OBLIGATED, CONTRACTED FOR OR SPENT.

34 E. A COMMITTEE MAY ACCEPT A CASH CONTRIBUTION.

35 F. A COMMITTEE MAY ACCEPT A CONTRIBUTION BY WRITTEN OR ELECTRONIC
36 INSTRUMENT, INCLUDING A CHECK, CREDIT CARD, PAYROLL DEDUCTION, ONLINE PAYMENT
37 OR ELECTRONIC TRANSFER, IF THE CONTRIBUTOR IS AN ACCOUNT HOLDER OF THE
38 INSTRUMENT. UNLESS DESIGNATED AS A JOINT CONTRIBUTION, A CONTRIBUTION SHALL
39 BE ATTRIBUTED TO THE ACCOUNT HOLDER THAT SIGNS THE INSTRUMENT OR AUTHORIZES
40 THE TRANSACTION.

41 G. A COMMITTEE SHALL PRESERVE ALL RECORDS REQUIRED TO BE KEPT BY THIS
42 SECTION FOR TWO YEARS FOLLOWING THE END OF THE ELECTION CYCLE.

43 H. ON REQUEST OF THE FILING OFFICER OR ENFORCEMENT OFFICER, A
44 COMMITTEE THAT HAS FILED A STATEMENT OF ORGANIZATION SHALL PRODUCE ANY OF THE

1 RECORDS REQUIRED TO BE KEPT PURSUANT TO THIS SECTION TO THE FILING OFFICER OR
2 ENFORCEMENT OFFICER.

3 I. A PERSON THAT QUALIFIES AS A COMMITTEE AS PRESCRIBED BY SECTION
4 16-905 SHALL REPORT ALL CONTRIBUTIONS, EXPENDITURES AND DISBURSEMENTS THAT
5 OCCURRED BEFORE QUALIFYING AS A COMMITTEE AND SHALL MAINTAIN AND PRODUCE
6 RECORDS AS PRESCRIBED BY THIS SECTION.

7 16-908. Mega pac status qualification

8 A. A POLITICAL ACTION COMMITTEE MAY APPLY TO THE SECRETARY OF STATE
9 FOR MEGA PAC STATUS.

10 B. A POLITICAL ACTION COMMITTEE QUALIFIES FOR MEGA PAC STATUS IF IT
11 RECEIVES AT LEAST TEN DOLLARS IN CONTRIBUTIONS FROM AT LEAST FIVE HUNDRED
12 INDIVIDUALS IN THE FOUR-YEAR PERIOD IMMEDIATELY BEFORE APPLICATION TO THE
13 SECRETARY OF STATE.

14 C. IF THE APPLICANT DEMONSTRATES IT HAS MET THE REQUIREMENTS FOR MEGA
15 PAC STATUS, THE SECRETARY OF STATE SHALL PROVIDE WRITTEN CERTIFICATION TO THE
16 POLITICAL ACTION COMMITTEE OF ITS MEGA PAC STATUS, WHICH STATUS IS VALID FOR
17 FOUR YEARS.

18 ARTICLE 1.2. CONTRIBUTIONS

19 16-911. Exemption from definition of contribution

20 A. A PERSON MAY MAKE ANY CONTRIBUTION NOT OTHERWISE PROHIBITED BY THIS
21 ARTICLE.

22 B. THE FOLLOWING ARE NOT CONTRIBUTIONS:

23 1. THE VALUE OF AN INDIVIDUAL'S VOLUNTEER SERVICES OR EXPENSES THAT
24 ARE PROVIDED WITHOUT COMPENSATION OR REIMBURSEMENT, INCLUDING THE
25 INDIVIDUAL'S:

26 (a) TRAVEL EXPENSES.

27 (b) USE OF REAL OR PERSONAL PROPERTY.

28 (c) COST OF INVITATIONS, FOOD OR BEVERAGES.

29 (d) USE OF E-MAIL, INTERNET ACTIVITY OR SOCIAL MEDIA MESSAGES.

30 2. THE COSTS INCURRED FOR COVERING OR CARRYING A NEWS STORY, COMMENTARY
31 OR EDITORIAL BY A BROADCASTING STATION OR CABLE TELEVISION OPERATOR, AN
32 INTERNET WEBSITE, A NEWSPAPER OR ANOTHER PERIODICAL PUBLICATION, INCLUDING AN
33 INTERNET-BASED OR ELECTRONIC PUBLICATION, IF THE COST FOR THE NEWS STORY,
34 COMMENTARY OR EDITORIAL IS NOT PAID FOR BY AND THE MEDIUM IS NOT OWNED OR
35 UNDER THE CONTROL OF A CANDIDATE OR COMMITTEE.

36 3. THE PAYMENT BY ANY PERSON TO DEFRAY THE EXPENSE OF AN ELECTED
37 OFFICIAL MEETING WITH CONSTITUENTS OR ATTENDING AN INFORMATIONAL TOUR,
38 CONFERENCE, SEMINAR OR PRESENTATION, IF THE PAYOR OR THE ELECTED OFFICIAL
39 DOES NOT ATTEMPT TO INFLUENCE THE RESULT OF AN ELECTION AND THE PAYMENT IS
40 REPORTED IF REQUIRED PURSUANT TO TITLE 38, CHAPTER 3.1 OR TITLE 41, CHAPTER
41 7, ARTICLE 8.1, OR BOTH.

42 4. THE PAYMENT BY A POLITICAL PARTY TO SUPPORT ITS NOMINEE, INCLUDING:

43 (a) THE PRINTING OR DISTRIBUTION OF, OR POSTAGE EXPENSES FOR, VOTER
44 GUIDES, SAMPLE BALLOTS, PINS, BUMPER STICKERS, HANDBILLS, BROCHURES, POSTERS,
45 YARD SIGNS AND OTHER SIMILAR MATERIALS DISTRIBUTED THROUGH THE PARTY.

- 1 (b) COORDINATED POLITICAL PARTY EXPENDITURES.
2 5. THE PAYMENT BY ANY PERSON TO DEFRAY A POLITICAL PARTY'S OPERATING
3 EXPENSES OR PARTY-BUILDING ACTIVITIES, INCLUDING:
4 (a) PARTY STAFF AND PERSONNEL.
5 (b) STUDIES AND REPORTS.
6 (c) VOTER REGISTRATION, RECRUITMENT, POLLING AND TURNOUT EFFORTS.
7 (d) PARTY CONVENTIONS AND PARTY MEETINGS.
8 (e) CONSTRUCTION, PURCHASE OR LEASE OF PARTY BUILDINGS OR FACILITIES.
9 6. THE VALUE OF ANY OF THE FOLLOWING TO A COMMITTEE:
10 (a) INTEREST EARNED ON THE COMMITTEE'S DEPOSITS OR INVESTMENTS.
11 (b) TRANSFERS BETWEEN COMMITTEES TO REIMBURSE EXPENSES AND DISTRIBUTE
12 MONIES RAISED THROUGH A JOINT FUND-RAISING EFFORT, EXCEPT THAT CONTRIBUTIONS
13 SHALL BE ALLOCATED AS DESCRIBED IN THE FUND-RAISING SOLICITATION AND EXPENSES
14 SHALL BE ALLOCATED IN THE SAME PROPORTION AS CONTRIBUTIONS.
15 (c) PAYMENT OF A COMMITTEE'S LEGAL OR ACCOUNTING EXPENSES BY ANY
16 PERSON.
17 (d) AN EXTENSION OF CREDIT FOR GOODS AND SERVICES ON A COMMITTEE'S
18 BEHALF BY A CREDITOR IF THE TERMS ARE SUBSTANTIALLY SIMILAR TO EXTENSIONS OF
19 CREDIT TO NONPOLITICAL DEBTORS THAT ARE OF SIMILAR RISK AND SIZE OF
20 OBLIGATION. THE CREDITOR MUST MAKE A COMMERCIALY REASONABLE ATTEMPT TO
21 COLLECT THE DEBT, EXCEPT THAT IF AN EXTENSION OF CREDIT REMAINS UNSATISFIED
22 BY THE COMMITTEE AFTER SIX MONTHS THE COMMITTEE IS DEEMED TO HAVE RECEIVED A
23 CONTRIBUTION BUT THE CREDITOR IS NOT DEEMED TO HAVE MADE A CONTRIBUTION.
24 7. THE VALUE OF NONPARTISAN COMMUNICATIONS THAT ARE INTENDED TO
25 ENCOURAGE VOTER REGISTRATION AND TURNOUT EFFORTS.
26 8. ANY PAYMENT TO A FILING OFFICER FOR ARGUMENTS IN A PUBLICITY
27 PAMPHLET.
28 9. THE PAYMENT BY ANY ENTITY FOR THE COSTS OF ESTABLISHING,
29 ADMINISTERING AND SOLICITING CONTRIBUTIONS FROM ITS EMPLOYEES, MEMBERS,
30 EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES TO THE ENTITY'S
31 SEPARATE SEGREGATED FUND.
32 10. THE PAYMENT BY ANY ENTITY FOR THE COSTS OF COMMUNICATING WITH ITS
33 OR ITS SUBSIDIARIES' EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS AND
34 RETIREES AND THEIR FAMILIES ABOUT ANY SUBJECT, WITHOUT REGARD TO WHETHER
35 THOSE COMMUNICATIONS ARE MADE IN COORDINATION WITH ANY CANDIDATE OR
36 CANDIDATE'S AGENT.
37 11. THE VALUE OF ALLOWING A CANDIDATE OR A COMMITTEE'S REPRESENTATIVE
38 TO APPEAR AT ANY PRIVATE RESIDENCE OR AT THE FACILITIES OF ANY ENTITY TO
39 SPEAK ABOUT THE CANDIDATE'S CAMPAIGN OR ABOUT A BALLOT MEASURE, IF THE VENUE
40 IS FURNISHED BY THE VENUE'S OWNER, IS NOT PAID FOR BY A THIRD PARTY AND IS
41 NOT A SPORTS STADIUM, COLISEUM, CONVENTION CENTER, HOTEL BALLROOM, CONCERT
42 HALL OR OTHER SIMILAR PUBLIC ARENA.
43 12. THE COSTS OF HOSTING A DEBATE OR CANDIDATES' FORUM, IF AT LEAST
44 TWO OPPOSING CANDIDATES, WITH RESPECT TO ANY GIVEN OFFICE SOUGHT, OR
45 REPRESENTATIVES OF AT LEAST TWO OPPOSING BALLOT MEASURE CAMPAIGNS, WITH

1 RESPECT TO ANY MEASURE ON THE BALLOT, ARE INVITED WITH THE SAME OR SIMILAR
2 ADVANCE NOTICE AND METHOD OF INVITATION.

3 13. THE PREPARATION AND DISTRIBUTION OF VOTER GUIDES, SUBJECT TO THE
4 FOLLOWING:

5 (a) A FEATURED CANDIDATE OR BALLOT MEASURE SHALL NOT RECEIVE GREATER
6 PROMINENCE OR SUBSTANTIALLY MORE SPACE IN THE VOTER GUIDE THAN ANY OTHER
7 CANDIDATE OR BALLOT MEASURE.

