

Section 1. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.1, to read:

ARTICLE 1.1. DEFINITIONS

16-901. Definitions

IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "ADVERTISEMENT" MEANS A WRITTEN OR ORAL COMMUNICATION INTENDED TO INFLUENCE AN ELECTION THAT IS PUBLISHED, DISPLAYED, DELIVERED, OR BROADCAST.

2. "AFFILIATE" MEANS ANY ORGANIZATION THAT CONTROLS, IS CONTROLLED BY, OR IS UNDER COMMON CONTROL OF A CORPORATION, LIMITED LIABILITY COMPANY, OR LABOR ORGANIZATION.

3. "AGENT" MEANS ANY PERSON WHO HAS ORAL OR WRITTEN AUTHORITY, EITHER EXPRESS OR IMPLIED, TO REPRESENT OR MAKE DECISIONS ON BEHALF OF ANOTHER PERSON.

4. "BEST EFFORT" MEANS THAT A COMMITTEE TREASURER OR TREASURER'S AGENT HAS MADE AT LEAST ONE WRITTEN EFFORT, OR ORAL EFFORT DOCUMENTED IN WRITING, TO IDENTIFY THE CONTRIBUTOR OF AN INCOMPLETE CONTRIBUTION. THE REQUEST SHALL CLEARLY ASK FOR IDENTIFICATION AND INFORM THE CONTRIBUTOR THE COMMITTEE IS REQUIRED BY LAW TO SEEK IDENTIFICATION.

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

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

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

8. "COMMITTEE" MEANS A CANDIDATE COMMITTEE, POLITICAL ACTION COMMITTEE, OR POLITICAL PARTY.

9. "CONTRIBUTION" MEANS ANY MONEY, LOAN, ADVANCE, DEPOSIT OR ANYTHING OF VALUE MADE TO A PERSON FOR THE PURPOSE OF INFLUENCING AN ELECTION. A CONTRIBUTION INCLUDES:

(A) A CONTRIBUTION MADE TO RETIRE CAMPAIGN DEBT.

(B) THE VALUE OF ANYTHING PROVIDED OR LOANED TO AN ELECTED OFFICIAL FOR THE PURPOSE OF DEFRAYING THE EXPENSE OF COMMUNICATIONS WITH CONSTITUENTS.

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

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

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

12. "EARMARKED CONTRIBUTION" MEANS A CONTRIBUTION:

(A) RECEIVED BY AN ORIGINAL RECIPIENT;
(B) THAT IS ACCOMPANIED BY A DESIGNATION, INSTRUCTION, OR RESTRICTION, WHETHER EXPRESS OR IMPLIED; AND

(C) THAT PURSUANT TO THE DESIGNATION, INSTRUCTION, OR RESTRICTION, IS INTENDED TO RESULT IN A CONTRIBUTION MADE TO, OR EXPENDITURE MADE ON BEHALF OF, ANY PERSON OTHER THAN THE ORIGINAL RECIPIENT.

13. "ELECTION" MEANS AN ELECTION FOR ANY INITIATIVE, REFERENDUM OR OTHER BALLOT MEASURE, QUESTION OR PROPOSITION, OR A PRIMARY, GENERAL, RECALL, SPECIAL OR RUNOFF ELECTION FOR ANY OFFICE IN THIS STATE OTHER THAN PRECINCT COMMITTEEMAN OR FEDERAL OFFICE.

14. "ELECTION CYCLE" MEANS THE TWO-YEAR PERIOD BETWEEN SUCCESSIVE GENERAL ELECTIONS IN A PARTICULAR JURISDICTION.

15. "EMPLOYEE" MEANS AN INDIVIDUAL ENTITLED TO COMPENSATION FOR LABOR OR SERVICES PERFORMED FOR ANY EMPLOYER.

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

17. "ENFORCEMENT OFFICER" MEANS THE ATTORNEY GENERAL, COUNTY ATTORNEY, OR CITY OR TOWN ATTORNEY WITH AUTHORITY TO COLLECT FINES OR ISSUE PENALTIES.

18. "EXCLUSIVE INSURANCE CONTRACT" MEANS AN INSURANCE PRODUCER'S CONTRACT WITH AN INSURER THAT:

(A) PROHIBITS THE PRODUCER FROM SOLICITING INSURANCE BUSINESS FOR ANY OTHER INSURER; OR

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

19. "EXPENDITURE" MEANS ANY PURCHASE, PAYMENT, OR ANYTHING OF VALUE MADE BY A PERSON FOR THE PURPOSE OF INFLUENCING AN ELECTION.

20. "EXPRESSLY ADVOCATES" MEANS:

(A) CONVEYING A COMMUNICATION CONTAINING A PHRASE SUCH AS "VOTE FOR," "ELECT," "REELECT," "SUPPORT," "ENDORSE," "CAST YOUR BALLOT FOR," "(NAME OF CANDIDATE) IN (YEAR)," "(NAME OF CANDIDATE) FOR (OFFICE)," "VOTE AGAINST," "DEFEAT," "REJECT" OR A CAMPAIGN SLOGAN OR WORDS THAT IN CONTEXT CAN HAVE NO REASONABLE MEANING OTHER THAN TO ADVOCATE THE ELECTION OR DEFEAT OF ONE OR MORE CLEARLY IDENTIFIED CANDIDATES.

