CORRECTED

Senate Engrossed

elections; foreign contributions; certification; donations

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE CONCURRENT RESOLUTION 1027

A CONCURRENT RESOLUTION

ENACTING AND ORDERING THE SUBMISSION TO THE PEOPLE OF A MEASURE RELATING TO ELECTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. Under the power of the referendum, as vested in the Legislature, the following measure, relating to elections, is enacted to become valid as a law if approved by the voters and on proclamation of the Governor:

AN ACT

AMENDING TITLE 16, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 16-407.04 AND 16-407.05; AMENDING TITLE 16, CHAPTER 6, ARTICLE 1.2, ARIZONA REVISED STATUTES, BY ADDING SECTION 16-919; AMENDING TITLE 16, CHAPTER 6, ARTICLE 1.3, ARIZONA REVISED STATUTES, BY ADDING SECTION 16-923; RELATING TO ELECTIONS.

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

Section 1. Title 16, chapter 4, article 1, Arizona Revised Statutes, is amended by adding sections 16-407.04 and 16-407.05, to read:

16-407.04. Donations from a foreign national; election administration; certification; quarterly reports; records; violation; classification; definitions

A. A GOVERNMENT ENTITY IN THIS STATE MAY NOT USE MONIES OR IN-KIND GOODS OR SERVICES THAT ARE DONATED, DIRECTLY OR INDIRECTLY, BY A FOREIGN NATIONAL.

B. A PERSON OR VENDOR THAT PROVIDES SERVICES TO A GOVERNMENT ENTITY FOR ELECTION ADMINISTRATION SHALL PROVIDE A CERTIFICATION TO THE SECRETARY OF STATE THAT INCLUDES A DATED AND SWORN STATEMENT, UNDER PENALTY OF PERJURY, THAT THE PERSON IS NOT KNOWINGLY THE RECIPIENT, DIRECTLY OR INDIRECTLY, OF DONATIONS FROM A FOREIGN NATIONAL. THE PERSON SHALL ANNUALLY UPDATE THE CERTIFICATION. IF THE PERSON OBTAINS INFORMATION THAT WAS UNKNOWN AT THE TIME OF THE INITIAL CERTIFICATION, THE PERSON SHALL UPDATE THE INITIAL CERTIFICATION WITHIN FIVE BUSINESS DAYS TO REFLECT THE NEW INFORMATION AND SHALL INCLUDE A NEW STATEMENT THAT THE PERSON IS NOT KNOWINGLY THE RECIPIENT, DIRECTLY OR INDIRECTLY, OF DONATIONS FROM A FOREIGN NATIONAL. THIS SUBSECTION DOES NOT APPLY TO A PERSON OR ORGANIZATION WHEN PROVIDING COMMON GOODS OR A FACILITY THAT SERVES AS THE VOTING LOCATION.

C. THE SECRETARY OF STATE SHALL REQUIRE GOVERNMENT ENTITIES TO PROVIDE TO THE SECRETARY OF STATE A QUARTERLY REPORT THAT LISTS ANY PERSON OR VENDOR THAT PROVIDES SERVICES TO THAT GOVERNMENT ENTITY FOR ELECTION ADMINISTRATION. THE SECRETARY OF STATE SHALL NOTIFY THE GOVERNMENT ENTITY BY EMAIL IF THE GOVERNMENT ENTITY FAILS TO FILE ITS QUARTERLY REPORT PRESCRIBED BY THIS SUBSECTION AND ADVISE THE GOVERNMENT ENTITY

THAT SECTION 16-407.05 PROVIDES FOR POSSIBLE ENFORCEMENT ACTIONS.

D. THE SECRETARY OF STATE SHALL MAINTAIN RECORDS OF THE CERTIFICATIONS PRESCRIBED BY THIS SECTION AND SHALL POST THESE CERTIFICATIONS ON THE SECRETARY OF STATE'S WEBSITE.

E. A PERSON OR VENDOR THAT FAILS TO PROVIDE THE CERTIFICATION PRESCRIBED BY THIS SECTION OR THAT PROVIDES AN INACCURATE CERTIFICATION TO THE SECRETARY OF STATE INVALIDATES ANY AGREEMENT WITH THE GOVERNMENT ENTITY, AND THE STATE, COUNTY OR LOCAL GOVERNMENT ENTITY IS BARRED FROM ENTERING INTO OR CONTINUING ANY AGREEMENT WITH THAT PERSON.

F. A PERSON OR VENDOR THAT KNOWINGLY FAILS TO PROVIDE AN ACCURATE INITIAL OR UPDATED CERTIFICATION AS PRESCRIBED BY THIS SECTION IS GUILTY OF A CLASS 1 MISDEMEANOR.