8 (b) THE PERSON PUBLISHING THE VOTER GUIDE SHALL NOT INCLUDE ANY
9 MESSAGE BY THAT PERSON THAT CONSTITUTES EXPRESS ADVOCACY.

10 14. MONIES THAT ARE LOANED BY A FINANCIAL INSTITUTION IN THE ORDINARY
11 COURSE OF BUSINESS AND NOT FOR THE PURPOSE OF INFLUENCING THE RESULTS OF AN
12 ELECTION, EXCEPT THAT THE LOAN IS DEEMED A PRO RATA CONTRIBUTION BY ANY
13 ENDORSER OR GUARANTOR, OTHER THAN THE CANDIDATE'S SPOUSE.

14 15. THE COSTS OF PUBLISHING A BOOK OR PRODUCING A DOCUMENTARY, IF THE
15 PUBLICATION AND PRODUCTION ARE FOR DISTRIBUTION TO THE GENERAL PUBLIC THROUGH
16 TRADITIONAL DISTRIBUTION MECHANISMS OR A FEE IS OBTAINED FOR THE PURCHASE OF
17 THE PUBLICATION OR VIEWING OF THE DOCUMENTARY.

18 C. THIS SECTION DOES NOT IMPLY THAT ANY TRANSACTIONS THAT ARE NOT
19 SPECIFICALLY LISTED IN SUBSECTION B OF THIS SECTION ARE CONTRIBUTIONS UNLESS
20 THOSE TRANSACTIONS OTHERWISE MEET THE DEFINITION OF CONTRIBUTION DEFINED IN
21 SECTION 16-901.

22 16-912. Individual contribution limits; requirements

23 A. AN INDIVIDUAL MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS
24 PER ELECTION CYCLE:

25 1. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR
26 CITY, TOWN, COUNTY OR DISTRICT OFFICE.

27 2. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR
28 LEGISLATIVE OFFICE.

29 3. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR
30 STATEWIDE OFFICE.

31 B. AN INDIVIDUAL MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER
32 THAN CANDIDATE COMMITTEES.

33 C. AN INDIVIDUAL MAY ONLY MAKE CONTRIBUTIONS USING PERSONAL MONIES,
34 EXCEPT THAT A CONTRIBUTION FROM AN UNEMANCIPATED MINOR CHILD SHALL BE TREATED
35 AS A CONTRIBUTION BY THE CHILD'S CUSTODIAL PARENT OR PARENTS.

36 16-913. Candidate committee contribution limits; requirements

37 A. A CANDIDATE COMMITTEE MAY TRANSFER UNLIMITED CONTRIBUTIONS TO ANY
38 ONE OR MORE OTHER CANDIDATE COMMITTEES FOR THE SAME CANDIDATE WITHOUT REGARD
39 TO THE OFFICE SOUGHT UNDER THE FOLLOWING CONDITIONS:

40 1. BOTH CANDIDATE COMMITTEES MUST BE REGISTERED WITH AN OFFICER
41 PRESCRIBED BY SUBDIVISION (a) OF THIS PARAGRAPH OR BOTH MUST BE REGISTERED
42 WITH AN OFFICER PRESCRIBED BY SUBDIVISION (b) OF THIS PARAGRAPH:

43 (a) A FILING OFFICER IN CHARGE OF CITY, TOWN, COUNTY OR DISTRICT
44 ELECTIONS FOR ANY ONE OR MORE OFFICES, INCLUDING OFFICES WITH DIFFERENT
45 FILING OFFICERS PRESCRIBED IN THIS SUBDIVISION.

1 (b) THE SECRETARY OF STATE, FOR ANY ONE OR MORE OFFICES FOR WHICH THE
2 SECRETARY OF STATE IS THE FILING OFFICER.

3 2. CONTRIBUTIONS ORIGINALLY MADE TO THE TRANSFERRING CANDIDATE
4 COMMITTEE ARE DEEMED TO BE CONTRIBUTIONS TO THE RECEIVING CANDIDATE
5 COMMITTEE. ON TRANSFER, AN INDIVIDUAL'S AGGREGATE CONTRIBUTIONS TO BOTH
6 CANDIDATE COMMITTEES DURING THE ELECTION CYCLE SHALL NOT EXCEED THE
7 INDIVIDUAL'S CONTRIBUTION LIMIT FOR THAT CANDIDATE.

8 B. A CANDIDATE COMMITTEE SHALL NOT MAKE CONTRIBUTIONS TO A CANDIDATE
9 COMMITTEE FOR ANOTHER CANDIDATE.

10 C. A CANDIDATE COMMITTEE MAY MAKE UNLIMITED CONTRIBUTIONS TO A PERSON
11 OTHER THAN A CANDIDATE'S COMMITTEE.

12 D. A CANDIDATE MAY CONTRIBUTE UNLIMITED PERSONAL MONIES TO THE
13 CANDIDATE'S OWN CANDIDATE COMMITTEE.

14 16-914. Political action committee contribution limits;
15 requirements

16 A. A POLITICAL ACTION COMMITTEE WITHOUT MEGA PAC STATUS MAY NOT
17 CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

18 1. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR
19 CITY, TOWN, COUNTY OR DISTRICT OFFICE.

20 2. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR
21 LEGISLATIVE OFFICE.

22 3. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR
23 STATEWIDE OFFICE.

24 B. A POLITICAL ACTION COMMITTEE WITH MEGA PAC STATUS MAY CONTRIBUTE
25 TWICE THE AMOUNTS PRESCRIBED IN SUBSECTION A OF THIS SECTION PER ELECTION
26 CYCLE IF THE POLITICAL ACTION COMMITTEE PROVIDES THE RECIPIENT CANDIDATE
27 COMMITTEE A COPY OF THE POLITICAL ACTION COMMITTEE'S CERTIFICATION OF MEGA
28 PAC STATUS.

29 C. A POLITICAL ACTION COMMITTEE SHALL NOT CONTRIBUTE TO A CANDIDATE
30 COMMITTEE USING MONIES CONTRIBUTED BY A CORPORATION, LIMITED LIABILITY
31 COMPANY OR LABOR ORGANIZATION.

32 D. A POLITICAL ACTION COMMITTEE MAY MAKE UNLIMITED CONTRIBUTIONS TO
33 PERSONS OTHER THAN CANDIDATE COMMITTEES.

34 16-915. Political party contribution limits; requirements

35 A. A POLITICAL PARTY MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING
36 AMOUNTS PER ELECTION CYCLE:

37 1. TEN THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR A CITY, TOWN,
38 COUNTY OR DISTRICT OFFICE.

39 2. TEN THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR LEGISLATIVE OFFICE.

40 3. ONE HUNDRED THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR STATEWIDE
41 OFFICE.

42 B. A POLITICAL PARTY SHALL NOT CONTRIBUTE TO NOMINEES USING MONIES
43 CONTRIBUTED BY A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR
44 ORGANIZATION.

1 C. A POLITICAL PARTY SHALL NOT CONTRIBUTE TO CANDIDATE COMMITTEES
2 OTHER THAN NOMINEES.

3 D. A POLITICAL PARTY MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER
4 THAN CANDIDATE COMMITTEES AND NOMINEES.

5 16-916. Corporation, limited liability company and labor
6 organization contributions; separate segregated fund;
7 limits; requirements

8 A. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION
9 SHALL NOT MAKE CONTRIBUTIONS TO A CANDIDATE COMMITTEE.

10 B. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION MAY
11 MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATE COMMITTEES.

12 C. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION MAY
13 SPONSOR A SEPARATE SEGREGATED FUND. EMPLOYEES, MEMBERS, EXECUTIVES,
14 STOCKHOLDERS AND RETIREES AND THEIR FAMILIES OF A CORPORATION, LIMITED
15 LIABILITY COMPANY OR LABOR ORGANIZATION AND ANY SUBSIDIARY OF A CORPORATION,
16 LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION MAY MAKE CONTRIBUTIONS TO THE
17 SEPARATE SEGREGATED FUND, SUBJECT TO THE FOLLOWING:

18 1. THE SEPARATE SEGREGATED FUND MUST REGISTER AS A POLITICAL ACTION
19 COMMITTEE.

20 2. THE SPONSOR MAY PAY THE ADMINISTRATIVE, PERSONNEL AND FUND-RAISING
21 EXPENSES OF ITS SEPARATE SEGREGATED FUND, WHICH SHALL NOT BE DEEMED
22 CONTRIBUTIONS TO THE FUND.

23 3. THE SPONSOR OR ITS SEPARATE SEGREGATED FUND MAY SOLICIT
24 CONTRIBUTIONS FROM THE SPONSOR'S OR SPONSOR'S SUBSIDIARIES' EMPLOYEES,
25 MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES. THE
26 FOLLOWING ADDITIONAL RESTRICTIONS APPLY:

27 (a) WITH RESPECT TO AN INSURER, AN INSURER OR ITS SEPARATE SEGREGATED
28 FUND MAY ALSO SOLICIT CONTRIBUTIONS FROM AN INSURANCE PRODUCER'S EMPLOYEES,
29 MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES.

30 (b) WITH RESPECT TO A TRADE ASSOCIATION OR MEMBERSHIP ORGANIZATION,
31 THE ASSOCIATION OR ORGANIZATION MAY SOLICIT CONTRIBUTIONS FROM ITS MEMBERS'
32 EMPLOYEES, EXECUTIVES, STOCKHOLDERS, SUBSIDIARIES AND RETIREES AND THEIR
33 FAMILIES.

34 4. A SPONSOR, TRADE ASSOCIATION OR MEMBERSHIP ORGANIZATION MAY
35 FACILITATE THE MAKING OF CONTRIBUTIONS TO ITS SEPARATE SEGREGATED FUND BY
36 ESTABLISHING A PAYROLL DEDUCTION SYSTEM OR OTHER SIMILAR PAYMENT TRANSFER
37 METHOD.

38 5. A SPONSOR, TRADE ASSOCIATION, MEMBERSHIP ORGANIZATION OR SEPARATE
39 SEGREGATED FUND MAY RELY ON THE FEDERAL ELECTION COMMISSION'S WRITTEN
40 GUIDANCE INTERPRETING 52 UNITED STATES CODE SECTION 30118(b) WHEN
41 INTERPRETING THIS SUBSECTION, IF OTHERWISE CONSISTENT WITH THIS ARTICLE AND
42 ARTICLES 1, 1.1, 1.3, 1.4, 1.5, 1.6 AND 1.7 OF THIS CHAPTER.

