State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SENATE BILL 1188

AN ACT
AMENDING SECTIONS 16-940, 16-941, 16-947, 16-949, 16-950, 16-951, 16-952, 16-953, 16-954, 16-955, 16-956, 16-960 AND 16-961, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 16, CHAPTER 6, ARTICLE 2, ARIZONA REVISED STATUTES, TO "PUBLICLY FUNDED ELECTIONS ACT"; RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Heading change
Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, the article heading of title 16, chapter 6, article 2, Arizona Revised Statutes, is changed from "CITIZENS CLEAN ELECTIONS ACT" to "PUBLICLY FUNDED ELECTIONS ACT".

Sec. 2. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-940, Arizona Revised Statutes, is amended to read:

16-940. Findings and declarations
A. The people of Arizona declare our intent to create a clean PUBLICLY FUNDED elections system that will improve the integrity of Arizona state government by diminishing the influence of special-interest money, will encourage citizen participation in the political process, and will promote freedom of speech under the U.S. UNITED STATES and Arizona Constitutions. Campaigns will become more issue-oriented and less negative because there will be no need to challenge the sources of campaign money.

B. The people of Arizona find that our current election-financing system:
1. Allows Arizona elected officials to accept large campaign contributions from private interests over which they have governmental jurisdiction.
2. Gives incumbents an unhealthy advantage over challengers.
3. Hinders communication to voters by many qualified candidates.
4. Effectively suppresses the voices and influence of the vast majority of Arizona citizens in favor of a small number of wealthy special interests.
5. Undermines public confidence in the integrity of public officials.
6. Costs average taxpayers millions of dollars in the form of subsidies and special privileges for campaign contributors.
7. Drives up the cost of running for state office, discouraging otherwise qualified candidates who lack personal wealth or access to special-interest funding.
8. Requires that elected officials spend too much of their time raising funds rather than representing the public.

Sec. 3. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-941, Arizona Revised Statutes, is amended to read:

16-941. Limits on spending and contributions for political campaigns
A. Notwithstanding any law to the contrary, a participating candidate:
1. Shall not accept any contributions, other than a limited number of five-dollar qualifying contributions as specified in section 16-946 and early
contributions as specified in section 16-945, except in the emergency situation specified in section 16-954, subsection F.

2. Shall not make expenditures of more than a total of five hundred dollars of the candidate’s personal monies for a candidate for THE legislature or more than one thousand dollars for a candidate for statewide office.

3. Shall not make expenditures in the primary election period in excess of the adjusted primary election spending limit.

4. Shall not make expenditures in the general election period in excess of the adjusted general election spending limit.

5. Shall comply with section 16-948 regarding campaign accounts and section 16-953 regarding returning unused monies to the citizens clean election PUBLICLY FUNDED ELECTIONS fund described in this article.

B. Notwithstanding any law to the contrary, a nonparticipating candidate:

1. Shall not accept contributions in excess of an amount that is twenty percent less than the limits specified in section 16-905, subsections A through G, as adjusted by the secretary of state pursuant to section 16-905, subsection J. Any violation of this paragraph shall be subject to the civil penalties and procedures set forth in section 16-905, subsection L through P and section 16-924.

2. Shall comply with section 16-958 regarding reporting, including filing reports with the secretary of state indicating whenever EITHER OF THE FOLLOWING OCCURS:

   a) Expenditures other than independent expenditures on behalf of the candidate, from the beginning of the election cycle to any date up to primary election day, exceed seventy percent of the original primary election spending limit applicable to a participating candidate seeking the same office.

   b) Contributions to a candidate, from the beginning of the election cycle to any date during the general election period, less expenditures made from the beginning of the election cycle through primary election day, exceed seventy percent of the original general election spending limit applicable to a participating candidate seeking the same office.

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

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

2. Shall continue to be bound by all other applicable election and campaign finance statutes and rules, with the exception of those provisions in express or clear conflict with the provisions of this article.
D. Notwithstanding any law to the contrary, any person who makes independent expenditures related to a particular office cumulatively exceeding five hundred dollars in an election cycle, with the exception of any expenditure listed in section 16-920 and any independent expenditure by an organization arising from a communication directly to the organization's members, shareholders, employees, affiliated persons, and subscribers, shall file reports with the secretary of state in accordance with section 16-958 so indicating, identifying the office and the candidate or group of candidates whose election or defeat is being advocated, and stating whether the person is advocating election or advocating defeat.