(B) MAKING A GENERAL PUBLIC COMMUNICATION, SUCH AS IN A BROADCAST MEDIUM, NEWSPAPER, MAGAZINE, BILLBOARD OR DIRECT MAILER REFERRING TO ONE OR MORE CLEARLY IDENTIFIED CANDIDATES AND TARGETED TO THE ELECTORATE OF THAT CANDIDATE(S) THAT IN CONTEXT CAN HAVE NO REASONABLE MEANING OTHER THAN TO ADVOCATE THE ELECTION OR DEFEAT OF THE CANDIDATE(S), AS EVIDENCED BY FACTORS SUCH AS THE PRESENTATION OF THE CANDIDATE(S) IN A FAVORABLE OR UNFAVORABLE LIGHT, THE TARGETING, PLACEMENT OR TIMING OF THE COMMUNICATION OR THE INCLUSION OF STATEMENTS OF THE CANDIDATE(S) OR OPPONENTS.

(C) A COMMUNICATION WITHIN THE SCOPE OF PARAGRAPH 20, SUBDIVISION B SHALL NOT BE CONSIDERED AS ONE THAT EXPRESSLY ADVOCATES MERELY BECAUSE IT PRESENTS INFORMATION ABOUT THE VOTING RECORD OR POSITION ON A CAMPAIGN ISSUE OF THREE OR MORE CANDIDATES, SO LONG AS IT IS NOT MADE IN COORDINATION WITH A CANDIDATE, POLITICAL PARTY, AGENT OF THE CANDIDATE OR PARTY OR A PERSON WHO IS COORDINATING WITH A CANDIDATE OR CANDIDATE'S AGENT.

21. "FAMILY CONTRIBUTION" MEANS ANY CONTRIBUTION THAT IS PROVIDED TO A CANDIDATE'S COMMITTEE BY A PARENT, GRANDPARENT, AUNT, UNCLE, CHILD OR SIBLING OF THE CANDIDATE, INCLUDING THE SPOUSE OF ANY OF THOSE INDIVIDUALS.

22. "FILING OFFICER" MEANS THE OFFICER IN CHARGE OF ELECTIONS THAT ACCEPTS STATEMENTS AND REPORTS PURSUANT TO THIS ARTICLE.

23. "IDENTIFICATION" OR "IDENTIFY" MEANS:

(A) FOR AN INDIVIDUAL, OBTAINING THE INDIVIDUAL'S FIRST AND LAST NAME, PHYSICAL OR STREET ADDRESS, OCCUPATION, AND NAME OF THE INDIVIDUAL'S PRIMARY EMPLOYER.

(B) FOR ANY OTHER PERSON, OBTAINING THE PERSON'S FULL NAME AND PHYSICAL OR STREET ADDRESS.

24. "INCOMPLETE CONTRIBUTION" MEANS ANY CONTRIBUTION RECEIVED BY A COMMITTEE FOR WHICH THE CONTRIBUTOR'S COMPLETE IDENTIFICATION HAS NOT BEEN PROVIDED.

25. "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE BY A PERSON, OTHER THAN A CANDIDATE COMMITTEE, THAT:

(A) EXPRESSLY ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE; AND

(B) IS NOT MADE IN COOPERATION OR CONSULTATION WITH, OR AT THE REQUEST OR SUGGESTION OF, THE CANDIDATE OR AGENT OF THE CANDIDATE.

26. "IN-KIND CONTRIBUTION" MEANS A CONTRIBUTION OF GOODS, SERVICES OR ANYTHING OF VALUE PROVIDED WITHOUT CHARGE OR AT LESS THAN THE USUAL AND NORMAL CHARGE.

27. "INSURANCE PRODUCER" MEANS A PERSON:

(A) REQUIRED TO BE LICENSED TO SELL, SOLICIT, OR NEGOTIATE INSURANCE; AND

(B) HAS AN EXCLUSIVE INSURANCE CONTRACT WITH AN INSURER.

28. "ITEMIZED" MEANS THAT EACH CONTRIBUTION RECEIVED OR EXPENDITURE MADE IS SET FORTH SEPARATELY.

29. "LABOR ORGANIZATION" MEANS ANY EMPLOYEE REPRESENTATION ORGANIZATION THAT EXISTS FOR THE PURPOSE OF COMMUNICATING WITH EMPLOYERS CONCERNING GRIEVANCES, LABOR DISPUTES, WAGES, RATES OF PAY, HOURS OF EMPLOYMENT, OR OTHER CONDITIONS OF EMPLOYMENT.

30. "LEGISLATIVE OFFICE" MEANS THE OFFICE OF REPRESENTATIVE IN THE ARIZONA HOUSE OF REPRESENTATIVES OR SENATOR IN THE ARIZONA SENATE.

31. "LITERATURE OR ADVERTISEMENT" MEANS INFORMATION OR MATERIALS THAT ARE MAILED, EMAILED, POSTED, DISTRIBUTED OR PLACED IN A COMMUNICATION MEDIUM FOR THE PURPOSE OF INFLUENCING AN ELECTION.