43 16-917. Partnership contribution limits; requirements

44 A. A PARTNERSHIP MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS
45 PER ELECTION CYCLE:

- 1 (a) PARTY STAFF AND PERSONNEL.
2 (b) STUDIES AND REPORTS.
3 (c) VOTER REGISTRATION, RECRUITMENT, POLLING AND TURNOUT EFFORTS.
4 (d) PARTY CONVENTIONS AND PARTY MEETINGS.
5 (e) CONSTRUCTION, PURCHASE OR LEASE OF PARTY BUILDINGS OR FACILITIES.
6 4. THE VALUE OF ANY OF THE FOLLOWING TO A COMMITTEE:
7 (a) INTEREST EARNED ON THE COMMITTEE'S DEPOSITS OR INVESTMENTS.
8 (b) TRANSFERS BETWEEN COMMITTEES TO REIMBURSE EXPENSES AND DISTRIBUTE
9 MONIES RAISED THROUGH A JOINT FUND-RAISING EFFORT, EXCEPT THAT CONTRIBUTIONS
10 SHALL BE ALLOCATED AS DESCRIBED IN THE FUND-RAISING SOLICITATION AND EXPENSES
11 SHALL BE ALLOCATED IN THE SAME PROPORTION AS CONTRIBUTIONS.
12 (c) PAYMENT OF A COMMITTEE'S LEGAL OR ACCOUNTING EXPENSES.
13 (d) AN EXTENSION OF CREDIT FOR GOODS AND SERVICES ON A COMMITTEE'S
14 BEHALF BY A CREDITOR IF THE TERMS ARE SUBSTANTIALLY SIMILAR TO EXTENSIONS OF
15 CREDIT TO NONPOLITICAL DEBTORS THAT ARE OF SIMILAR RISK AND SIZE OF
16 OBLIGATION. THE CREDITOR MUST MAKE A COMMERCIALY REASONABLE ATTEMPT TO
17 COLLECT THE DEBT, EXCEPT THAT IF AN EXTENSION OF CREDIT REMAINS UNSATISFIED
18 BY THE COMMITTEE AFTER SIX MONTHS THE COMMITTEE IS DEEMED TO HAVE RECEIVED A
19 CONTRIBUTION BUT THE CREDITOR IS NOT DEEMED TO HAVE MADE A CONTRIBUTION.
20 5. THE VALUE OF NONPARTISAN COMMUNICATIONS THAT ARE INTENDED TO
21 ENCOURAGE VOTER REGISTRATION AND TURNOUT EFFORTS.
22 6. ANY PAYMENT BY A PERSON THAT IS NOT A COMMITTEE TO A FILING OFFICER
23 FOR ARGUMENTS IN A PUBLICITY PAMPHLET.
24 7. ANY PAYMENT FOR LEGAL OR ACCOUNTING SERVICES THAT ARE PROVIDED TO A
25 COMMITTEE.
26 8. THE PAYMENT OF COSTS OF PUBLISHING A BOOK OR PRODUCING A
27 DOCUMENTARY, IF THE PUBLICATION AND PRODUCTION ARE FOR DISTRIBUTION TO THE
28 GENERAL PUBLIC THROUGH TRADITIONAL DISTRIBUTION MECHANISMS OR A FEE IS
29 OBTAINED FOR THE PURCHASE OF THE PUBLICATION OR VIEWING OF THE DOCUMENTARY.
30 C. THIS SECTION DOES NOT IMPLY THAT ANY TRANSACTIONS THAT ARE NOT
31 SPECIFICALLY LISTED IN SUBSECTION B OF THIS SECTION ARE EXPENDITURES UNLESS
32 THOSE TRANSACTIONS OTHERWISE MEET THE DEFINITION OF EXPENDITURE AS DEFINED IN
33 SECTION 16-901.
34 16-922. Independent and coordinated expenditures
35 A. ANY PERSON MAY MAKE INDEPENDENT EXPENDITURES.
36 B. AN EXPENDITURE IS NOT AN INDEPENDENT EXPENDITURE IF EITHER OF THE
37 FOLLOWING APPLIES:
38 1. THERE IS ACTUAL COORDINATION WITH RESPECT TO AN EXPENDITURE BETWEEN
39 A CANDIDATE OR CANDIDATE'S AGENT AND THE PERSON MAKING THE EXPENDITURE OR
40 THAT PERSON'S AGENT.
41 2. BOTH OF THE FOLLOWING APPLY:
42 (a) THE EXPENDITURE IS BASED ON INFORMATION ABOUT A CANDIDATE'S OR
43 CANDIDATE COMMITTEE'S PLANS OR NEEDS THAT THE CANDIDATE OR CANDIDATE'S AGENT
44 PROVIDES TO THE PERSON MAKING THE EXPENDITURE OR THAT PERSON'S AGENT.

1 (b) THE CANDIDATE OR CANDIDATE'S AGENT PROVIDES THE INFORMATION WITH
2 AN INTENT TOWARD HAVING THE EXPENDITURE MADE.

3 C. IN EVALUATING WHETHER AN EXPENDITURE IS AN INDEPENDENT EXPENDITURE,
4 A FILING OFFICER OR ENFORCEMENT OFFICER MAY CONSIDER THE FOLLOWING TO BE
5 REBUTTABLE EVIDENCE OF COORDINATION:

6 1. ANY AGENT OF THE PERSON MAKING THE EXPENDITURE IS ALSO AN AGENT OF
7 THE CANDIDATE WHOSE ELECTION OR WHOSE OPPONENT'S DEFEAT IS BEING ADVOCATED BY
8 THE EXPENDITURE.

9 2. IN THE SAME ELECTION CYCLE, THE PERSON MAKING THE EXPENDITURE OR
10 THAT PERSON'S AGENT IS OR HAS BEEN AUTHORIZED TO RAISE OR SPEND MONIES ON THE
11 CANDIDATE'S BEHALF.

12 3. IN THE SAME ELECTION CYCLE, THE CANDIDATE IS OR HAS BEEN AUTHORIZED
13 TO RAISE MONEY OR SOLICIT CONTRIBUTIONS ON BEHALF OF THE PERSON MAKING THE
14 EXPENDITURE.

15 D. NOTWITHSTANDING SUBSECTION C OF THIS SECTION, COORDINATION DOES NOT
16 EXIST UNDER EITHER OF THE FOLLOWING:

17 1. IF THE PERSON MAKING THE EXPENDITURE MAINTAINS A FIREWALL BETWEEN
18 THE PERSON AND THAT PERSON'S AGENT IN COMPLIANCE WITH ALL OF THE FOLLOWING:

19 (a) THE PERSON'S AGENT DID NOT PARTICIPATE IN DECIDING TO MAKE THE
20 EXPENDITURE OR IN DECIDING THE CONTENT, TIMING OR TARGETING OF THE
21 EXPENDITURE.

22 (b) THE PERSON MAKING THE EXPENDITURE HAS A WRITTEN POLICY
23 ESTABLISHING THE FIREWALL AND ITS REQUIREMENTS.

24 (c) THE PERSON MAKING THE EXPENDITURE AND THE PERSON'S AGENT FOLLOWED
25 THE WRITTEN POLICY REGARDING THE FIREWALL.

26 2. SOLELY BECAUSE AN AGENT OF A PERSON MAKING THE EXPENDITURE SERVES
27 OR HAS SERVED ON A CANDIDATE'S HOST COMMITTEE FOR A FUND-RAISING EVENT.

28 E. AN EXPENDITURE THAT IS COORDINATED WITH A CANDIDATE, OTHER THAN A
29 COORDINATED PARTY EXPENDITURE, IS DEEMED AN IN-KIND CONTRIBUTION TO THE
30 CANDIDATE.

31 F. A PERSON THAT MAKES AN INDEPENDENT EXPENDITURE, OTHER THAN AN
32 INDIVIDUAL OR A COMMITTEE, SHALL FILE INDEPENDENT EXPENDITURE REPORTS
33 PURSUANT TO SECTION 16-926, SUBSECTION G.

34 ARTICLE 1.4. REPORTING REQUIREMENTS AND DISCLOSURE STATEMENTS

35 16-925. Advertising and fund-raising disclosure statements

36 A. A PERSON THAT MAKES AN EXPENDITURE FOR AN ADVERTISEMENT OR
37 FUND-RAISING SOLICITATION, OTHER THAN AN INDIVIDUAL, SHALL INCLUDE THE
38 FOLLOWING DISCLOSURES IN THE ADVERTISEMENT OR SOLICITATION:

39 1. THE WORDS "PAID FOR BY", FOLLOWED BY THE NAME OF THE PERSON MAKING
40 THE EXPENDITURE FOR THE ADVERTISEMENT OR FUND-RAISING SOLICITATION.

41 2. WHETHER THE EXPENDITURE WAS AUTHORIZED BY ANY CANDIDATE, FOLLOWED
42 BY THE IDENTITY OF THE AUTHORIZING CANDIDATE, IF ANY.

43 B. IN ADDITION TO THE DISCLOSURE REQUIRED BY SUBSECTION A OF THIS
44 SECTION, A POLITICAL ACTION COMMITTEE THAT MAKES AN EXPENDITURE FOR AN
45 ADVERTISEMENT SHALL INCLUDE A DISCLOSURE STATING THE NAMES OF THE THREE

1 POLITICAL ACTION COMMITTEES MAKING THE LARGEST AGGREGATE CONTRIBUTIONS TO THE
2 POLITICAL ACTION COMMITTEE MAKING THE EXPENDITURE AND THAT EXCEED TWENTY
3 THOUSAND DOLLARS DURING THE ELECTION CYCLE, AS CALCULATED AT THE TIME THE
4 ADVERTISEMENT WAS DISTRIBUTED FOR PUBLICATION, DISPLAY, DELIVERY OR
5 BROADCAST.

6 C. IF A DISCLOSURE CONTAINS ANY ACRONYM OR NICKNAME THAT IS NOT
7 COMMONLY KNOWN, THE DISCLOSURE SHALL ALSO SPELL OUT THE ACRONYM OR PROVIDE
8 THE FULL NAME.

9 D. IF THE ADVERTISEMENT IS:

10 1. BROADCAST ON RADIO, THE DISCLOSURE SHALL BE CLEARLY SPOKEN AT THE
11 BEGINNING OR END OF THE ADVERTISEMENT.

12 2. DELIVERED BY HAND OR MAIL OR ELECTRONICALLY, THE DISCLOSURE SHALL
13 BE CLEARLY READABLE.

14 3. DISPLAYED ON A SIGN OR BILLBOARD, THE DISCLOSURE SHALL BE DISPLAYED
15 IN A HEIGHT THAT IS AT LEAST FOUR PERCENT OF THE VERTICAL HEIGHT OF THE SIGN
16 OR BILLBOARD.

17 4. BROADCAST ON TELEVISION OR IN A VIDEO OR FILM, BOTH OF THE
18 FOLLOWING REQUIREMENTS APPLY:

19 (a) THE DISCLOSURE SHALL BE BOTH WRITTEN AND SPOKEN AT THE BEGINNING
20 OR END OF THE ADVERTISEMENT, EXCEPT THAT IF THE WRITTEN DISCLOSURE STATEMENT
21 IS DISPLAYED FOR THE GREATER OF AT LEAST ONE-SIXTH OF THE BROADCAST DURATION
22 OR FOUR SECONDS, A SPOKEN DISCLOSURE STATEMENT IS NOT REQUIRED.