Sec. 4. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-947, Arizona Revised Statutes, is amended to read:

16-947. Certification as a participating candidate

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

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

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

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

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

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

Sec. 5. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-949, Arizona Revised Statutes, is amended to read:

16-949. Caps on spending from publicly funded elections fund

A. The commission shall not spend, on all costs incurred under this article during a particular calendar year, more than five dollars times the number of Arizona resident personal income tax returns filed during the
previous calendar year. Tax reductions and tax credits awarded to taxpayers 
pursuant to section 16-954, subsections A and B shall not be considered costs 
incurred under this article for purposes of this section. The commission may 
exceed this limit during a calendar year, provided that it is offset by an 
equal reduction of the limit during another calendar year during the same 
four-year period beginning January 1 immediately after a gubernatorial 
election.

B. The commission may use up to ten percent of the amount 
specified in subsection A of this section for reasonable and necessary 
expenses of administration and enforcement, including the activities 
specified in section 16-956, subsection A, paragraphs 3 through 7 and 
subsections B and C. Any portion of the ten percent not used for 
this purpose shall remain in the fund.

C. The commission shall apply ten percent of the amount 
specified in subsection A of this section for reasonable and necessary 
expenses associated with voter education, including the activities specified 
in section 16-956, subsection A.

D. The state treasurer shall administer a clean election fund from which costs incurred under this article 
shall be paid. The auditor general shall review the monies in, payments 
into, and expenditures from the fund no less often than every four years.

Sec. 6. Subject to the requirements of article IV, part 1, section 1, 
Constitution of Arizona, section 16-950, Arizona Revised Statutes, is amended 
to read:

16-950. Qualification for publicly funded campaign funding

A. A candidate who has made an application for certification may also 
apply, in accordance with subsection B of this section, to receive funds from 
the clean PUBLICLY FUNDED elections fund, instead of receiving 
private contributions.

B. To receive any clean PUBLIC campaign funding, the candidate must 
present to the secretary of state no later than one week after the end of the 
qualifying period a list of names of persons who have made qualifying 
contributions pursuant to section 16-946 on behalf of the candidate. The 
list shall be divided by county. At the same time, the candidate must tender 
to the secretary of state the original reporting slips identified in section 
16-946, subsection C for persons on the list and an amount equal to the sum 
of the qualifying contributions collected. The secretary of state shall 
deposit the amount into the fund.

C. The secretary of state shall select at random a sample of five 
percent of the number of non-duplicative names on the list and 
forward facsimiles of the selected reporting slips to the county recorders 
for the counties of the addresses specified in the selected slips. Within 
ten days, the county recorders shall provide a report to the secretary of 
state identifying as disqualified any slips that are unsigned or undated or 
that the recorder is unable to verify as matching a person who is registered
to vote in the electoral district of the office the candidate is seeking on
the date specified on the slip. The secretary of state shall multiply the
number of slips not disqualified by twenty, and if the result is greater than
one hundred ten per cent of the quantity required, shall approve the
candidate for funds, and if the result is less than ninety per cent of the
quantity required, shall deny the application for funds. Otherwise, the
secretary of state shall forward facsimiles of all of the slips to the county
recorders for verification, and the county recorders shall check all slips in
accordance with the process above. A county recorder shall report verified
totals daily to the secretary of state until a determination is made that a
sufficient number of verified slips has been submitted. If a sufficient
number of verified slips has been submitted to one or more county recorders,
the county recorders may stop the verification process.

D. To qualify for clean PUBLIC campaign funding, a candidate must have
been approved as a participating candidate pursuant to section 16-947 and
have obtained the following number of qualifying contributions:
1. For a candidate for legislature, two hundred.
2. For candidate for mine inspector, five hundred.
3. For a candidate for treasurer, superintendent of public instruction
   or corporation commission, one thousand five hundred.
4. For a candidate for secretary of state or attorney general, two
   thousand five hundred.
5. For a candidate for governor, four thousand.