32. "MACRO STATUS" MEANS OFFICIAL RECOGNITION THAT A POLITICAL ACTION COMMITTEE HAS RECEIVED CONTRIBUTIONS FROM FIVE HUNDRED OR MORE INDIVIDUALS IN AMOUNTS OF TEN DOLLARS OR MORE IN THE TWO-YEAR PERIOD IMMEDIATELY BEFORE APPLICATION TO THE SECRETARY OF STATE FOR MACRO STATUS.

33. "NOMINEE" MEANS A CANDIDATE THAT PREVAILS IN A PRIMARY ELECTION FOR PARTISAN OFFICE.

34. "PERSON" MEANS AN INDIVIDUAL, CANDIDATE, NOMINEE, COMMITTEE, CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION, PARTNERSHIP, TRUST, ASSOCIATION, JOINT VENTURE, COOPERATIVE, OR ANY UNINCORPORATED ORGANIZATION.

35. "PERSONAL MONIES" MEANS ANY OF THE FOLLOWING:

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

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

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

(D) BEQUESTS TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

(E) INCOME TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE FROM TRUSTS FOR WHICH THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE IS A BENEFICIARY.

(F) GIFTS OF A PERSONAL NATURE TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE THAT WOULD HAVE BEEN GIVEN REGARDLESS OF WHETHER THE INDIVIDUAL BECAME A CANDIDATE.

(G) THE PROCEEDS OF LOANS OBTAINED BY THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE WHICH ARE SECURED BY COLLATERAL OR SECURITY PROVIDED BY THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

(H) FAMILY CONTRIBUTIONS.

36. "POLITICAL PARTY" MEANS A COMMITTEE THAT MEETS THE REQUIREMENTS FOR RECOGNITION AS A POLITICAL PARTY PURSUANT TO CHAPTER 5.

37. "RETENTION" MEANS THE ELECTORAL PROCESS BY WHICH A SUPERIOR COURT JUDGE, APPELLATE COURT JUDGE, OR SUPREME COURT JUSTICE IS RETAINED IN OFFICE.

38. "SEPARATE SEGREGATED FUND" MEANS A POLITICAL ACTION COMMITTEE ESTABLISHED BY A CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION OR PARTNERSHIP.

39. "SOCIAL MEDIA MESSAGES" MEANS FORMS OF COMMUNICATION, SUCH AS INTERNET SITES FOR SOCIAL NETWORKING OR BLOGGING, THROUGH WHICH USERS CREATE A PERSONAL PROFILE AND PARTICIPATE IN ONLINE COMMUNITIES TO SHARE INFORMATION, IDEAS, AND PERSONAL MESSAGES.

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

41. "STANDING COMMITTEE" MEANS A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY THAT IS ACTIVE IN MORE THAN ONE REPORTING JURISDICTION IN THIS STATE FOR MORE THAN ONE YEAR AND FILES A STATEMENT OF ORGANIZATION IN A FORMAT PRESCRIBED BY THE SECRETARY OF STATE.

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

43. "SURPLUS MONIES" MEANS THOSE MONIES OF A COMMITTEE REMAINING AFTER ALL OF THE COMMITTEE'S EXPENDITURES HAVE BEEN MADE AND ITS DEBTS HAVE BEEN EXTINGUISHED.

Section 2. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.2, to read:

ARTICLE 1.2. ESTABLISHING A COMMITTEE

16-902. QUALIFICATION AS A COMMITTEE

A. A CANDIDATE FOR ELECTION OR RETENTION SHALL REGISTER AS A CANDIDATE COMMITTEE IF THE CANDIDATE RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES OF AT LEAST ONE THOUSAND DOLLARS IN CONNECTION WITH HIS OR HER CANDIDACY.

B. A PERSON, OTHER THAN AN INDIVIDUAL, SHALL REGISTER AS A POLITICAL ACTION COMMITTEE IF:

1. THE PERSON IS ORGANIZED, CONDUCTED OR COMBINED FOR THE PRIMARY PURPOSE OF INFLUENCING THE RESULT OF ANY ELECTION; AND
2. THE PERSON KNOWINGLY RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES OF AT LEAST ONE THOUSAND DOLLARS IN CONNECTION WITH ANY ELECTION DURING A CALENDAR YEAR.

C. A FUND ESTABLISHED BY A CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION OR PARTNERSHIP FOR THE PURPOSE INFLUENCING AN ELECTION SHALL REGISTER AS A POLITICAL ACTION COMMITTEE.

D. A PERSON SHALL REGISTER AS A POLITICAL PARTY AS PRESCRIBED IN CHAPTER 5, ARTICLE 1.

E. NOTWITHSTANDING ANY OTHER LAW, A RELIGIOUS ORGANIZATION, INCLUDING A NON-PROFIT CHURCH, RELIGIOUS ASSEMBLY OR RELIGIOUS INSTITUTION, SHALL NOT QUALIFY AS A COMMITTEE IF IT SPENDS AN INSUBSTANTIAL AMOUNT OF ITS TIME OR ASSETS, WITHIN THE MEANING OF SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, ON INFLUENCING ANY LEGISLATION OR BALLOT MEASURE. •

16-903. STATEMENT OF ORGANIZATION

A. A COMMITTEE SHALL FILE A STATEMENT OF ORGANIZATION WITH THE FILING OFFICER WITHIN FIVE BUSINESS DAYS OF QUALIFYING AS A COMMITTEE.