G. FOR THE PURPOSES OF THIS SECTION:

1. "COMMON GOODS" MEANS ITEMS THAT ARE COMMONLY USED ACROSS A WIDE VARIETY OF ORGANIZATIONS AND THAT ARE NOT SPECIFIC TO THE ADMINISTRATION OF ELECTIONS.

2. "FOREIGN NATIONAL":

(a) MEANS:

(i) AN INDIVIDUAL WHO IS NOT A CITIZEN OR LAWFUL PERMANENT RESIDENT OF THE UNITED STATES.

(ii) A GOVERNMENT, SUBDIVISION OR MUNICIPALITY OF A FOREIGN COUNTRY.

(iii) A FOREIGN POLITICAL PARTY.

(iv) ANY ENTITY AS DEFINED IN SECTION 16-901 THAT IS ORGANIZED UNDER THE LAWS OF OR HAS ITS PRINCIPAL PLACE OF BUSINESS IN A FOREIGN COUNTRY.

(v) ANY UNITED STATES ENTITY AS DEFINED IN SECTION 16-901 THAT IS WHOLLY OR MAJORITY OWNED BY ANY FOREIGN NATIONAL UNLESS ANY CONTRIBUTION OR EXPENDITURE THE ENTITY MAKES DERIVES ENTIRELY FROM MONIES GENERATED BY THE ENTITY'S OPERATIONS IN THE UNITED STATES AND ALL DECISIONS CONCERNING THE CONTRIBUTION OR EXPENDITURE ARE MADE BY INDIVIDUALS WHO ARE UNITED STATES CITIZENS OR PERMANENT RESIDENTS, EXCEPT FOR DECISIONS SETTING OVERALL BUDGET AMOUNTS.

(b) DOES NOT INCLUDE FEDERALLY RECOGNIZED SOVEREIGN TRIBAL NATIONS.

3. "PERSON":

(a) MEANS AN INDIVIDUAL OR A CORPORATION OR OTHER ENTITY AS DEFINED IN SECTION 16-901.

(b) DOES NOT INCLUDE POLL WORKERS.

16-407.05. Enforcement; attorney general; civil action for damages

A. THE ATTORNEY GENERAL MAY FILE AN ACTION REGARDING A KNOWING VIOLATION OF SECTION 16-407.04. THE ACTION MAY INCLUDE A REQUEST FOR AN INJUNCTION, DAMAGES OF AT LEAST $5,000 FOR EACH KNOWING VIOLATION AND OTHER RELIEF THAT THE COURT MAY PROVIDE. IN ADDITION TO THE PENALTIES PRESCRIBED BY THIS SECTION, ANY PERSON THAT VIOLATES SECTION 16-407.04 IS SUBJECT TO ALL OF THE PENALTIES PRESCRIBED IN SECTION 16-407.04.

B. ANY QUALIFIED ELECTOR AND ANY STATE OFFICER MAY BRING A CIVIL ACTION TO DO ANY OR ALL OF THE FOLLOWING:

1. ENJOIN A VIOLATION OF SECTION 16-407.04.

2. ENFORCE ANY PROVISION OF SECTION 16-407.04.

C. IF THE CLAIMANT PREVAILS IN AN ACTION BROUGHT UNDER SUBSECTION B OF THIS SECTION, THE COURT SHALL AWARD:

1. INJUNCTIVE RELIEF SUFFICIENT TO PREVENT THE DEFENDANT FROM VIOLATING SECTION 16-407.04 OR ENGAGING IN ACTS THAT AID OR ABET VIOLATIONS OF SECTION 16-407.04.

2. DAMAGES IN THE AMOUNT OF $1,000 PER DAY FROM THE DATE OF NONCOMPLIANCE UNTIL THE DEFENDANT COMES INTO COMPLIANCE.

3. COSTS AND ATTORNEY FEES.

D. THE REMEDIES, DUTIES, PROHIBITIONS AND PENALTIES PRESCRIBED BY THIS SECTION AND SECTION 16-407.04 ARE IN ADDITION TO ALL OTHER CAUSES OF ACTION, REMEDIES AND PENALTIES PROVIDED BY LAW.

Sec. 2. Title 16, chapter 6, article 1.2, Arizona Revised Statutes, is amended by adding section 16-919, to read:

16-919. Foreign contributions prohibited; ballot measures; certification; definitions

A. A FOREIGN NATIONAL SHALL NOT DIRECT, DICTATE, CONTROL OR DIRECTLY OR INDIRECTLY PARTICIPATE IN THE DECISION-MAKING PROCESS OF ANY PERSON, ENTITY OR COMMITTEE WITH REGARD TO THAT PERSON'S, ENTITY'S OR COMMITTEE'S ACTIVITIES TO INFLUENCE THE OUTCOME OF A BALLOT INITIATIVE OR REFERENDUM.