23 (b) THE WRITTEN DISCLOSURE STATEMENT SHALL BE PRINTED IN LETTERS THAT
24 ARE DISPLAYED IN A HEIGHT THAT IS AT LEAST FOUR PERCENT OF THE VERTICAL
25 PICTURE HEIGHT.

26 E. THIS SECTION DOES NOT APPLY TO:

27 1. SOCIAL MEDIA MESSAGES, TEXT MESSAGES OR MESSAGES SENT BY A SHORT
28 MESSAGE SERVICE.

29 2. ADVERTISEMENTS THAT ARE PLACED AS A PAID LINK ON A WEBSITE, IF THE
30 MESSAGE IS NOT MORE THAN TWO HUNDRED CHARACTERS IN LENGTH AND THE LINK
31 DIRECTS THE USER TO ANOTHER WEBSITE THAT COMPLIES WITH THIS SECTION.

32 3. ADVERTISEMENTS THAT ARE PLACED AS A GRAPHIC OR PICTURE LINK, IF THE
33 STATEMENTS REQUIRED IN THIS SECTION CANNOT BE CONVENIENTLY PRINTED DUE TO THE
34 SIZE OF THE GRAPHIC OR PICTURE AND THE LINK DIRECTS THE USER TO ANOTHER
35 WEBSITE THAT COMPLIES WITH THIS SECTION.

36 4. BUMPER STICKERS, PINS, BUTTONS, PENS AND SIMILAR SMALL ITEMS ON
37 WHICH THE STATEMENTS REQUIRED IN THIS SECTION CANNOT BE CONVENIENTLY PRINTED.

38 5. A SOLICITATION OF CONTRIBUTIONS BY A SEPARATE SEGREGATED FUND.

39 6. A COMMUNICATION BY A TAX-EXEMPT ORGANIZATION SOLELY TO ITS MEMBERS.

40 7. A PUBLISHED BOOK OR A DOCUMENTARY FILM OR VIDEO.

41 16-926. Campaign finance reports; contents

42 A. A COMMITTEE SHALL FILE CAMPAIGN FINANCE REPORTS WITH THE FILING
43 OFFICER. THE SECRETARY OF STATE'S INSTRUCTIONS AND PROCEDURES MANUAL ADOPTED
44 PURSUANT TO SECTION 16-452 SHALL PRESCRIBE THE FORMAT FOR ALL REPORTS AND
45 STATEMENTS.

1 B. A CAMPAIGN FINANCE REPORT SHALL SET FORTH:
2 1. THE AMOUNT OF CASH ON HAND AT THE BEGINNING OF THE REPORTING
3 PERIOD.
4 2. TOTAL RECEIPTS DURING THE REPORTING PERIOD, INCLUDING:
5 (a) AN ITEMIZED LIST OF RECEIPTS IN THE FOLLOWING CATEGORIES,
6 INCLUDING THE SOURCE, AMOUNT AND DATE OF RECEIPT, TOGETHER WITH THE TOTAL OF
7 ALL RECEIPTS IN EACH CATEGORY:
8 (i) CONTRIBUTIONS FROM INDIVIDUALS WHOSE CONTRIBUTIONS EXCEED FIFTY
9 DOLLARS FOR THAT ELECTION CYCLE, INCLUDING IDENTIFICATION OF THE
10 CONTRIBUTOR'S OCCUPATION AND EMPLOYER.
11 (ii) CONTRIBUTIONS FROM CANDIDATE COMMITTEES.
12 (iii) CONTRIBUTIONS FROM POLITICAL ACTION COMMITTEES.
13 (iv) CONTRIBUTIONS FROM POLITICAL PARTIES.
14 (v) CONTRIBUTIONS FROM PARTNERSHIPS.
15 (vi) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY,
16 CONTRIBUTIONS FROM CORPORATIONS AND LIMITED LIABILITY COMPANIES, INCLUDING
17 IDENTIFICATION OF THE CORPORATION'S OR LIMITED LIABILITY COMPANY'S FILE
18 NUMBER ISSUED BY THE CORPORATION COMMISSION.
19 (vii) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY,
20 CONTRIBUTIONS FROM LABOR ORGANIZATIONS, INCLUDING IDENTIFICATION OF THE LABOR
21 ORGANIZATION'S FILE NUMBER ISSUED BY THE CORPORATION COMMISSION.
22 (viii) FOR A CANDIDATE COMMITTEE, A CANDIDATE'S CONTRIBUTION OF
23 PERSONAL MONIES.
24 (ix) ALL LOANS, INCLUDING IDENTIFICATION OF ANY ENDORSER OR GUARANTOR
25 OTHER THAN A CANDIDATE'S SPOUSE, AND THE CONTRIBUTION AMOUNT ENDORSED OR
26 GUARANTEED BY EACH.
27 (x) REBATES AND REFUNDS.
28 (xi) INTEREST ON COMMITTEE MONIES.
29 (xii) THE FAIR MARKET VALUE OF IN-KIND CONTRIBUTIONS RECEIVED.
30 (xiii) EXTENSIONS OF CREDIT THAT REMAIN OUTSTANDING, INCLUDING
31 IDENTIFICATION OF THE CREDITOR AND THE PURPOSE OF THE EXTENSION.
32 (b) THE AGGREGATE AMOUNT OF CONTRIBUTIONS FROM ALL INDIVIDUALS WHOSE
33 CONTRIBUTIONS DO NOT EXCEED FIFTY DOLLARS FOR THE ELECTION CYCLE.
34 3. AN ITEMIZED LIST OF ALL DISBURSEMENTS IN EXCESS OF TWO HUNDRED
35 FIFTY DOLLARS DURING THE REPORTING PERIOD IN THE FOLLOWING CATEGORIES,
36 INCLUDING THE RECIPIENT, THE RECIPIENT'S ADDRESS, A DESCRIPTION OF THE
37 DISBURSEMENT AND THE AMOUNT AND DATE OF THE DISBURSEMENT, TOGETHER WITH THE
38 TOTAL OF ALL DISBURSEMENTS IN EACH CATEGORY:
39 (a) DISBURSEMENTS FOR OPERATING EXPENSES.
40 (b) CONTRIBUTIONS TO CANDIDATE COMMITTEES.
41 (c) CONTRIBUTIONS TO POLITICAL ACTION COMMITTEES.
42 (d) CONTRIBUTIONS TO POLITICAL PARTIES.
43 (e) CONTRIBUTIONS TO PARTNERSHIPS.
44 (f) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS
45 TO CORPORATIONS AND LIMITED LIABILITY COMPANIES, INCLUDING IDENTIFICATION OF

1 THE CORPORATION'S OR LIMITED LIABILITY COMPANY'S FILE NUMBER ISSUED BY THE
2 CORPORATION COMMISSION.

3 (g) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS
4 TO LABOR ORGANIZATIONS, INCLUDING IDENTIFICATION OF THE LABOR ORGANIZATION'S
5 FILE NUMBER ISSUED BY THE CORPORATION COMMISSION.

6 (h) REPAYMENT OF LOANS.

7 (i) REFUNDS OF CONTRIBUTIONS.

8 (j) LOANS MADE.

9 (k) THE VALUE OF IN-KIND CONTRIBUTIONS PROVIDED.

10 (l) INDEPENDENT EXPENDITURES THAT ARE MADE TO ADVOCATE THE ELECTION OR
11 DEFEAT OF A CANDIDATE, INCLUDING IDENTIFICATION OF THE CANDIDATE, OFFICE
12 SOUGHT BY THE CANDIDATE, ELECTION DATE, MODE OF ADVERTISING AND DISTRIBUTION
13 OR PUBLICATION DATE.

14 (m) EXPENDITURES TO ADVOCATE THE PASSAGE OR DEFEAT OF A BALLOT
15 MEASURE, INCLUDING IDENTIFICATION OF THE BALLOT MEASURE, BALLOT MEASURE
16 SERIAL NUMBER, ELECTION DATE, MODE OF ADVERTISING AND DISTRIBUTION OR
17 PUBLICATION DATE.

18 (n) EXPENDITURES TO ADVOCATE ISSUANCE OF A RECALL ELECTION ORDER,
19 INCLUDING IDENTIFICATION OF THE OFFICER TO BE RECALLED, MODE OF ADVERTISING
20 AND DISTRIBUTION OR PUBLICATION DATE.

21 (o) ANY OTHER DISBURSEMENTS OR EXPENDITURES.

22 4. THE TOTAL SUM OF ALL RECEIPTS AND DISBURSEMENTS FOR THE REPORTING
23 PERIOD.

24 5. A CERTIFICATION BY THE COMMITTEE TREASURER, ISSUED UNDER PENALTY OF
25 PERJURY, THAT THE CONTENTS OF THE REPORT ARE TRUE AND CORRECT.

26 C. THE AMOUNT OF AN IN-KIND CONTRIBUTION OF SERVICES SHALL BE EQUAL TO
27 THE USUAL AND NORMAL CHARGES FOR THE SERVICES ON THE DATE RECEIVED BY THE
28 COMMITTEE.

29 D. IF ANY RECEIPT OR DISBURSEMENT IS EARMARKED, THE COMMITTEE SHALL
30 REPORT THE IDENTITY OF THE PERSON TO WHOM THE RECEIPT OR DISBURSEMENT IS
31 EARMARKED.

32 E. CANDIDATE COMMITTEE REPORTS SHALL BE CUMULATIVE FOR THE ELECTION
33 CYCLE TO WHICH THEY RELATE. POLITICAL ACTION COMMITTEE AND POLITICAL PARTY
34 REPORTS SHALL BE CUMULATIVE FOR A TWO-YEAR ELECTION CYCLE ENDING IN THE YEAR
35 OF A STATEWIDE GENERAL ELECTION. IF THERE HAS BEEN NO CHANGE DURING THE
36 REPORTING PERIOD IN AN ITEM LISTED IN THE IMMEDIATELY PRECEDING REPORT, ONLY
37 THE AMOUNT NEED BE CARRIED FORWARD.

38 F. FOR A POLITICAL ACTION COMMITTEE THAT RECEIVES INDIVIDUAL
39 CONTRIBUTIONS THROUGH A PAYROLL DEDUCTION PLAN, THAT COMMITTEE IS NOT
40 REQUIRED TO SEPARATELY ITEMIZE EACH CONTRIBUTION RECEIVED FROM THE
41 CONTRIBUTOR DURING THE REPORTING PERIOD. IN LIEU OF ITEMIZATION, THE
42 COMMITTEE MAY REPORT ALL OF THE FOLLOWING:

43 1. THE AGGREGATE AMOUNT OF CONTRIBUTIONS RECEIVED FROM THE CONTRIBUTOR
44 THROUGH THE PAYROLL DEDUCTION PLAN DURING THE REPORTING PERIOD.

45 2. THE INDIVIDUAL'S IDENTITY.

1 3. THE AMOUNT DEDUCTED PER PAY PERIOD.