E. To qualify for clean PUBLIC campaign funding, a candidate must have
met the requirements of this section and either be an independent candidate
or meet the following standards:
1. To qualify for funding for a party primary election, a candidate
   must have properly filed nominating papers and nominating petitions with
   signatures pursuant to chapter 3, articles 2 and 3 of this title in the
   primary of a political organization entitled to continued representation on
   the official ballot in accordance with section 16-804.
2. To qualify for clean PUBLIC campaign funding for a general
   election, a candidate must be a party nominee of such a political
   organization.

Sec. 7. Subject to the requirements of article IV, part 1, section 1,
Constitution of Arizona, section 16-951, Arizona Revised Statutes, is amended
to read:

16-951. Public campaign funding
A. At the beginning of the primary election period, the commission
shall pay from the fund to the campaign account of each candidate who
qualifies for clean PUBLIC campaign funding:
1. For a candidate who qualifies for clean PUBLIC campaign funding for
   a party primary election, an amount equal to the original primary election
   spending limit. ☑
2. For an independent candidate who qualifies for clean PUBLIC campaign funding, an amount equal to seventy percent of the sum of the original primary election spending limit and the original general election spending limit.

3. For a qualified participating candidate who is unopposed for an office in that candidate's primary, in the primary of any other party and by any opposing independent candidate, an amount equal to five dollars times the number of qualifying contributions for that candidate certified by the commission.

B. At any time after the first day of January of an election year, any candidate who has met the requirements of section 16-950 may sign and cause to be filed a nomination paper in the form specified by section 16-311, subsection A, with a nominating petition and signatures, instead of filing such papers after the earliest time set for filing specified by that subsection. Upon such filing and verification of the signatures, the commission shall pay the amount specified in subsection A of this section immediately, rather than waiting for the beginning of the primary election period.

C. At the beginning of the general election period, the commission shall pay from the fund to the campaign account of each candidate who qualifies for clean PUBLIC campaign funding for the general election, except those candidates identified in subsection A, paragraphs 2 or 3 or subsection D of this section, an amount equal to the original general election spending limit.

D. At the beginning of the general election period, the commission shall pay from the fund to the campaign account of a qualified participating candidate who has not received funds pursuant to subsection A, paragraph 3 of this section and who is unopposed by any other party nominee or any opposing independent candidate an amount equal to five dollars times the number of qualifying contributions for that candidate certified by the commission.

E. The special original general election spending limit, for a candidate who has received funds pursuant to subsection A, paragraphs 2 or 3 or subsection D of this section, shall be equal to the amount that the commission is obligated to pay to that candidate.

Sec. 8. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-952, Arizona Revised Statutes, is amended to read:

16-952. Equal funding of candidates

A. Whenever during a primary election period a report is filed, or other information comes to the attention of the commission, indicating that a nonparticipating candidate who is not unopposed in that primary has made expenditures during the election cycle to date exceeding the original primary election spending limit, including any previous adjustments, the commission shall immediately pay from the fund to the campaign account of any participating candidate in the same party primary as the nonparticipating candidate.
candidate an amount equal to any excess of the reported amount over the primary election spending limit, as previously adjusted, and the primary election spending limit for all such participating candidates shall be adjusted by increasing it by the amount that the commission is obligated to pay to a participating candidate.

B. Whenever during a general election period a report has been filed, or other information comes to the attention of the commission, indicating that the amount a nonparticipating candidate who is not unopposed has received in contributions during the election cycle to date less the amount of expenditures the nonparticipating candidate made through the end of the primary election period exceeds the original general election spending limit, including any previous adjustments, the commission shall immediately pay from the fund to the campaign account of any participating candidate qualified for the ballot and seeking the same office as the nonparticipating candidate an amount equal to any excess of the reported difference over the general election spending limit, as previously adjusted, and the general election spending limit for all such participating candidates shall be adjusted by increasing it by the amount that the commission is obligated to pay to a participating candidate.

C. For purposes of subsections A and B of this section, the following expenditures reported pursuant to this article shall be treated as follows:

1. Independent expenditures against a participating candidate shall be treated as expenditures of each opposing candidate, for purpose of subsection A of this section, or contributions to each opposing candidate, for purpose of subsection B of this section.

2. Independent expenditures in favor of one or more nonparticipating opponents of a participating candidate shall be treated as expenditures of those nonparticipating candidates, for purpose of subsection A of this section, or contributions to those nonparticipating candidates, for purpose of subsection B of this section.

