

Senate Engrossed House Bill  
campaign finance complaints; resolution

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

**CHAPTER 173**  
**HOUSE BILL 2667**

AN ACT

AMENDING SECTION 16-938, ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN  
CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 16-938, Arizona Revised Statutes, is amended to  
3 read:

4 16-938. Enforcement authority; investigation; reasonable  
5 cause; notice of violation; appeal

6 A. Notwithstanding section 16-1021, on receipt of a complaint from  
7 a third party, a filing officer is the sole public officer who is  
8 authorized to initiate an investigation into alleged violations of this  
9 article and articles 1, 1.1, 1.2, 1.3, 1.4, 1.5 and 1.6 of this chapter,  
10 including the alleged failure to register as a committee. A filing  
11 officer shall limit an investigation to violations that are within the  
12 filing officer's jurisdiction. If the filing officer declares a conflict  
13 of interest, the filing officer may refer the investigation to any other  
14 filing officer in this state who agrees to accept the referral.

15 B. The secretary of state shall establish guidelines in the  
16 instructions and procedures manual adopted pursuant to section 16-452 that  
17 outline the procedures, timelines and other processes that apply to  
18 investigations by all filing officers in this state.

19 C. If after providing the subject of an investigation a reasonable  
20 opportunity to respond, the filing officer has reasonable cause to believe  
21 a person violated this article or article 1, 1.1, 1.2, 1.3, 1.4, 1.5 or  
22 1.6 of this chapter, the filing officer shall refer the matter to the  
23 enforcement officer as follows:

24 1. For matters investigated by the secretary of state, the  
25 secretary of state shall notify the attorney general.

26 2. For matters investigated by a county filing officer, the county  
27 filing officer shall notify the county attorney.

28 3. For matters investigated by a city or town filing officer, the  
29 city or town filing officer shall notify the city or town attorney.

30 D. Before a reasonable cause determination is made as prescribed in  
31 subsection C of this section, a filing officer, an enforcement officer and  
32 any other public officer or employee may not order a person to register as  
33 a committee and do not have audit or subpoena powers to compel the  
34 production of evidence or the attendance of witnesses concerning a  
35 potential campaign finance violation. A filing officer may request the  
36 voluntary production of evidence or attendance of witnesses in making a  
37 reasonable cause determination.

38 E. Only after receiving a referral from the filing officer, the  
39 enforcement officer may:

40 1. Conduct an investigation using the enforcement officer's  
41 subpoena powers, except that the enforcement officer shall not compel a  
42 person to file campaign finance reports unless the enforcement officer has  
43 determined that the person is a committee.

1           2. Serve the alleged violator with a notice of violation. The  
2 notice shall state with reasonable particularity the nature of the  
3 violation, shall specify the penalty imposed and shall require compliance  
4 within twenty days after the date of issuance of the notice. The  
5 enforcement officer shall impose a presumptive civil penalty equal to the  
6 value or amount of money that has been received, spent or promised in  
7 violation of this article and articles 1, 1.1, 1.2, 1.3, 1.4, 1.5 and 1.6  
8 of this chapter, except that after a finding of special circumstances, the  
9 enforcement officer may impose a penalty of up to three times the amount  
10 of the presumptive civil penalty, based on the severity, extent or wilful  
11 nature of the alleged violation. If the notice of violation requires a  
12 person to file campaign finance reports, the reports are not required to  
13 be filed until the enforcement officer's notice of violation has been  
14 upheld after any timely appeal.

15           3. Keep any nonpublic information gathered by the enforcement  
16 officer in the course of the committee status investigation confidential  
17 until the final disposition of any appeal of the enforcement order.

18           F. The enforcement officer has the sole and exclusive authority to  
19 initiate any applicable administrative or judicial proceedings to enforce  
20 an alleged violation of this article and articles 1, 1.1, 1.2, 1.3, 1.4,  
21 1.5 and 1.6 of this chapter that have been referred by the filing officer.

22           G. If the alleged violator:

23           1. Takes corrective action within twenty days after the date of the  
24 issuance of the notice of violation by the enforcement officer, the  
25 alleged violator is not subject to any penalty.

26           2. Does not take corrective action within twenty days after the  
27 date of issuance of the notice of violation by the enforcement officer,  
28 the enforcement officer shall impose the penalty set forth in the notice  
29 and shall provide formal notice that the imposition of the penalty may be  
30 appealed to the superior court.

31           H. Within thirty days after receiving the notice of the penalty  
32 from the enforcement officer, the alleged violator may file a notice of  
33 appeal in the superior court. The alleged violator shall provide a copy  
34 of the notice of appeal to the enforcement officer.

35           I. At the hearing on an appeal filed pursuant to subsection H of  
36 this section, the superior court shall conduct a trial de novo and the  
37 enforcement officer has the burden of proving any alleged violation by a  
38 preponderance of the evidence.

39           J. ANY COMPLAINT THAT IS FILED PURSUANT TO THIS SECTION IS DEEMED  
40 DISMISSED IF THE FILING OFFICER DOES NOT RESOLVE OR RULE ON THE COMPLAINT  
41 WITHIN ONE HUNDRED EIGHTY DAYS AFTER THE COMPLAINT IS FILED AND DOES NOT  
42 EXTEND THE DEADLINE FOR RESOLVING OR RULING ON THE COMPLAINT.

APPROVED BY THE GOVERNOR MAY 12, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2025.