2 G. AN ENTITY THAT MAKES INDEPENDENT EXPENDITURES IN EXCESS OF ONE
3 THOUSAND DOLLARS DURING A REPORTING PERIOD, OTHER THAN AN INDIVIDUAL OR
4 COMMITTEE, SHALL FILE AN INDEPENDENT EXPENDITURE REPORT WITH THE FILING
5 OFFICER FOR THE APPLICABLE REPORTING PERIOD. INDEPENDENT EXPENDITURE REPORTS
6 SHALL IDENTIFY THE CANDIDATE SUPPORTED OR OPPOSED, OFFICE SOUGHT BY THE
7 CANDIDATE, ELECTION DATE, MODE OF ADVERTISING AND FIRST DATE OF PUBLICATION,
8 DISPLAY, DELIVERY OR BROADCAST OF THE ADVERTISEMENT.

9 16-927. Campaign finance reporting period

10 A. A COMMITTEE SHALL FILE A CAMPAIGN FINANCE REPORT COVERING EACH
11 REPORTING PERIOD AS FOLLOWS:

12 1. FOR A CALENDAR QUARTER WITHOUT AN ELECTION, A COMMITTEE SHALL FILE
13 A QUARTERLY REPORT. THE QUARTERLY REPORT SHALL BE:

14 (a) FILED NOT LATER THAN THE FIFTEENTH DAY AFTER THE CALENDAR QUARTER.

15 (b) COMPLETE THROUGH THE LAST DAY OF THE CALENDAR QUARTER.

16 2. FOR A CALENDAR QUARTER WITH AN ELECTION, A COMMITTEE SHALL FILE A
17 PREELECTION AND POSTELECTION REPORT AS FOLLOWS:

18 (a) A PREELECTION REPORT SHALL BE:

19 (i) FILED NOT LATER THAN _____ DAYS BEFORE THE ELECTION.

20 (ii) COMPLETE FROM THE FIRST DAY OF THE APPLICABLE CALENDAR QUARTER
21 THROUGH THE _____ DAY BEFORE THE ELECTION.

22 (b) A POSTELECTION REPORT SHALL BE:

23 (i) FILED NOT LATER THAN THE FIFTEENTH DAY AFTER THE APPLICABLE
24 CALENDAR QUARTER.

25 (ii) COMPLETE FROM THE _____ DAY BEFORE THE ELECTION THROUGH THE
26 LAST DAY OF THE APPLICABLE CALENDAR QUARTER.

27 B. A COMMITTEE SHALL FILE CAMPAIGN FINANCE REPORTS UNTIL TERMINATED.

28 16-928. Filing officer; statements and reports

29 A. A PERSON WHO IS REQUIRED TO FILE ANY STATEMENTS AND REPORTS
30 REQUIRED BY THIS ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.5, 1.6 AND 1.7 OF
31 THIS CHAPTER SHALL FILE WITH THE FILING OFFICER IN CHARGE OF THAT ELECTION,
32 AS FOLLOWS:

33 1. THE SECRETARY OF STATE IS THE FILING OFFICER FOR STATEWIDE AND
34 LEGISLATIVE ELECTIONS, INCLUDING RETENTION ELECTIONS FOR SUPREME COURT
35 JUSTICES AND COURT OF APPEALS JUDGES. THE SECRETARY OF STATE IS ALSO THE
36 FILING OFFICER FOR COMMITTEES THAT SUPPORT OR OPPOSE A RECALL ELECTION OR THE
37 CIRCULATION OF A PETITION FOR A RECALL ELECTION FOR A STATEWIDE OR
38 LEGISLATIVE OFFICEHOLDER, FOR COMMITTEES THAT SUPPORT OR OPPOSE A STATEWIDE
39 INITIATIVE OR REFERENDUM OR OTHER STATEWIDE BALLOT MEASURE, QUESTION OR
40 PROPOSITION OR THE CIRCULATION OF A PETITION FOR A STATEWIDE INITIATIVE OR
41 REFERENDUM OR OTHER STATEWIDE BALLOT MEASURE, QUESTION OR PROPOSITION.

42 2. THE COUNTY OFFICER IN CHARGE OF ELECTIONS IS THE FILING OFFICER FOR
43 COUNTY, SCHOOL DISTRICT, COMMUNITY COLLEGE DISTRICT AND SPECIAL TAXING
44 DISTRICT ELECTIONS, INCLUDING RETENTION ELECTIONS FOR SUPERIOR COURT JUDGES.
45 THE COUNTY OFFICER IN CHARGE OF ELECTIONS IS ALSO THE FILING OFFICER FOR

1 COMMITTEES THAT SUPPORT OR OPPOSE A RECALL ELECTION OR THE CIRCULATION OF A
2 PETITION FOR A RECALL ELECTION FOR AN OFFICEHOLDER OF A COUNTY OFFICE, A
3 SCHOOL DISTRICT GOVERNING BOARD OFFICE, A COMMUNITY COLLEGE DISTRICT
4 GOVERNING BOARD OFFICE OR A SPECIAL TAXING DISTRICT GOVERNING BOARD OFFICE,
5 FOR COMMITTEES THAT SUPPORT OR OPPOSE A COUNTY, SCHOOL DISTRICT, COMMUNITY
6 COLLEGE DISTRICT OR SPECIAL TAXING DISTRICT INITIATIVE OR REFERENDUM OR OTHER
7 BALLOT MEASURE, QUESTION OR PROPOSITION, INCLUDING BOND, TAX, BUDGET AND
8 BUDGET OVERRIDE MEASURES OR THAT OPPOSE OR SUPPORT THE CIRCULATION OF A
9 PETITION FOR A COUNTY, SCHOOL DISTRICT, COMMUNITY COLLEGE DISTRICT OR SPECIAL
10 TAXING DISTRICT INITIATIVE OR REFERENDUM OR OTHER COUNTY, SCHOOL DISTRICT,
11 COMMUNITY COLLEGE DISTRICT OR SPECIAL TAXING DISTRICT BALLOT MEASURE,
12 QUESTION OR PROPOSITION.

13 3. THE CITY OR TOWN CLERK IS THE FILING OFFICER FOR CITY AND TOWN
14 ELECTIONS. THE CITY OR TOWN OFFICER IN CHARGE OF ELECTIONS IS ALSO THE
15 FILING OFFICER FOR COMMITTEES THAT SUPPORT OR OPPOSE A RECALL ELECTION OR THE
16 CIRCULATION OF A PETITION FOR A RECALL ELECTION FOR A CITY OR TOWN
17 OFFICEHOLDER, FOR COMMITTEES THAT SUPPORT OR OPPOSE A CITY OR TOWN INITIATIVE
18 OR REFERENDUM OR OTHER CITY OR TOWN BALLOT MEASURE, QUESTION OR PROPOSITION
19 OR THE CIRCULATION OF A PETITION FOR A CITY OR TOWN INITIATIVE OR REFERENDUM
20 OR OTHER CITY BALLOT MEASURE, QUESTION OR PROPOSITION.

21 B. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, A STANDING COMMITTEE
22 SHALL ONLY FILE REPORTS WITH THE SECRETARY OF STATE.

23 C. A FILING OFFICER SHALL PROVIDE THE OPTION FOR ELECTRONIC FILING AND
24 SHALL MAKE ALL STATEMENTS AND REPORTS PUBLICLY AVAILABLE ON THE INTERNET. A
25 FILING OFFICER MAY COMPLY WITH THIS SECTION BY OPTING INTO THE SECRETARY OF
26 STATE'S ELECTRONIC FILING SYSTEM AND PAYING A FEE AS DETERMINED BY THE
27 SECRETARY OF STATE.

28 ARTICLE 1.5. INFLATIONARY ADJUSTMENTS

29 16-931. Inflationary adjustments; committee registration;
30 contribution limits

31 A. IN JANUARY OF EACH ODD-NUMBERED YEAR, THE SECRETARY OF STATE SHALL
32 INCREASE:

33 1. THE COMMITTEE REGISTRATION THRESHOLDS SPECIFIED IN SECTION 16-905
34 BY ONE HUNDRED DOLLARS.

35 2. THE CONTRIBUTION LIMITS SPECIFIED IN ARTICLE 1.2 OF THIS CHAPTER BY
36 ONE HUNDRED DOLLARS.

37 B. THE SECRETARY OF STATE SHALL PUBLISH THE REVISED AMOUNTS AND MAKE
38 THE AMOUNTS AVAILABLE TO ELECTION OFFICIALS, CANDIDATES, COMMITTEES AND THE
39 PUBLIC.

40 ARTICLE 1.6. COMMITTEE TERMINATION

41 16-933. Transfer and disposal of committee monies; limitations

42 A. A COMMITTEE THAT INTENDS TO TERMINATE SHALL DISPOSE OF SURPLUS
43 MONIES AS FOLLOWS:

44 1. RETURN SURPLUS MONIES TO THE CONTRIBUTOR.

1 2. CONTRIBUTE SURPLUS MONIES WITHIN THE LIMITS PRESCRIBED IN ARTICLE
2 1.2 OF THIS CHAPTER.

3 3. DONATE SURPLUS MONIES TO A NONPROFIT ORGANIZATION THAT HAS TAX
4 EXEMPT STATUS UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE.

5 4. IN THE CASE OF A STATEWIDE OR LEGISLATIVE CANDIDATE COMMITTEE AND
6 SUBJECT TO SECTION 41-133, TRANSFER SURPLUS MONIES TO THE CANDIDATE'S
7 OFFICEHOLDER EXPENSE ACCOUNT.

8 B. SURPLUS MONIES SHALL NOT BE USED FOR OR CONVERTED TO PERSONAL USE.

9 C. ANY TRANSFER OF SURPLUS MONIES SHALL COMPLY WITH SECTION 16-916,
10 SUBSECTION A.

11 D. THIS SECTION DOES NOT PRECLUDE THE REPAYMENT OF A LOAN TO A
12 COMMITTEE.

13 16-934. Termination statement; filing; contents

14 A. A COMMITTEE MAY TERMINATE ONLY WHEN THE COMMITTEE TREASURER FILES A
15 TERMINATION STATEMENT WITH THE FILING OFFICER WITH WHOM THE COMMITTEE'S
16 STATEMENT OF ORGANIZATION WAS FILED.

17 B. IN THE TERMINATION STATEMENT, THE COMMITTEE TREASURER SHALL CERTIFY
18 UNDER PENALTY OF PERJURY THAT ALL OF THE FOLLOWING APPLY:

19 1. THE COMMITTEE WILL NO LONGER RECEIVE ANY CONTRIBUTIONS OR MAKE ANY
20 DISBURSEMENTS.

21 2. THE COMMITTEE EITHER:

22 (a) HAS NO OUTSTANDING DEBTS OR OBLIGATIONS.

23 (b) HAS OUTSTANDING DEBTS OR OBLIGATIONS, OR BOTH, THAT ARE ALL MORE
24 THAN FIVE YEARS OLD, AND THAT THE COMMITTEE'S CREDITORS HAVE AGREED TO
25 DISCHARGE THE DEBTS AND OBLIGATIONS AND HAVE AGREED TO THE TERMINATION OF THE
26 COMMITTEE.