3. Independent expenditures in favor of a participating candidate shall be treated, for every opposing participating candidate, as though the independent expenditures were an expenditure of a nonparticipating opponent, for purpose of subsection A of this section, or a contribution to a nonparticipating opponent, for purpose of subsection B of this section.

4. Expenditures made during the primary election period by or on behalf of an independent candidate or a nonparticipating candidate who is unopposed in a party primary shall be treated as though made during the general election period, and equalizing funds pursuant to subsection B of this section shall be paid at the start of the general election period.

5. Expenditures made before the general election period that consist of a contract, promise or agreement to make an expenditure during the general election period resulting in an extension of credit shall be treated as though made during the general election period, and equalizing funds
pursuant to subsection B of this section shall be paid at the start of the
general election period.

6. Expenditures for or against a participating candidate promoting or
opposing more than one candidate who are not running for the same office
shall be allocated by the commission among candidates for different offices
based on the relative size or length and relative prominence of the reference
to candidates for different offices.

D. Upon applying for citizen funding pursuant to section 16-950, a
participating candidate for THE legislature in a one-party-dominant
legislative district who is qualified for clean PUBLIC campaign funding for
the party primary election of the dominant party may choose to reallocate a
portion of funds from the general election period to the primary election
period. At the beginning of the primary election period, the commission
shall pay from the fund to the campaign account of a participating candidate
who makes this choice an extra amount equal to fifty percent of the
original primary election spending limit, and the original primary election
spending limit for the candidate who makes this choice shall be increased by
the extra amount. For a primary election in which one or more participating
candidates have made this choice, funds shall be paid under subsections A and
B of this section only to the extent of any excess over the original primary
election spending limit as so increased. If a participating candidate who
makes this choice becomes qualified for clean PUBLIC campaign funding for the
general election, the amount the candidate receives at the beginning of the
general election period shall be reduced by the extra amount received at the
beginning of the primary election period, and the original general election
spending limit for that candidate shall be reduced by the extra amount. For
a general election in which a participating candidate has made this choice,
funds shall be paid under subsections A and B of this section only to the
extent of any excess over the original general election spending limit,
without such reduction, unless the candidate who has made this choice is the
only participating candidate in the general election, in which case such
funds shall be paid to the extent of excess over the original general
election spending limit with such reduction. For purpose of this subsection,
a one-party-dominant legislative district is a district in which the number
of registered voters registered in the party with the highest number of
registered voters exceeds the number of registered voters registered to each
of the other parties by an amount at least as high as ten percent of
the total number of voters registered in the district. The status of a
district as a one-party-dominant legislative district shall be determined as
of the beginning of the qualifying period.

E. If an adjusted spending limit reaches three times the original
spending limit for a particular election, then the commission shall not pay
any further amounts from the fund to the campaign account of any
participating candidate, and the spending limit shall not be adjusted
further.
Sec. 9. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-953, Arizona Revised Statutes, is amended to read:

16-953. Return of monies to the publicly funded elections fund

A. At the end of the primary election period, a participating candidate who has received monies pursuant to section 16-951, subsection A, paragraph 1 shall return to the fund all monies in the candidate’s campaign account above an amount sufficient to pay any unpaid bills for expenditures made during the primary election period and for goods or services directed to the primary election.

B. At the end of the general election period, a participating candidate shall return to the fund all monies in the candidate’s campaign account above an amount sufficient to pay any unpaid bills for expenditures made before the general election and for goods or services directed to the general election.

C. A participating candidate shall pay all uncontested and unpaid bills referenced in this section no later than thirty days after the primary or general election. A participating candidate shall make monthly reports to the commission concerning the status of the dispute over any contested bills. Any monies in a candidate’s campaign account after payment of bills shall be returned promptly to the fund.

D. If a participating candidate is replaced pursuant to section 16-343, and the replacement candidate files an oath with the secretary of state certifying to section 16-947, subsection B, paragraph 3, the campaign account of the participating candidate shall be transferred to the replacement candidate and the commission shall certify the replacement candidate as a participating candidate without requiring compliance with section 16-950 or the remainder of section 16-947. If the replacement candidate does not file such an oath, the campaign account shall be liquidated and all remaining monies returned to the fund.