B. A STATEMENT OF ORGANIZATION SHALL INCLUDE THE FOLLOWING COMMITTEE INFORMATION:

1. THE COMMITTEE NAME, MAILING ADDRESS, EMAIL ADDRESS, WEBSITE IF ANY, TELEPHONE NUMBER IF ANY, AND TYPE OF COMMITTEE.

(A) FOR A CANDIDATE COMMITTEE, THE COMMITTEE NAME SHALL INCLUDE THE CANDIDATE'S FIRST AND LAST NAME AND OFFICE SOUGHT.

(B) FOR A POLITICAL ACTION COMMITTEE THAT IS SPONSORED, THE NAME OF THE COMMITTEE SHALL INCLUDE THE SPONSOR'S NAME.

2. THE NAME, MAILING ADDRESS, EMAIL ADDRESS, WEBSITE IF ANY, AND TELEPHONE NUMBER OF ANY SPONSOR.

3. THE NAME, PHYSICAL OR STREET ADDRESS, EMAIL ADDRESS, TELEPHONE NUMBER, OCCUPATION, AND EMPLOYER OF THE COMMITTEE'S CHAIRMAN AND TREASURER. FOR A CANDIDATE COMMITTEE, THE CANDIDATE MAY SERVE AS BOTH CHAIRMAN AND TREASURER.

4. FOR A CANDIDATE COMMITTEE, THE CANDIDATE'S FIRST AND LAST NAME, MAILING ADDRESS, OFFICE SOUGHT, AND PARTY AFFILIATION IF ANY.

5. A LISTING OF ALL BANKS OR OTHER FINANCIAL DEPOSITORIES USED BY THE COMMITTEE.

6. A STATEMENT THAT THE CANDIDATE IF ANY, COMMITTEE CHAIRMAN, AND COMMITTEE TREASURER HAVE READ THE FILING OFFICER'S CAMPAIGN FINANCE AND REPORTING GUIDE, AGREE TO COMPLY WITH ALL APPLICABLE LAWS IN ARTICLE 1, AND AGREE TO ACCEPT ALL NOTIFICATIONS AND SERVICE OF PROCESS VIA THE EMAIL ADDRESS PROVIDED BY THE COMMITTEE.

C. A COMMITTEE SHALL FILE AN AMENDED STATEMENT OF ORGANIZATION WITHIN FIVE BUSINESS DAYS OF ANY CHANGE IN COMMITTEE INFORMATION.

D. THE FILING OFFICER SHALL ISSUE AN IDENTIFICATION NUMBER TO THE COMMITTEE.

E. A STANDING COMMITTEE SHALL FILE A STATEMENT OF ORGANIZATION WITH THE SECRETARY OF STATE AND IN EACH JURISDICTION IN WHICH THE COMMITTEE IS ACTIVE, BUT ONLY THE SECRETARY OF STATE SHALL ISSUE AN IDENTIFICATION NUMBER.

F. A CANDIDATE MAY HAVE ONLY ONE COMMITTEE IN EXISTENCE FOR THE SAME OFFICE DURING THE SAME ELECTION CYCLE.

16-904. RECORD KEEPING

A. A COMMITTEE TREASURER IS THE CUSTODIAN OF THE COMMITTEE'S BOOKS AND ACCOUNTS. NO EXPENDITURE MAY BE MADE BY A COMMITTEE WITHOUT THE AUTHORIZATION OF THE TREASURER OR THE TREASURER'S DESIGNATED AGENT.

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

1. COMMITTEE MONIES SHALL BE SEGREGATED FROM PERSONAL MONIES.

2. CONTRIBUTIONS FROM INDIVIDUALS AND COMMITTEES SHALL BE SEGREGATED FROM CONTRIBUTIONS FROM CORPORATIONS, LIMITED LIABILITY COMPANIES AND LABOR ORGANIZATIONS.

C. A COMMITTEE SHALL EXERCISE ITS BEST EFFORT TO OBTAIN THE REQUIRED INFORMATION FOR ANY INCOMPLETE CONTRIBUTION RECEIVED THAT IS REQUIRED TO BE ITEMIZED AND REPORTED. ANY CONTRIBUTOR IDENTIFICATION OBTAINED BY THE COMMITTEE AFTER THE CONTRIBUTION HAS BEEN DISCLOSED ON A CAMPAIGN FINANCE REPORT SHALL BE UPDATED IN AN AMENDED REPORT.

D. A COMMITTEE TREASURER SHALL KEEP AN ACCOUNT OF THE FOLLOWING:

1. ALL CONTRIBUTIONS MADE OR RECEIVED BY OR ON BEHALF OF THE COMMITTEE.

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

3. CUMULATIVE TOTALS CONTRIBUTED BY EACH CONTRIBUTOR.

4. THE NAME AND ADDRESS OF EVERY PERSON TO WHOM ANY CONTRIBUTION OR EXPENDITURE IS MADE, THE DATE AND AMOUNT OF ANY CONTRIBUTION OR EXPENDITURE, AND PURPOSE OF ANY EXPENDITURE.