B. A PERSON, ENTITY OR COMMITTEE SHALL NOT KNOWINGLY OR WILFULLY RECEIVE, SOLICIT, ACCEPT OR USE CONTRIBUTIONS, EXPENDITURES OR IN-KIND GOODS OR SERVICES THAT ARE CONTRIBUTED DIRECTLY OR INDIRECTLY BY A FOREIGN NATIONAL TO INFLUENCE THE OUTCOME OF AN ELECTION ON A BALLOT MEASURE.

C. A PERSON, ENTITY OR COMMITTEE THAT IS REQUIRED TO FILE CAMPAIGN FINANCE REPORTS PURSUANT TO SECTION 16-926 SHALL:

1. CERTIFY UNDER PENALTY OF PERJURY IN THOSE REPORTS THAT THE PERSON, ENTITY OR COMMITTEE HAS NOT KNOWINGLY OR WILFULLY RECEIVED, SOLICITED, ACCEPTED OR USED CONTRIBUTIONS, EXPENDITURES OR IN-KIND GOODS OR SERVICES IN VIOLATION OF SUBSECTION B OF THIS SECTION.

2. AFFIRM THAT EACH PERSON THAT CONTRIBUTED TO INFLUENCE THE OUTCOME OF AN ELECTION ON A BALLOT MEASURE IS NOT A FOREIGN NATIONAL AND HAS NOT KNOWINGLY OR WILFULLY RECEIVED, SOLICITED OR ACCEPTED, WHETHER DIRECTLY OR INDIRECTLY, CONTRIBUTIONS, EXPENDITURES OR IN-KIND GOODS OR SERVICES FROM ONE OR MORE PROHIBITED SOURCES AGGREGATING MORE THAN $100,000 WITHIN THE FOUR-YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE CONTRIBUTION IS MADE.

D. THE SECRETARY OF STATE SHALL REQUIRE ANY PERSON, ENTITY OR COMMITTEE THAT FILES A STATEMENT OF ORGANIZATION PURSUANT TO SECTION 16-906 WITH THE INTENT OR PURPOSE OF INFLUENCING THE OUTCOME OF AN ELECTION ON A BALLOT MEASURE TO CERTIFY THAT NO PRELIMINARY ACTIVITY WAS FUNDED BY PROHIBITED SOURCES, WHETHER DIRECTLY OR INDIRECTLY.

E. A PERSON THAT MAKES A CONTRIBUTION TO A PERSON, ENTITY OR COMMITTEE THAT IS REQUIRED TO FILE A CAMPAIGN FINANCE REPORT PURSUANT TO SECTION 16-926 FOR INFLUENCING THE OUTCOME OF AN ELECTION ON A BALLOT MEASURE OR A PERSON THAT MAKES A BALLOT MEASURE EXPENDITURE THAT IS REQUIRED TO BE REPORTED UNDER SECTION 16-926 SHALL PROVIDE WITHIN FORTY-EIGHT HOURS AFTER MAKING THAT CONTRIBUTION OR EXPENDITURE A CERTIFICATION TO THE PERSON, THE ENTITY OR THE COMMITTEE TREASURER, IF APPLICABLE, AND THE SECRETARY OF STATE THAT INCLUDES A DATED AND SWORN STATEMENT UNDER PENALTY OF PERJURY THAT THE PERSON IS NOT A FOREIGN NATIONAL, THAT THE PERSON HAS NOT KNOWINGLY OR WILFULLY RECEIVED, SOLICITED OR ACCEPTED, WHETHER DIRECTLY OR INDIRECTLY, CONTRIBUTIONS, EXPENDITURES OR IN-KIND GOODS OR SERVICES FROM ONE OR MORE PROHIBITED SOURCES AGGREGATING MORE THAN $100,000 WITHIN THE FOUR-YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE CONTRIBUTION OR EXPENDITURE IS MADE AND THAT THE PERSON WILL NOT ACCEPT CONTRIBUTIONS, EXPENDITURES OR IN-KIND GOODS OR SERVICES FROM A FOREIGN NATIONAL UNTIL AFTER THE DATE OF THE ELECTION IN WHICH THE BALLOT MEASURE WILL APPEAR ON THE BALLOT. THIS SUBSECTION DOES NOT APPLY TO A PERSON OR ORGANIZATION WHEN PROVIDING COMMON GOODS.

F. THE CERTIFICATIONS PRESCRIBED BY THIS SECTION ARE IN ADDITION TO ANY REPORTS REQUIRED BY SECTION 16-926.

G. NOTHING IN THIS SECTION SHALL BE DEEMED TO CREATE OR ELIMINATE ANY EXISTING DONOR DISCLOSURE RIGHTS OR DUTIES BEYOND THOSE ENUMERATED IN THIS SECTION.