Sec. 10. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-954, Arizona Revised Statutes, is amended to read:

16-954. Publicly funded elections tax reduction; return of excess monies

A. For tax years beginning on or after January 1, 1998, a taxpayer who files on a state income tax return form may designate a five-dollar voluntary contribution per taxpayer to the fund by marking an optional check-off box on the first page of the form. A taxpayer who checks this box shall receive a five-dollar reduction in the amount of tax, and five dollars from the amount of taxes paid shall be transferred by the department of revenue to the fund. The department of revenue shall provide check-off boxes, identified as the PUBLICLY FUNDED elections fund tax reduction, on the first page of income tax return forms, for designations pursuant to this subsection.
B. Any taxpayer may make a voluntary donation to the fund by designating the fund on an income tax return form filed by the individual or business entity or by making a payment directly to the fund. Any taxpayer making a donation pursuant to this subsection shall receive a dollar-for-dollar tax credit not to exceed twenty percent of the tax amount on the return or five hundred dollars per taxpayer, whichever is higher. Donations made pursuant to this section are otherwise not tax deductible and cannot be designated as for the benefit of a particular candidate, political party, or election contest. The department of revenue shall transfer to the fund all donations made pursuant to this subsection. The department of revenue shall provide a space, identified as the clean publicly funded elections fund tax credit, on the first page of income tax return forms, for donations pursuant to this subsection.

C. Beginning January 1, 1999, an additional surcharge of ten percent shall be imposed on all civil and criminal fines and penalties collected pursuant to section 12-116.01 and shall be deposited into the fund.

D. At least once per year, the commission shall project the amount of monies that the fund will collect over the next four years and the time such monies shall become available. Whenever the commission determines that the fund contains more monies than the commission determines that it requires to meet current debts plus expected expenses, under the assumption that expected expenses will be at the expenditure limit in section 16-949, subsection A, and taking into account the projections of collections, the commission shall designate such monies as excess monies and so notify the state treasurer, who shall thereupon return the excess monies to the general fund.

E. At least once per year, the commission shall project the amount of citizen funding for which all candidates will have qualified pursuant to this article for the following calendar year. By the end of each year, the commission shall announce whether the amount that the commission plans to spend the following year pursuant to section 16-949, subsection A exceeds the projected amount of citizen funding. If the commission determines that the fund contains insufficient monies or the spending cap would be exceeded were all candidates’ accounts to be fully funded, then the commission may include in the announcement specifications for decreases in the following parameters, based on the commission’s projections of collections and expenses for the fund, made in the following order:

1. First, the commission may announce a decrease in the matching cap under section 16-952, subsection E from three times to an amount between three and one times.

2. Next, the commission may announce that the fund will provide equalization monies under section 16-952, subsections A and B as a fraction of the amounts there specified.

3. Finally, the commission may announce that the fund will provide monies under section 16-951 as a fraction of the amounts there specified.
F. If the commission cannot provide participating candidates with all
monies specified under sections 16-951 and 16-952, as decreased by any
announcement pursuant to subsection E of this section, then the commission
shall allocate any reductions in payments proportionately among candidates
entitled to monies and shall declare an emergency. Upon declaration of an
emergency, a participating candidate may accept private contributions to
bring the total monies received by the candidate from the fund and from such
private contributions up to the adjusted spending limits, as decreased by any
announcement made pursuant to subsection E of this section.

Sec. 11. Subject to the requirements of article IV, part 1, section 1,
Constitution of Arizona, section 16-955, Arizona Revised Statutes, is amended
to read:

16-955. Citizens publicly funded commission; structure
A. The citizens—clean PUBLICLY FUNDED elections commission is
established consisting of five members. No more than two members of the
commission shall be members of the same political party. No more than two
members of the commission shall be residents of the same county. No one
shall be appointed as a member who does not have a registration pursuant to
chapter 1 of this title that has been continuously recorded for at least five
years immediately preceding appointment with the same political party or as
an independent.
B. The commission on appellate court appointments shall nominate
candidates for vacant commissioner positions who are committed to enforcing
this article in an honest, independent— and impartial fashion and to seeking
to uphold public confidence in the integrity of the electoral system. Each
candidate shall be a qualified elector who has not, in the previous five
years in this state, been appointed to, been elected to— or run for any
public office, including precinct committeeman, or served as an officer of a
political party.
C. Initially, the commission on appellate court appointments shall
nominate five slates, each having three candidates, before January 1, 1999.
No later than February 1, 1999, the governor shall select one candidate from
one of the slates to serve on the commission for a term ending January 31,
2004. Next, the highest-ranking official holding a statewide office who is
not a member of the same political party as the governor shall select one
candidate from another one of the slates to serve on the commission for a
term ending January 31, 2003. Next, the second-highest-ranking official
holding a statewide office who is a member of the same political party as the
governor shall select one candidate from one of the three remaining slates to
serve on the commission for a term ending January 31, 2002. Next, the
second-highest-ranking official holding a statewide office who is not a
member of the same political party as the governor shall select one candidate
from one of the two remaining slates to serve on the commission for a term
ending January 31, 2001. Finally, the third-highest-ranking official holding
a statewide office who is a member of the same political party as the
governor shall elect one candidate from the last slate to serve on the commission for a term ending January 31, 2000. For purpose of this section, the ranking of officials holding statewide office shall be governor, secretary of state, attorney general, treasurer, superintendent of public instruction, corporation commissioners in order of seniority, mine inspector, the members of the supreme court in order of seniority, senate majority and minority leaders, and house majority and minority leaders.

D. One commissioner shall be appointed for a five-year term beginning February 1 of every year beginning with the year 2000. The commission on appellate court appointments shall nominate one slate of three candidates before January 1 of each year beginning in the year 2000, and the governor and the highest-ranking official holding a statewide office who is not a member of the same political party as the governor shall alternate filling such vacancies. The vacancy in the year 2000 shall be filled by the governor.

E. Members of the commission may be removed by the governor, with concurrence of the senate, for substantial neglect of duty, gross misconduct in office, inability to discharge the powers and duties of office, or violation of this section, after written notice and opportunity for a response.

F. If a commissioner does not complete his or her term of office for any reason, the commission on appellate court appointments shall nominate one slate of three candidates as soon as possible in the first thirty days after the commissioner vacates his or her office and a replacement shall be selected from the slate within thirty days of nomination of the slate. The highest-ranking official holding a statewide office who is a member of the political party of the official who nominated the commissioner who vacated office shall nominate the replacement, who shall serve as commissioner for the unexpired portion of the term. A vacancy or vacancies shall not impair the right of the remaining members to exercise all of the powers of the board.

G. Commissioners are eligible to receive compensation in an amount of two hundred dollars for each day on which the commission meets and reimbursement of expenses pursuant to title 38, chapter 4, article 2.

H. The commissioners shall elect a chair to serve for each calendar-year period from among their members whose terms expire after the conclusion of that year. Three commissioners shall constitute a quorum.

I. A member of the commission shall serve no more than one term and is not eligible for reappointment. No commissioner, during his or her tenure or for three years thereafter, shall seek or hold any other public office, serve as an officer of any political committee, or employ or be employed as a lobbyist.
J. The commission shall appoint an executive director who shall not be a member of the commission and who shall serve at the pleasure of the commission. The executive director is eligible to receive compensation set by the board within the range determined under section 38-611. The executive director, subject to title 41, chapter 4, articles 5 and 6, shall employ, determine the conditions of employment, and specify the duties of administrative, secretarial, and clerical employees as the director deems necessary.

Sec. 12. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-956, Arizona Revised Statutes, is amended to read:

16-956. Voter education and enforcement duties
A. The commission shall:
1. Develop a procedure for publishing a document or section of a document having a space of predefined size for a message chosen by each candidate. For the document that is mailed before the primary election, the document shall contain the names of every candidate for every statewide and legislative district office in that primary election without regard to whether the candidate is a participating candidate or a nonparticipating candidate. For the document that is mailed before the general election, the document shall contain the names of every candidate for every statewide and legislative district office in that general election without regard to whether the candidate is a participating candidate or a nonparticipating candidate. The commission shall mail one copy of each document to every household that contains a registered voter. For the document that is mailed before the primary election, the mailing may be made over a period of days but shall be mailed in order to be delivered to households before the earliest date for receipt by registered voters of any requested early ballots for the primary election. The commission may mail the second document over a period of days but shall mail the second document in order to be delivered to households before the earliest date for receipt by registered voters of any requested early ballots for the general election. The primary election and general election documents published by the commission shall comply with all of the following:
   (a) For any candidate who does not submit a message pursuant to this paragraph, the document shall include with the candidate’s listing the words “no statement submitted”.
   (b) The document shall have printed on its cover the words “citizens clean PUBLICLY FUNDED elections commission voter education guide” and the words “primary election” or “general election” and the applicable year. The document shall also contain at or near the bottom of the document cover in type that is no larger than one-half the size of the type used for “citizens clean PUBLICLY FUNDED elections commission voter education guide” the words “paid for by the citizens clean PUBLICLY FUNDED elections fund”.
(c) In order to prevent voter confusion, the document shall be easily distinguishable from the publicity pamphlet that is required to be produced by the secretary of state pursuant to section 19-123.