E. A COMMITTEE MAY ACCEPT A CONTRIBUTION BY WRITTEN OR ELECTRONIC INSTRUMENT, SUCH AS A CHECK, CREDIT CARD, PAYROLL DEDUCTION OR ONLINE PAYMENT, ONLY IF THE CONTRIBUTOR IS THE ACCOUNT HOLDER OF THE INSTRUMENT. UNLESS OTHERWISE SPECIFIED, A CONTRIBUTION SHALL BE

ATTRIBUTED TO THE ACCOUNT HOLDER THAT SIGNS THE INSTRUMENT OR AUTHORIZES THE TRANSACTION.

F. THE COMMITTEE TREASURER SHALL PRESERVE ALL RECORDS REQUIRED TO BE KEPT BY THIS SECTION FOR THREE YEARS AFTER THE FILING OF THE CAMPAIGN FINANCE REPORT COVERING THE RECEIPTS AND DISBURSEMENTS EVIDENCED BY THE RECORDS.

G. ON REQUEST OF THE FILING OFFICER OR ENFORCEMENT OFFICER, THE COMMITTEE TREASURER SHALL PROVIDE ANY OF THE RECORDS REQUIRED TO BE KEPT PURSUANT TO THIS SECTION.

H. FOR ANY PERSON OTHER THAN AN INDIVIDUAL THAT INFLUENCES AN ELECTION, BUT HAS NOT QUALIFIED AS A COMMITTEE OR FILED A STATEMENT OF ORGANIZATION, THE PERSON SHALL PRESERVE ANY OF THE RECORDS REQUIRED TO BE KEPT PURSUANT TO THIS SECTION.

16-905. QUALIFICATION FOR MACRO STATUS

A. A POLITICAL ACTION COMMITTEE MAY APPLY TO THE SECRETARY OF STATE FOR MACRO STATUS.

B. A POLITICAL ACTION COMMITTEE QUALIFIES FOR MACRO STATUS IF IT RECEIVES AT LEAST TEN DOLLARS IN CONTRIBUTIONS FROM AT LEAST FIVE HUNDRED INDIVIDUALS IN THE TWO YEAR PERIOD IMMEDIATELY BEFORE APPLICATION TO THE SECRETARY OF STATE FOR ADVANCED STATUS.

C. IF THE APPLICANT DEMONSTRATES IT HAS MET THE REQUIREMENTS FOR MACRO STATUS, THE SECRETARY OF STATE SHALL PROVIDE WRITTEN CERTIFICATION TO THE POLITICAL ACTION COMMITTEE, WHICH SHALL BE VALID FOR FOUR YEARS.

Section 3. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.3, to read:

ARTICLE 1.3. CONTRIBUTIONS

16-906. EXEMPTIONS FROM DEFINITION OF CONTRIBUTION

A. THE FOLLOWING ARE NOT CONTRIBUTIONS:

1. THE VALUE OF AN INDIVIDUAL'S VOLUNTEER SERVICES PROVIDED WITHOUT COMPENSATION OR REIMBURSEMENT, INCLUDING THE INDIVIDUAL'S:

- (A) TRAVEL EXPENSES.
- (B) USE OF REAL OR PERSONAL PROPERTY.
- (C) COST OF INVITATIONS, FOOD OR BEVERAGES.
- (D) USE OF EMAILS, INTERNET ACTIVITY OR SOCIAL MEDIA.

2. THE VALUE OF ANY NEWS STORY, COMMENTARY, OR EDITORIAL BY ANY BROADCASTING STATION, CABLE TELEVISION OPERATOR, PROGRAMMER OR PRODUCER, NEWSPAPER, MAGAZINE, WEBSITE OR OTHER PERIODICAL PUBLICATION THAT IS NOT OWNED OR OPERATED BY A CANDIDATE, CANDIDATE'S SPOUSE, OR COMMITTEE.

3. THE PAYMENT BY ANY PERSON TO DEFRAY THE EXPENSE OF AN ELECTED OFFICIAL MEETING WITH CONSTITUENTS OR ATTENDING AN INFORMATIONAL TOUR OR PRESENTATION, PROVIDED THAT THE ELECTED OFFICIAL IS ENGAGED IN THE PERFORMANCE OF OFFICIAL DUTIES AND THE PAYMENT IS REPORTED PURSUANT TO TITLE 38, CHAPTER 3.1, ARTICLE 1 AND TITLE 41, CHAPTER 7, ARTICLE 8.1.

4. THE PAYMENT BY A POLITICAL PARTY FOR:

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

(B) COORDINATED PARTY EXPENDITURES.

5. THE PAYMENT BY ANY PERSON TO DEFRAY A POLITICAL PARTY'S OPERATING EXPENSES OR PARTY-BUILDING ACTIVITIES, INCLUDING:

(A) PARTY STAFF AND PERSONNEL.

(B) PARTY WEBSITES.

(C) STUDIES AND REPORTS.

(D) VOTER REGISTRATION, RECRUITMENT, POLLING, AND TURNOUT EFFORTS.

(E) PARTY CONVENTIONS AND PARTY MEETINGS.

(F) CONSTRUCTION, PURCHASE OR LEASE OF PARTY BUILDINGS OR FACILITIES.

6. THE VALUE OF ANY OF THE FOLLOWING TO A COMMITTEE:

(A) INTEREST EARNED ON THE COMMITTEE'S DEPOSITS, OR INVESTMENTS.