27 3. ANY SURPLUS MONIES HAVE BEEN DISPOSED OF AND THAT THE COMMITTEE HAS
28 NO CASH ON HAND.

29 4. ALL CONTRIBUTIONS AND EXPENDITURES HAVE BEEN REPORTED, INCLUDING
30 ANY DISPOSAL OF SURPLUS MONIES.

31 C. A FILING OFFICER MAY REJECT THE TERMINATION STATEMENT IF IT APPEARS
32 TO THE FILING OFFICER THAT THE REQUIREMENTS IN SUBSECTION B OF THIS SECTION
33 HAVE NOT BEEN SATISFIED.

34 D. AFTER A TERMINATION STATEMENT IS FILED, A COMMITTEE:

35 1. IS NOT REQUIRED TO FILE ANY SUBSEQUENT CAMPAIGN FINANCE REPORTS.

36 2. SHALL HAVE NO FURTHER RECEIPTS OR DISBURSEMENTS WITHOUT FILING A
37 NEW STATEMENT OF ORGANIZATION.

38 E. A STANDING COMMITTEE MAY TERMINATE ITS ACTIVITIES IN A PARTICULAR
39 REPORTING JURISDICTION, AND REMAIN ACTIVE IN OTHER REPORTING JURISDICTIONS,
40 BY FILING A STATEMENT OF THAT INTENT WITH THE FILING OFFICER IN EACH
41 REPORTING JURISDICTION.

42 ARTICLE 1.7. ENFORCEMENT

43 16-937. Failure to file; penalties; notice; suspension

44 A. IF A COMMITTEE FAILS TO TIMELY FILE A COMPLETE REPORT AS PRESCRIBED
45 BY ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER, THE FILING

1 OFFICER SHALL SEND A WRITTEN NOTICE BY E-MAIL TO THE COMMITTEE WITHIN FIVE
2 DAYS AFTER THE FILING DEADLINE THAT IDENTIFIES THE LATE REPORT, DESCRIBES HOW
3 FINES ACCRUE AND IDENTIFIES METHODS OF PAYMENT.

4 B. A COMMITTEE THAT FAILS TO TIMELY FILE A REPORT SHALL PAY THE FILING
5 OFFICER A PENALTY OF TEN DOLLARS FOR EACH DAY THAT THE FILING IS LATE DURING
6 THE FIRST FIFTEEN DAYS AFTER THE FILING DEADLINE AND TWENTY-FIVE DOLLARS FOR
7 EACH SUBSEQUENT DAY THAT THE FILING IS LATE. PENALTIES ACCRUE UNTIL THE LATE
8 REPORT IS FILED.

9 C. IF A COMMITTEE FAILS TO FILE A COMPLETE REPORT WITHIN THIRTY DAYS
10 AFTER THE FILING DEADLINE AND AFTER PROVIDING NOTICE PURSUANT TO SUBSECTION A
11 OF THIS SECTION, THE FILING OFFICER MAY NOTIFY THE APPROPRIATE ENFORCEMENT
12 OFFICER PRESCRIBED IN THIS ARTICLE.

13 D. FOR ANY POLITICAL ACTION COMMITTEE OR POLITICAL PARTY THAT FAILS TO
14 FILE THREE CONSECUTIVE COMPLETE REPORTS, THE FILING OFFICER SHALL SEND BY
15 E-MAIL TO THE COMMITTEE A NOTICE OF TEMPORARY SUSPENSION AND THE FOLLOWING
16 APPLY:

17 1. ON RECEIPT, THE COMMITTEE'S AUTHORITY TO OPERATE IN THE
18 JURISDICTION IS TEMPORARILY SUSPENDED.

19 2. THE NOTICE SHALL STATE THAT FAILURE TO COMPLY WITH ALL FILING AND
20 PAYMENT REQUIREMENTS WITHIN THIRTY DAYS AFTER THE DATE OF THE NOTICE SHALL
21 RESULT IN PERMANENT SUSPENSION OF THE COMMITTEE'S AUTHORITY TO OPERATE IN
22 THAT JURISDICTION.

23 E. AFTER COMPLIANCE WITH SUBSECTION D OF THIS SECTION, THE FILING
24 OFFICER MAY PERMANENTLY SUSPEND THE COMMITTEE AND SHALL NOTIFY THE COMMITTEE
25 BY E-MAIL AND IS NOT REQUIRED TO PROVIDE ANY FURTHER NOTICE. PERMANENT OR
26 TEMPORARY SUSPENSION DOES NOT ELIMINATE A COMMITTEE'S CONTINUING OBLIGATION
27 TO FILE REPORTS AND PAY ANY OUTSTANDING AND ACCRUING PENALTIES PROVIDED BY
28 LAW.

29 16-938. Enforcement authority; investigation; reasonable cause;
30 notice of violation; administrative appeal

31 A. A FILING OFFICER IS THE SOLE PUBLIC OFFICER WHO IS AUTHORIZED TO
32 INITIATE AN INVESTIGATION INTO ALLEGED VIOLATIONS OF THIS ARTICLE AND
33 ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER, INCLUDING THE
34 ALLEGED FAILURE TO REGISTER AS A COMMITTEE. A FILING OFFICER SHALL LIMIT AN
35 INVESTIGATION TO VIOLATIONS THAT ARE WITHIN THE FILING OFFICER'S
36 JURISDICTION. IF THE FILING OFFICER DECLARES A CONFLICT OF INTEREST, THE
37 FILING OFFICER MAY REFER THE INVESTIGATION TO ANY OTHER FILING OFFICER IN
38 THIS STATE WHO AGREES TO ACCEPT THE REFERRAL.

39 B. THE SECRETARY OF STATE SHALL ESTABLISH GUIDELINES IN THE
40 INSTRUCTIONS AND PROCEDURES MANUAL ADOPTED PURSUANT TO SECTION 16-452 THAT
41 OUTLINE THE PROCEDURES, TIMELINES AND OTHER PROCESSES THAT APPLY TO
42 INVESTIGATIONS BY ALL FILING OFFICERS IN THIS STATE.

43 C. IF AFTER PROVIDING THE SUBJECT OF AN INVESTIGATION A REASONABLE
44 OPPORTUNITY TO RESPOND, THE FILING OFFICER HAS REASONABLE CAUSE TO BELIEVE A
45 PERSON VIOLATED THIS ARTICLE OR ARTICLE 1, 1.1, 1.2, 1.3, 1.4, 1.5 OR 1.6 OF

1 THIS CHAPTER, THE FILING OFFICER SHALL REFER THE MATTER TO THE ENFORCEMENT
2 OFFICER AS FOLLOWS:

3 1. FOR MATTERS INVESTIGATED BY THE SECRETARY OF STATE, THE SECRETARY
4 OF STATE SHALL NOTIFY THE ATTORNEY GENERAL.

5 2. FOR MATTERS INVESTIGATED BY A COUNTY OR DISTRICT FILING OFFICER,
6 THE COUNTY OR DISTRICT FILING OFFICER SHALL NOTIFY THE COUNTY ATTORNEY.

7 3. FOR MATTERS INVESTIGATED BY A CITY OR TOWN FILING OFFICER, THE CITY
8 OR TOWN FILING OFFICER SHALL NOTIFY THE CITY OR TOWN ATTORNEY.

9 D. BEFORE A REASONABLE CAUSE DETERMINATION IS MADE AS PRESCRIBED IN
10 SUBSECTION C OF THIS SECTION, A FILING OFFICER, AN ENFORCEMENT OFFICER AND
11 ANY OTHER PUBLIC OFFICER OR EMPLOYEE MAY NOT ORDER A PERSON TO REGISTER AS A
12 COMMITTEE AND DOES NOT HAVE AUDIT OR SUBPOENA POWERS TO COMPEL THE PRODUCTION
13 OF EVIDENCE OR THE ATTENDANCE OF WITNESSES CONCERNING A POTENTIAL CAMPAIGN
14 FINANCE VIOLATION. A FILING OFFICER MAY REQUEST THE VOLUNTARY PRODUCTION OF
15 EVIDENCE OR ATTENDANCE OF WITNESSES IN MAKING A REASONABLE CAUSE
16 DETERMINATION.

17 E. ONLY AFTER RECEIVING A REFERRAL FROM THE FILING OFFICER, THE
18 ENFORCEMENT OFFICER MAY:

19 1. CONDUCT AN INVESTIGATION USING THE ENFORCEMENT OFFICER'S SUBPOENA
20 POWERS, EXCEPT THAT THE ENFORCEMENT OFFICER SHALL NOT COMPEL A PERSON TO FILE
21 CAMPAIGN FINANCE REPORTS UNLESS THE ENFORCEMENT OFFICER HAS DETERMINED THAT
22 THE PERSON IS A COMMITTEE.

23 2. SERVE THE ALLEGED VIOLATOR WITH A NOTICE OF VIOLATION. THE NOTICE
24 SHALL STATE WITH REASONABLE PARTICULARITY THE NATURE OF THE VIOLATION, SHALL
25 SPECIFY THE FINE OR PENALTY IMPOSED AND SHALL REQUIRE COMPLIANCE WITHIN
26 TWENTY DAYS AFTER THE DATE OF ISSUANCE OF THE NOTICE. THE ENFORCEMENT
27 OFFICER SHALL IMPOSE A PRESUMPTIVE CIVIL PENALTY EQUAL TO THE VALUE OR AMOUNT
28 OF MONEY THAT HAS BEEN RECEIVED, SPENT OR PROMISED IN VIOLATION OF THIS
29 ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER,
30 EXCEPT THAT AFTER A FINDING OF SPECIAL CIRCUMSTANCES, THE ENFORCEMENT OFFICER
31 MAY IMPOSE A PENALTY OF UP TO THREE TIMES THE AMOUNT OF THE PRESUMPTIVE CIVIL
32 PENALTY, BASED ON THE SEVERITY, EXTENT OR WILFUL NATURE OF THE ALLEGED
33 VIOLATION. IF THE NOTICE OF VIOLATION REQUIRES A PERSON TO FILE CAMPAIGN
34 FINANCE REPORTS, THE REPORTS ARE NOT REQUIRED TO BE FILED UNTIL THE
35 ENFORCEMENT OFFICER'S NOTICE OF VIOLATION HAS BEEN UPHeld AFTER ANY TIMELY
36 APPEAL.

37 3. KEEP ANY INFORMATION GATHERED BY THE ENFORCEMENT OFFICER IN THE
38 COURSE OF THE COMMITTEE STATUS INVESTIGATION CONFIDENTIAL UNTIL THE FINAL
39 DISPOSITION OF ANY APPEAL OF THE ENFORCEMENT ORDER, AND THE INFORMATION IS
40 NOT SUBJECT TO A PUBLIC RECORDS REQUEST.