H. A DETERMINATION THAT A PERSON REQUIRED TO PROVIDE THE CERTIFICATION PRESCRIBED BY THIS SECTION HAS ACCEPTED CONTRIBUTIONS, EXPENDITURES OR IN-KIND GOODS OR SERVICES FROM FOREIGN NATIONALS IN AN AGGREGATE AMOUNT OF MORE THAN $100,000 WITHIN THE APPLICABLE FOUR-YEAR PERIOD CREATES A PRESUMPTION THAT THE PERSON IS IN VIOLATION OF THIS SECTION.

I. FOR THE PURPOSES OF THIS SECTION:

1. "COMMON GOODS" MEANS ITEMS THAT ARE COMMONLY USED ACROSS A WIDE VARIETY OF ORGANIZATIONS AND THAT ARE NOT SPECIFIC TO INFLUENCING THE OUTCOME OF AN ELECTION ON A BALLOT MEASURE.

2. "CONTRIBUTION" HAS THE SAME MEANING PRESCRIBED IN SECTION 16-901.

3. "DIRECTLY OR INDIRECTLY" MEANS ACTING EITHER ALONE OR JOINTLY WITH, THROUGH OR ON BEHALF OF ANY OTHER INDIVIDUAL, PERSON, COMMITTEE OR ENTITY.

4. "EXPENDITURE" HAS THE SAME MEANING PRESCRIBED IN SECTION 16-901.

5. "FOREIGN NATIONAL" MEANS:

(a) AN INDIVIDUAL WHO IS NOT A CITIZEN OR LAWFUL PERMANENT RESIDENT OF THE UNITED STATES.

(b) A GOVERNMENT, SUBDIVISION OR MUNICIPALITY OF A FOREIGN COUNTRY.

(c) A FOREIGN POLITICAL PARTY.

(d) ANY ENTITY AS DEFINED IN SECTION 16-901 THAT IS ORGANIZED UNDER THE LAWS OF OR HAS ITS PRINCIPAL PLACE OF BUSINESS IN A FOREIGN COUNTRY.

(e) ANY UNITED STATES ENTITY AS DEFINED IN SECTION 16-901 THAT IS WHOLLY OR MAJORITY OWNED BY ANY FOREIGN NATIONAL UNLESS ALL OF THE FOLLOWING APPLY:

(i) ANY CONTRIBUTION OR EXPENDITURE IT MAKES DERIVES ENTIRELY FROM MONIES GENERATED BY THE ENTITY'S OPERATIONS IN THE UNITED STATES.

(ii) ALL DECISIONS CONCERNING THE CONTRIBUTION OR EXPENDITURE ARE MADE BY INDIVIDUALS WHO ARE UNITED STATES CITIZENS OR PERMANENT RESIDENTS, EXCEPT FOR DECISIONS SETTING OVERALL BUDGET AMOUNTS.

(f) DOES NOT INCLUDE FEDERALLY RECOGNIZED SOVEREIGN TRIBAL NATIONS.

6. "PERSON" MEANS AN INDIVIDUAL OR A CORPORATION OR OTHER ENTITY AS DEFINED IN SECTION 16-901.

7. "PRELIMINARY ACTIVITY" INCLUDES CONDUCTING A POLL OR FOCUS GROUP, DRAFTING BALLOT MEASURE LANGUAGE, MAKING TELEPHONE CALLS OR TRAVELING.

8. "PROHIBITED SOURCES" MEANS CONTRIBUTIONS, IN-KIND GOODS OR SERVICES OR EXPENDITURES BY A FOREIGN NATIONAL.

Sec. 3. Title 16, chapter 6, article 1.3, Arizona Revised Statutes, is amended by adding section 16-923, to read:

16-923. Ballot measure expenditures; recordkeeping

A. ANY PERSON WHO MAKES A BALLOT MEASURE EXPENDITURE SHALL KEEP AND PRESERVE A RECORD OF THE EXPENDITURE FOR TWO YEARS FOLLOWING THE END OF THE ELECTION CYCLE DURING WHICH THE EXPENDITURE WAS MADE.

B. A PERSON, ENTITY OR COMMITTEE THAT IS REQUIRED TO FILE CAMPAIGN FINANCE REPORTS PURSUANT TO SECTION 16-926 AND THAT RECEIVES A BALLOT MEASURE EXPENDITURE SHALL KEEP AND PRESERVE A RECORD OF THE EXPENDITURE FOR TWO YEARS FOLLOWING THE END OF THE ELECTION CYCLE IN WHICH THE BALLOT MEASURE EXPENDITURE WAS RECEIVED.

2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by article IV, part 1, section 1, Constitution of Arizona.