(B) TRANSFERS BETWEEN COMMITTEES TO REIMBURSE EXPENSES AND DISTRIBUTE MONIES RAISED THROUGH A JOINT FUND-RAISING EFFORT.

(C) PAYMENT OF A COMMITTEE'S LEGAL OR ACCOUNTING EXPENSES.

(D) AN EXTENSION OF CREDIT FOR GOODS AND SERVICES ON A COMMITTEE'S BEHALF BY A CREDITOR IF THE TERMS ARE SUBSTANTIALLY SIMILAR TO EXTENSIONS OF CREDIT TO NONPOLITICAL DEBTORS THAT ARE OF SIMILAR RISK AND SIZE OF OBLIGATION. THE CREDITOR MUST MAKE A COMMERCIALY REASONABLE ATTEMPT TO COLLECT THE DEBT, EXCEPT THAT ANY EXTENSION OF CREDIT THAT REMAINS UNSATISFIED BY THE COMMITTEE

AFTER SIX MONTHS SHALL BE DEEMED RECEIPT OF A CONTRIBUTION BY THE COMMITTEE BUT NOT A CONTRIBUTION BY THE CREDITOR.

7. THE VALUE OF NONPARTISAN ACTIVITY INTENDED TO ENCOURAGE VOTER REGISTRATION AND TURNOUT EFFORTS.

8. PAYMENT TO A FILING OFFICER FOR ARGUMENTS IN A PUBLICITY PAMPHLET.

16-907. INDIVIDUAL CONTRIBUTIONS

A. AN INDIVIDUAL MAY CONTRIBUTE NO MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

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

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

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

B. AN INDIVIDUAL IS NOT LIMITED IN MAKING CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATES.

C. AN INDIVIDUAL SHALL MAKE CONTRIBUTIONS USING PERSONAL MONIES.

16-908. CANDIDATE CONTRIBUTIONS

A. A CANDIDATE MAY CONTRIBUTE NO MORE THAN THE FOLLOWING AMOUNTS TO ANOTHER CANDIDATE PER ELECTION CYCLE:

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

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

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

B. A CANDIDATE MAY TRANSFER UNLIMITED CONTRIBUTIONS TO ANOTHER CAMPAIGN COMMITTEE AUTHORIZED BY THE SAME CANDIDATE IF BOTH CAMPAIGN COMMITTEES:

1. ARE REGISTERED WITH A FILING OFFICER IN CHARGE OF CITY, TOWN, COUNTY, OR DISTRICT ELECTIONS; OR

2. ARE REGISTERED WITH THE SECRETARY OF STATE.

C. A CANDIDATE COMMITTEE IS NOT LIMITED IN MAKING CONTRIBUTIONS TO A PERSON OTHER THAN A CANDIDATE.

16-909. POLITICAL ACTION COMMITTEE CONTRIBUTIONS

A. A POLITICAL ACTION COMMITTEE WITHOUT MACRO STATUS MAY CONTRIBUTE NO MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

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

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

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

B. A POLITICAL ACTION COMMITTEE WITH MACRO STATUS MAY CONTRIBUTE TWICE THE AMOUNTS SPECIFIED IN SUBSECTION A PER ELECTION CYCLE IF IT PROVIDES THE RECIPIENT CAMPAIGN COMMITTEE A COPY OF ITS CERTIFICATION OF ADVANCED STATUS.

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

D. A POLITICAL ACTION COMMITTEE IS NOT LIMITED IN MAKING CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATES.

16-910. POLITICAL PARTY CONTRIBUTIONS

A. A POLITICAL PARTY MAY CONTRIBUTE NO MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

1. TEN THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR CITY, TOWN, COUNTY, OR DISTRICT OFFICE.
2. TEN THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR LEGISLATIVE OFFICE.
3. ONE HUNDRED THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR STATEWIDE OFFICE.

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

C. A POLITICAL PARTY SHALL NOT CONTRIBUTE TO CANDIDATES OTHER THAN NOMINEES.

C. A POLITICAL PARTY IS NOT LIMITED IN MAKING CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATES AND NOMINEES.

16-911. CORPORATION, LIMITED LIABILITY COMPANY, AND LABOR ORGANIZATION CONTRIBUTIONS

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

B. A CORPORATION, LIMITED LIABILITY COMPANY, OR LABOR ORGANIZATION IS NOT LIMITED IN MAKING CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATES.

C. A CORPORATION, LIMITED LIABILITY COMPANY, OR LABOR ORGANIZATION MAY SPONSOR A SEPARATE SEGREGATED FUND TO WHICH THEIR EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS, RETIREES AND THEIR FAMILIES MAY MAKE CONTRIBUTIONS, SUBJECT TO THE FOLLOWING:

1. THE SEPARATE SEGREGATED FUND SHALL REGISTER AS A POLITICAL ACTION COMMITTEE.
2. THE SPONSOR MAY PAY THE ADMINISTRATIVE, PERSONNEL, AND FUNDRAISING EXPENSES OF ITS SEPARATE SEGREGATED FUND, WHICH SHALL NOT BE DEEMED CONTRIBUTIONS TO THE FUND.
3. THE SPONSOR OR ITS SEPARATE SEGREGATED FUND MAY SOLICIT CONTRIBUTIONS FROM THE SPONSOR'S EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS, RETIREES AND THEIR FAMILIES. WITH RESPECT TO AN INSURER, AN INSURER OR ITS SEPARATE SEGREGATED FUND MAY ALSO SOLICIT CONTRIBUTIONS FROM AN INSURANCE PRODUCER'S EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS, RETIREES AND THEIR FAMILIES.