41 F. THE ENFORCEMENT OFFICER HAS THE SOLE AND EXCLUSIVE AUTHORITY TO
42 INITIATE ANY APPLICABLE ADMINISTRATIVE OR JUDICIAL PROCEEDINGS TO ENFORCE AN
43 ALLEGED VIOLATION OF THIS ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND
44 1.6 OF THIS CHAPTER THAT HAVE BEEN REFERRED BY THE FILING OFFICER.

45 G. IF THE ALLEGED VIOLATOR:

1 C. Notwithstanding any law to the contrary, a candidate, whether
2 participating or nonparticipating:

3 1. If specified in a written agreement signed by the candidate and one
4 or more opposing candidates and filed with the citizens clean elections
5 commission, shall not make any expenditure in the primary or general election
6 period exceeding an agreed-upon amount lower than spending limits otherwise
7 applicable by statute.

8 2. Shall continue to be bound by all other applicable election and
9 campaign finance statutes and rules, with the exception of those provisions
10 in express or clear conflict with this article.

11 D. Notwithstanding any law to the contrary, any person who makes
12 independent expenditures related to a particular office cumulatively
13 exceeding five hundred dollars in an election cycle, with the exception of
14 any expenditure ~~listed in section 16-920~~ EXEMPTED FROM THE DEFINITION OF
15 EXPENDITURE PURSUANT TO SECTION 16-921 and any independent expenditure by an
16 organization arising from a communication directly to the organization's
17 members, shareholders, employees, affiliated persons and subscribers, shall
18 file reports with the secretary of state in accordance with section 16-958 so
19 indicating, identifying the office and the candidate or group of candidates
20 whose election or defeat is being advocated and stating whether the person is
21 advocating election or advocating defeat.

22 Sec. 11. Subject to the requirements of article IV, part 1, section 1,
23 Constitution of Arizona, section 16-946, Arizona Revised Statutes, is amended
24 to read:

25 16-946. Qualifying contributions

26 A. During the qualifying period, a participating candidate may collect
27 qualifying contributions, which shall be paid to the fund.

28 B. To qualify as a qualifying contribution, a contribution must be:

29 1. Made by a qualified elector as defined in section 16-121, who at
30 the time of the contribution is registered in the electoral district of the
31 office the candidate is seeking and who has not given another qualifying
32 contribution to that candidate during that election cycle.

33 2. Made by a person who is not given anything of value in exchange for
34 the qualifying contribution.

35 3. In the sum of five dollars, exactly.

36 4. Received unsolicited during the qualifying period or solicited
37 during the qualifying period by a person who is not employed or retained by
38 the candidate and who is not compensated to collect contributions by the
39 candidate or on behalf of the candidate.

40 5. If made by check or money order, made payable to the candidate's
41 campaign committee, or if in cash, deposited in the candidate's campaign
42 committee's account.

43 6. Accompanied by a three-part reporting slip that includes the
44 printed name, registration address and signature of the contributor, the name
45 of the candidate for whom the contribution is made, the date and the printed

1 name and signature of the solicitor. An electronic signature as defined in
2 section 41-351 is deemed to comply with this paragraph.

3 C. A copy of the reporting slip shall be given as a receipt to the
4 contributor, and another copy shall be retained by the candidate's campaign
5 committee. Delivery of an original reporting slip to the secretary of state
6 shall excuse the candidate from disclosure of these contributions on campaign
7 finance reports filed under article ~~1~~ 1.4 of this chapter.

8 Sec. 12. Subject to the requirements of article IV, part 1, section 1,
9 Constitution of Arizona, section 16-947, Arizona Revised Statutes, is amended
10 to read:

11 16-947. Certification as a participating candidate

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

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

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

21 2. The candidate's campaign committee and exploratory committee have
22 filed all campaign finance reports required under article ~~1~~ 1.4 of this
23 chapter during the election cycle to date and that they are complete and
24 accurate.

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

28 C. The commission shall act on the application within one week.
29 Unless, within that time, the commission denies an application and provides
30 written reasons that all or part of a certification in subsection B of this
31 section is incomplete or untrue, the candidate shall be certified as a
32 participating candidate. If the commission denies an application for failure
33 to file all complete and accurate campaign finance reports or failure to make
34 the certification in subsection B, paragraph 3 of this section, the candidate
35 may reapply within two weeks of the commission's decision by filing complete
36 and accurate campaign finance reports and another sworn certification.

37 D. A candidate shall be denied certification if that candidate was
38 removed from office by the commission or if the candidate is delinquent in
39 payment of a debt to the commission. If the debt is paid in full or if the
40 candidate is current on a payment agreement with the commission, the
41 candidate may apply for certification as a participating candidate and is
42 eligible to be certified if otherwise qualified by law.

1 Sec. 13. Subject to the requirements of article IV, part 1, section 1,
2 Constitution of Arizona, section 16-948, Arizona Revised Statutes, is amended
3 to read:

4 16-948. Controls on participating candidates' campaign accounts

5 A. A participating candidate shall conduct all financial activity
6 through a single campaign account of the candidate's campaign committee. A
7 participating candidate shall not make any deposits into the campaign account
8 other than those permitted under section 16-945 or 16-946.

9 B. A candidate may designate other persons with authority to withdraw
10 funds from the candidate's campaign account. The candidate and any person so
11 designated shall sign a joint statement under oath promising to comply with
12 the requirements of this title.

13 C. The candidate or a person authorized under subsection B of this
14 section shall pay monies from a participating candidate's campaign account
15 directly to the person providing goods or services to the campaign and shall
16 identify, on a report filed pursuant to article ~~1~~ 1.4 of this chapter, the
17 full name and street address of the person and the nature of the goods and
18 services and compensation for which payment has been made. Notwithstanding
19 the previous sentence, a campaign committee may establish one or more petty
20 cash accounts, which in aggregate shall not exceed one thousand dollars at
21 any time. No single expenditure shall be made from a petty cash account
22 exceeding one hundred dollars.

23 D. Monies in a participating candidate's campaign account shall not be
24 used to pay fines or civil penalties, for costs or legal fees related to
25 representation before the commission, or for defense of any enforcement
26 action under this chapter. Nothing in this subsection shall prevent a
27 participating candidate from having a legal defense fund.

28 E. A participating candidate shall not use clean elections monies to
29 purchase goods or services that bear 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 participating candidate or in which the
32 candidate has a controlling interest. The use of goods or services that are
33 prohibited by this subsection is deemed to be an unlawful in-kind
34 contribution to the participating candidate.

35 Sec. 14. Subject to the requirements of article IV, part 1, section 1,
36 Constitution of Arizona, section 16-958, Arizona Revised Statutes, is amended
37 to read:

38 16-958. Manner of filing reports

39 A. Any person who has previously reached the dollar amount specified
40 in section 16-941, subsection D for filing an original report shall file a
41 supplemental report each time previously unreported independent expenditures
42 specified by that subsection exceeds one thousand dollars. Such reports
43 shall be filed at the times specified in subsection B of this section and
44 shall identify the dollar amount being reported, the candidate and the date,
45 and no other detail is required in reports made pursuant to this section.

1 B. Any person who must file an original report pursuant to section
2 16-941, subsection D or who must file a supplemental report for previously
3 unreported amounts pursuant to subsection A of this section shall file as
4 follows:

5 1. Before the beginning of the primary election period, the person
6 shall file a report on the first of each month, unless the person has not
7 reached the dollar amount for filing an original or supplemental report on
8 that date.

9 2. Thereafter, except as stated in paragraph 3 of this subsection, the
10 person shall file a report on any Tuesday by which the person has reached the
11 dollar amount for filing an original or supplemental report.

12 3. During the last two weeks before the primary election and the last
13 two weeks before the general election, the person shall file a report within
14 one business day of reaching the dollar amount for filing an original or
15 supplemental report.

16 C. Any filing under this article on behalf of a candidate may be made
17 by the candidate's campaign committee. All candidates shall deposit any
18 check received by and intended for the campaign and made payable to the
19 candidate or the candidate's campaign committee, and all cash received by and
20 intended for the campaign, in the candidate's campaign account before the due
21 date of the next report specified in subsection B of this section. No
22 candidate or person acting on behalf of a candidate shall conspire with a
23 donor to postpone delivery of a donation to the campaign for the purpose of
24 postponing the reporting of the donation in any subsequent report.

25 D. The secretary of state shall immediately notify the commission of
26 the filing of each report under this section and deliver a copy of the report
27 to the commission, and the commission shall promptly mail or otherwise
28 deliver a copy of each report filed pursuant to this section to all
29 participating candidates opposing the candidate identified in section 16-941,
30 subsection D.

31 E. Any report ~~section~~ THAT IS filed pursuant to this section or ~~section~~
32 ~~16-916, subsection A, paragraph 1 or subsection B~~ THAT IS REQUIRED TO BE
33 FILED WITH THE SECRETARY OF STATE shall be filed in electronic format. The
34 secretary of state shall distribute computer software to political committees
35 to accommodate such electronic filing.

36 F. During the primary election period and the general election period,
37 all candidates shall make available for public inspection all bank accounts,
38 campaign finance reports and financial records relating to the candidate's
39 campaign, either by immediate disclosure through electronic means or at the
40 candidate's campaign headquarters, in accordance with rules adopted by the
41 commission.

1 Sec. 15. Subject to the requirements of article IV, part 1, section 1,
2 Constitution of Arizona, section 16-959, Arizona Revised Statutes, is amended
3 to read:

4 16-959. Inflationary and other adjustments of dollar values

5 A. Every two years, the secretary of state shall modify the dollar
6 values specified in the following parts of this article, in the manner
7 specified by section ~~16-905, subsection H~~ 16-931, to account for inflation:
8 section 16-941, subsection A, paragraph 2 or subsection D; section 16-942,
9 subsection B; section 16-945, subsection A, paragraphs 1 and 2; section
10 16-948, subsection C; section 16-955, subsection G; and section 16-961,
11 subsections G and H. In addition, the secretary of state shall make a
12 similar inflation adjustment by modifying the dollar values in section
13 16-949, subsection A to reflect cumulative inflation since the enactment of
14 this article. In addition, every two years, the secretary of state shall
15 change the dollar values in section 16-961, subsections G and H in proportion
16 to the change in the number of Arizona resident personal income tax returns
17 filed during the previous calendar year.

18 B. Based on the results of the elections in any quadrennial election
19 after 2002, and within six months after such election, the commission may
20 adopt rules in a public meeting reallocating funds available to all
21 candidates between the primary and general elections by selecting a fraction
22 for primary election spending limits that is between one-third and one-half
23 of the spending limits for the election as a whole. For each office, the
24 primary election spending limit shall be modified to be the sum of the
25 primary and general spending limits times the selected fraction, and the
26 general election spending limit shall be modified to be the same sum times
27 one less the selected fraction.

28 Sec. 16. Subject to the requirements of article IV, part 1, section 1,
29 Constitution of Arizona, section 16-961, Arizona Revised Statutes, is amended
30 to read:

31 16-961. Definitions

32 A. The terms "candidate's campaign committee," "contribution,"
33 "expenditures," "exploratory committee," "independent expenditure," "personal
34 monies," "political committee" and "statewide office" are defined in section
35 ~~16-901~~ _____.