2. Sponsor debates among candidates, in such manner as determined by the commission. The commission shall require participating candidates to attend and participate in debates and may specify by rule penalties for nonparticipation. The commission shall invite and permit nonparticipating candidates to participate in debates.

3. Prescribe forms for reports, statements, notices and other documents required by this article.

4. Prepare and publish instructions setting forth methods of bookkeeping and preservation of records to facilitate compliance with this article and explaining the duties of persons and committees under this article.

5. Produce a yearly report describing the commission’s activities and any recommendations for changes of law, administration or funding amounts and accounting for monies in the fund.

6. Adopt rules to implement the reporting requirements of section 16-958, subsections D and E.

7. Enforce the provisions of this article, ensure that money from the fund is placed in candidate campaign accounts or otherwise spent as specified in this article and not otherwise, monitor reports filed pursuant to this chapter and financial records of candidates as needed to ensure that equalization monies are paid promptly to opposing qualified candidates under section 16-952 and ensure that money required by this article to be paid to the fund is deposited in the fund.

B. The commission may subpoena witnesses, compel their attendance and testimony, administer oaths and affirmations, take evidence and require by subpoena the production of any books, papers, records or other items material to the performance of the commission’s duties or the exercise of its powers.

C. The commission may adopt rules to carry out the purposes of this article and to govern procedures of the commission. Commission rule making is exempt from title 41, chapter 6, article 3, except that the commission shall submit the rules for publication and the secretary of state shall publish the rules in the Arizona administrative register. The commission shall propose and adopt rules in public meetings, with at least sixty days allowed for interested parties to comment after the rules are proposed.

D. Based on the results of the elections in the year 2002 or any quadrennial election thereafter, and within six months after such election, the commission may adopt rules changing the number of qualifying contributions required for any office from those listed in section 16-950, subsection D, by no more than twenty per cent of the number applicable for the preceding election.
Sec. 13. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-960, Arizona Revised Statutes, is amended to read:

16-960. Severability

If a provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable. In any court challenge to the validity of this article, the commission and Arizonans for clean PUBLICLY FUNDED elections shall have standing to intervene.

Sec. 14. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-961, Arizona Revised Statutes, is amended to read:

16-961. Definitions

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

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

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

3. "Qualifying period" means the period beginning on the first day of August in a year preceding an election, for an election for a statewide office, or on the first day of January of an election year, for an election for legislator, and ending seventy-five days before the day of the general election.

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

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

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

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

2. "Nonparticipating candidate" means a candidate who does not become certified as a participating candidate pursuant to section 16-947.
3. Any limitation of this article that is applicable to a participating candidate or a nonparticipating candidate shall also apply to that candidate's campaign committee or exploratory committee.

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

E. "Fund" means the citizens clean election PUBLICLY FUNDED ELECTIONS defined by this article.

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

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

3. "Unopposed," with reference to an election for a member of the house of representatives, means opposed by no more than one other candidate.

G. "Primary election spending limits" means:

1. For a candidate for legislature, ten thousand dollars.

2. For candidate for mine inspector, twenty thousand dollars.

3. For a candidate for treasurer, superintendent of public instruction— or corporation commission, forty thousand dollars.

4. For a candidate for secretary of state or attorney general, eighty thousand dollars.

5. For a candidate for governor, three hundred eighty thousand dollars.

H. "General election spending limits" means amounts fifty percent greater than the amounts specified in subsection G of this section.

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

2. "Adjusted" spending limit means an original spending limit as further adjusted to account for reported overages pursuant to section 16-952.

Sec. 15. Requirements for enactment; three-fourths vote

Pursuant to article IV, part 1, section 1, Constitution of Arizona, this act is effective only on the affirmative vote of at least three-fourths of the members of each house of the legislature.