4. A SPONSOR MAY FACILITATE THE MAKING OF CONTRIBUTIONS TO ITS SEPARATE SEGREGATED FUND BY ESTABLISHING A PAYROLL DEDUCTION SYSTEM OR OTHER SIMILAR PAYMENT TRANSFER METHOD.

5. IF OTHERWISE CONSISTENT WITH THIS ARTICLE, A SPONSOR OR SEPARATE SEGREGATED FUND MAY RELY ON THE FEDERAL ELECTION COMMISSION'S WRITTEN GUIDANCE INTERPRETING 52 UNITED STATES CODE SECTION 30118(b) WHEN INTERPRETING THIS SUBSECTION.

16-912. PARTNERSHIP CONTRIBUTIONS

A. A PARTNERSHIP MAY CONTRIBUTE NO MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

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

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

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

B. A PARTNERSHIP IS NOT LIMITED IN MAKING CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATES.

C. PARTNERSHIP CONTRIBUTIONS ARE SUBJECT TO THE FOLLOWING:

1. PARTNERSHIP CONTRIBUTIONS SHALL BE ATTRIBUTED TO EACH CONTRIBUTING PARTNER, AS DESIGNATED BY THE PARTNERSHIP. THE PARTNERSHIP SHALL PROVIDE THE RECIPIENT COMMITTEE WRITTEN NOTICE LISTING THE NAME OF THE CONTRIBUTING PARTNERS AND THE AMOUNT ATTRIBUTED TO EACH.

2. PARTNERSHIP CONTRIBUTIONS SHALL COUNT AGAINST BOTH THE PARTNERSHIP'S AND THE INDIVIDUAL PARTNERS' CONTRIBUTION LIMITS. THE PORTION ATTRIBUTED TO EACH PARTNER SHALL NOT EXCEED THE INDIVIDUAL PARTNER'S CONTRIBUTION LIMIT.

3. THE PARTNERSHIP SHALL NOT ATTRIBUTE ANY CONTRIBUTION TO A PARTNER THAT IS A CORPORATION, LIMITED LIABILITY COMPANY, OR LABOR ORGANIZATION.

4. PARTNERSHIP CONTRIBUTIONS NEED NOT BE ACCOMPANIED BY THE SIGNATURE OF EACH CONTRIBUTING PARTNER.

16-913. EARMARKING PROHIBITED

A CONTRIBUTOR SHALL NOT GIVE, AND A RECIPIENT SHALL NOT ACCEPT, AN EARMARKED CONTRIBUTION.

Section 4. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.4, to read:

ARTICLE 1.4. EXPENDITURES

16-914. EXEMPTIONS FROM DEFINITION OF EXPENDITURE

A. THE FOLLOWING ARE NOT EXPENDITURES:

1. THE VALUE OF AN INDIVIDUAL'S VOLUNTEER SERVICES PROVIDED WITHOUT COMPENSATION OR REIMBURSEMENT, INCLUDING THE INDIVIDUAL'S:

- (A) TRAVEL EXPENSES.
- (B) USE OF REAL OR PERSONAL PROPERTY.
- (C) COST OF INVITATIONS, FOOD OR BEVERAGES.
- (D) USE OF EMAILS, INTERNET ACTIVITY OR USE OF SOCIAL MEDIA.

2. THE VALUE OF ANY NEWS STORY, COMMENTARY, OR EDITORIAL BY ANY BROADCASTING STATION, CABLE TELEVISION OPERATOR, PROGRAMMER OR PRODUCER, NEWSPAPER, MAGAZINE, WEBSITE OR OTHER PERIODICAL PUBLICATION THAT IS NOT OWNED OR OPERATED BY A CANDIDATE, CANDIDATE'S SPOUSE, OR COMMITTEE.

3. THE PAYMENT BY ANY PERSON TO DEFRAY A POLITICAL PARTY'S OPERATING EXPENSES OR PARTY-BUILDING ACTIVITIES, INCLUDING:

- (A) PARTY STAFF AND PERSONNEL.
- (B) PARTY WEBSITES.
- (C) STUDIES AND REPORTS.
- (C) VOTER REGISTRATION, RECRUITMENT, POLLING, AND TURNOUT EFFORTS.
- (D) PARTY CONVENTIONS AND PARTY MEETINGS.
- (E) CONTRUCTION, PURCHASE OR LEASE OF PARTY BUILDINGS OR FACILITIES.

4. THE VALUE OF ANY OF THE FOLLOWING TO A COMMITTEE:

(A) INTEREST EARNED ON THE COMMITTEE'S DEPOSITS, OR INVESTMENTS.
(B) TRANSFERS BETWEEN COMMITTEES TO REIMBURSE EXPENSES AND DISTRIBUTE MONIES RAISED THROUGH A JOINT FUND-RAISING EFFORT.

(C) PAYMENT OF A COMMITTEE'S LEGAL OR ACCOUNTING EXPENSES.