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

38 2. "Exploratory period" means the period beginning on the day after a
39 general election and ending the day before the start of the qualifying
40 period.

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

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

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

3 6. For any recall election, the qualifying period shall begin when the
4 election is called and last for thirty days, there shall be no primary
5 election period and the general election period shall extend from the day
6 after the end of the qualifying period to the day of the recall election.
7 For recall elections, any reference to "general election" in this article
8 shall be treated as if referring to the recall election.

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

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

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

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

18 E. "Fund" means the citizens clean elections fund defined by this
19 article.

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

22 2. "Independent candidate" means a candidate who has properly filed
23 nominating papers and nominating petitions with signatures pursuant to
24 section 16-341.

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

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

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

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

36 G. "Primary election spending limits" means:

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

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

41 3. For a candidate for treasurer, superintendent of public instruction
42 or the corporation commission, eighty-two thousand six hundred eighty
43 dollars.

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

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

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

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

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

11 Sec. 17. Section 19-111, Arizona Revised Statutes, is amended to read:
12 19-111. Number for petition; training materials

13 A. A person or organization intending to propose a law or
14 constitutional amendment by initiative petition or to file a referendum
15 petition against a measure, item, section or part of a measure, before
16 causing the petition to be printed and circulated, shall file with the
17 secretary of state an application, on a form to be provided by the secretary
18 of state, setting forth the person's name or, if an organization, its name
19 and the names and titles of its officers, the person's or organization's
20 address, the person's or organization's intention to circulate and file a
21 petition, a description of no more than one hundred words of the principal
22 provisions of the proposed law, constitutional amendment or measure and the
23 text of the proposed law, constitutional amendment or measure to be initiated
24 or referred in no less than eight point type, and applying for issuance of an
25 official serial number. At the same time as the person or organization files
26 its application, the person or organization shall file with the secretary of
27 state its statement of organization ~~or its signed exemption statement as~~
28 ~~prescribed by section 16-902.01~~. The secretary of state shall not accept an
29 application for initiative or referendum without an accompanying statement of
30 organization ~~or signed exemption statement~~ as prescribed by this subsection.

31 B. On receipt of the application, the secretary of state shall assign
32 an official serial number to the petition, which number shall appear in the
33 lower right-hand corner of each side of each copy thereof, and issue that
34 number to the applicant. The secretary of state shall assign numbers to
35 petitions in numerical sequence, and a record shall be maintained in the
36 secretary of state's office of each application received and of the numbers
37 assigned and issued to the applicant.

38 C. The secretary of state shall make available to each applicant by
39 electronic means a copy of the text of this article governing the initiative
40 and referendum and all rules adopted by the secretary of state pursuant to
41 this title. In addition, the secretary of state shall provide the applicant
42 by electronic means the ability to file a statement of organization ~~or five~~
43 ~~hundred dollar threshold exemption statement~~ and a notice stating: "This
44 statement must be filed before valid signatures can be collected." The
45 secretary of state shall make available by electronic means a copy of the

1 text of this article governing the initiative and referendum and all rules
2 adopted by the secretary of state pursuant to this title to the county, city
3 and town clerks who shall similarly furnish a copy to each applicant by
4 electronic means. If a member of the public so requests, the secretary of
5 state and the county, city and town clerks shall provide a copy in pamphlet
6 form.

7 D. The secretary of state shall make available to each person or
8 organization circulating a statewide initiative, referendum or recall
9 petition a copy of circulator training materials created by the secretary of
10 state. Circulator training materials may be provided on paper or in
11 electronic format and shall also be available on the secretary of state's
12 website. A person or organization circulating a statewide petition shall
13 provide each circulator with the secretary of state's circulator training
14 materials and shall collect and submit to the secretary of state each of its
15 circulators' training materials receipts before the filing of completed
16 petitions. Each person who is a statewide circulator shall acknowledge in
17 writing receipt of the training materials before circulating a petition for
18 signatures. Failure to provide circulator training materials or failure to
19 submit circulators' training materials receipts is not grounds for removal of
20 signatures or signature sheets. Notwithstanding section 19-141, this
21 subsection does not apply to initiative, referendum or recall petitions for
22 cities, towns and counties.

23 E. The eight point type required by subsection A of this section shall
24 not apply to maps, charts or other graphics.

25 Sec. 18. Section 19-111.01, Arizona Revised Statutes, is amended to
26 read:

27 19-111.01. Text review; legislative council; recommendations

28 A. At any time before filing an application for initiative petition or
29 referendum petition and after filing a statement of organization pursuant to
30 section ~~16-902.01~~ 16-906, a political committee that intends to submit an
31 application for initiative petition or referendum petition for a proposed law
32 or constitutional amendment may submit a copy of the text of the proposed
33 law, referral or constitutional amendment to the director of the legislative
34 council.

35 B. No later than thirty days after receipt of the text of the measure,
36 the legislative council staff shall review the proposed measure. The
37 legislative council staff shall limit its consideration to errors in the
38 drafting of the measure, confusing, conflicting or inconsistent provisions
39 within the measure and conflicts with other state laws and federal law and
40 shall consider and may prepare recommendations to improve the text of the
41 proposed measure.

42 C. The person or organization proposing the law or constitutional
43 amendment may accept, modify or reject any recommendations made by the
44 legislative council staff regarding the text of the measure solely in its
45 discretion.

1 5. Deductions for contributions to a separate segregated fund pursuant
2 to 2 United States Code section 441b(b) or section ~~16-920, subsection A,~~
3 ~~paragraph 3~~ 16-916.

4 6. Any deduction otherwise required by law.

5 F. If an employee has authorized a deduction from the employee's
6 paycheck under this section and the employee resigns membership in the
7 association or organization for which the deduction was authorized, the
8 employee's authorization for the deduction is rescinded upon the employer's
9 receipt from the employee of written notice of the resignation. The employer
10 shall have one pay period to process the rescission.

11 G. This section does not preempt any federal law.

12 H. For the purposes of this section, employee does not include any
13 public safety employee, including a peace officer, firefighter, corrections
14 officer, probation officer or surveillance officer, who is employed by this
15 state or a political subdivision of this state.

16 I. For the purposes of this section, "political purposes" means
17 supporting or opposing any candidate for public office, political party,
18 referendum, initiative, political issue advocacy, political action committee
19 or other similar group.

20 Sec. 21. Section 38-544, Arizona Revised Statutes, is amended to read:

21 38-544. Violation; classification

22 A. Any public officer, local public officer or candidate who knowingly
23 fails to file a financial disclosure statement required pursuant to section
24 38-542, 38-543 or 38-545, who knowingly files an incomplete financial
25 disclosure statement or who knowingly files a false financial disclosure
26 statement is guilty of a class 1 misdemeanor.

27 B. Any public officer, local public officer or candidate who violates
28 this chapter is subject to a civil penalty of fifty dollars for each day of
29 noncompliance but not more than five hundred dollars that may be imposed as
30 prescribed in ~~section 16-924~~ SECTIONS 16-937 AND 16-938.

31 Sec. 22. Section 41-128, Arizona Revised Statutes, is amended to read:

32 41-128. Standing political committee administrative fund;
33 purpose

34 The standing political committee administrative fund is established
35 consisting of monies from filing fees that are paid by standing political
36 committees ~~pursuant to section 16-902.01~~. The secretary of state shall
37 administer the fund. Monies in the fund are continuously appropriated. The
38 state treasurer shall invest and divest monies in the fund as provided by
39 section 35-313, and monies earned from investment shall be credited to the
40 fund. Monies in the fund shall be used for the costs of administering and
41 enforcing the campaign finance laws relating to standing political
42 committees.

1 Sec. 23. Section 41-133, Arizona Revised Statutes, is amended to read:
2 41-133. Officeholder expenses; account; reporting; limitations;
3 civil penalty; definition

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

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

11 2. The total amount that an officeholder may receive or spend pursuant
12 to this section during an election cycle is ninety-eight thousand three
13 hundred sixty dollars for the governor, fifty-one thousand six hundred eighty
14 dollars for the secretary of state and the attorney general, twenty-five
15 thousand eight hundred forty dollars for all other statewide officeholders
16 and nine thousand eight hundred dollars for a legislator, which may include
17 personal monies as prescribed by paragraph 3 of this subsection. The
18 secretary of state shall adjust this amount biennially as prescribed in
19 section ~~16-905, subsection H~~ 16-931.

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

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

26 C. An officeholder shall establish a separate account for officeholder
27 expenses, which shall be separate from any candidate campaign account. The
28 officeholder shall file a statement of organization for the account
29 designated as an officeholder expense account. Monies raised or spent for
30 officeholder expenses shall be reported under campaign finance reporting
31 requirements pursuant to title 16, chapter 6, ~~article~~ ARTICLES 1, 1.1, 1.2,
32 1.3, 1.4, 1.5, 1.6 AND 1.7.

33 D. An officeholder shall not use monies in the officeholder account
34 for campaign purposes. Permissible uses of monies in an officeholder account
35 include the following:

- 36 1. Office equipment and supplies.
- 37 2. Travel related to the officeholder's duties.
- 38 3. Meeting or communicating with constituents.
- 39 4. Expenses for informational and educational purposes, including
40 subscriptions to newspapers, magazines or other periodicals or websites or
41 other informational services, membership or participation in community,
42 professional or fraternal organizations and participation in conferences and
43 seminars.

44 E. An officeholder shall not receive or spend monies from the
45 officeholder account during the period beginning April 30 in an election

1 year, shall complete the purchase or otherwise use the item before April 30
2 in an election year and shall not spend those monies until after the day of
3 the general election. Any monies remaining in the officeholder expense
4 account beginning April 30 in an election year may not be used except as
5 follows:

6 1. Paid to the state general fund.
7 2. For a person who continues to hold office as prescribed in this
8 section, carried forward to an officeholder expense account for another
9 office or term of office, subject to the limitations prescribed by this
10 section.

11 3. Donated to a political committee other than a person's exploratory
12 committee or a candidate's campaign committee, unless the officeholder
13 continues to hold office as prescribed in this section or the officeholder
14 holds any other elected office immediately following completion of the
15 officeholder's term.

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

21 F. Except as prescribed in subsection E of this section, an
22 officeholder shall not transfer officeholder account monies to any other
23 account or committee except for another officeholder account for that same
24 officeholder.

25 G. Section 41-1234.01 applies to contributions to an officeholder
26 account for legislators.

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

29 I. ~~Section 16-924 applies~~ SECTIONS 16-937 AND 16-938 APPLY for the
30 implementation and enforcement of this section.

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

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

38 Sec. 24. Effective date

39 This act is effective from and after _____.

40 Sec. 25. Requirements for enactment; three-fourths vote

41 Pursuant to article IV, part 1, section 1, Constitution of Arizona,
42 sections 16-941, 16-946, 16-947, 16-948, 16-958, 16-959 and 16-961, Arizona
43 Revised Statutes, as amended by this act, are effective only on the
44 affirmative vote of at least three-fourths of the members of each house of
45 the legislature.