(D) AN EXTENSION OF CREDIT FOR GOODS AND SERVICES ON A COMMITTEE'S BEHALF BY A CREDITOR IF THE TERMS ARE SUBSTANTIALLY SIMILAR TO EXTENSIONS OF CREDIT TO NONPOLITICAL DEBTORS THAT ARE OF SIMILAR RISK AND SIZE OF OBLIGATION. THE CREDITOR MUST MAKE A COMMERCIALY REASONABLE ATTEMPT TO COLLECT THE DEBT, EXCEPT THAT ANY EXTENSION OF CREDIT THAT REMAINS UNSATISFIED BY THE COMMITTEE AFTER SIX MONTHS SHALL BE DEEMED RECEIPT OF A CONTRIBUTION BY THE COMMITTEE BUT NOT A CONTRIBUTION BY THE CREDITOR.

5. THE VALUE OF NONPARTISAN ACTIVITY INTENDED TO ENCOURAGE VOTER REGISTRATION AND TURNOUT EFFORTS.

16-915. INDEPENDENT AND COORDINATED EXPENDITURES

A. ANY PERSON MAY MAKE INDEPENDENT EXPENDITURES.

B. AN EXPENDITURE IS NOT INDEPENDENT IF THE EXPENDITURE IS COORDINATED WITH A CANDIDATE.

1. COORDINATION MAY BE INFERRED IF ANY OF THE FOLLOWING APPLY:

(A) ANY AGENT OF THE PERSON MAKING THE EXPENDITURE IS ALSO AN AGENT OF THE CANDIDATE WHOSE ELECTION OR WHOSE OPPONENT'S DEFEAT IS BEING ADVOCATED BY THE EXPENDITURE.

(B) THERE IS ANY ARRANGEMENT, COORDINATION OR DIRECTION WITH RESPECT TO THE EXPENDITURE BETWEEN THE CANDIDATE OR THE CANDIDATE'S AGENT AND THE PERSON MAKING THE EXPENDITURE OR THE PERSON'S AGENT.

(C) IN THE SAME ELECTION CYCLE FOR THE OFFICE SOUGHT, THE PERSON MAKING THE EXPENDITURE OR THE PERSON'S AGENT IS OR HAS BEEN:

(I) AUTHORIZED TO RAISE OR EXPEND MONIES ON BEHALF OF THE CANDIDATE;

(II) RECEIVING ANY FORM OF COMPENSATION OR REIMBURSEMENT FROM THE CANDIDATE OR THE CANDIDATE'S AGENT.

(D) THE EXPENDITURE IS BASED ON INFORMATION ABOUT THE CANDIDATE'S PLANS, PROJECTS OR NEEDS PROVIDED TO THE EXPENDING PERSON BY THE CANDIDATE OR THE CANDIDATE'S AGENT WITH A VIEW TOWARD HAVING THE EXPENDITURE MADE.

(E) IN THE SAME ELECTION CYCLE FOR THE OFFICE SOUGHT, THE CANDIDATE IS OR HAS BEEN AUTHORIZED TO RAISE MONEY OR SOLICIT CONTRIBUTIONS ON BEHALF OF THE PERSON MAKING THE EXPENDITURE.

2. NOTWITHSTANDING SUBPARAGRAPH 1, COORDINATION CANNOT BE INFERRED:

(A) IF THE PERSON MAKING THE EXPENDITURE MAINTAINS SEPARATION FROM THE PERSON'S AGENT, WHICH REQUIRES:

(I) THE AGENT DID NOT PARTICIPATE IN DECIDING TO MAKE THE EXPENDITURE OR IN DECIDING THE CONTENT, TIMING OR TARGETING OF THE EXPENDITURE; AND

(II) THE PERSON HAS A WRITTEN POLICY DESCRIBING THE REQUIRED SEPARATION FROM AN AGENT; AND

(III) THE PERSON AND THE AGENT FOLLOWED THE WRITTEN POLICY REGARDING SEPARATION.

(B) SOLELY BASED ON THE FACT AN AGENT OF A PERSON MAKING THE EXPENDITURE SERVES OR HAS SERVED ON A CANDIDATE'S HOST COMMITTEE FOR A FUND-RAISING EVENT.

C. AN EXPENDITURE THAT IS COORDINATED WITH A CANDIDATE, OTHER THAN A COORDINATED PARTY EXPENDITURE, SHALL BE CONSIDERED AN IN-KIND CONTRIBUTION TO THE CANDIDATE.

D. A PERSON, OTHER THAN AN INDIVIDUAL OR COMMITTEE, THAT MAKES INDEPENDENT EXPENDITURES SHALL FILE INDEPENDENT EXPENDITURE REPORTS PURSUANT TO SECTION 16-917, SUBSECTION F.

Section 5. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.5, to read:

ARTICLE 1.5. ADVERTISING AND FUNDRAISING DISCLOSURES

16-916. ADVERTISING AND FUNDRAISING DISCLOSURES

A. ANY ADVERTISEMENT OR FUNDRAISING SOLICITATION SHALL INCLUDE THE FOLLOWING DISCLOSURES:

1. THE WORDS "PAID FOR BY," FOLLOWED BY THE NAME OF THE PERSON MAKING THE EXPENDITURE FOR THE ADVERTISEMENT OR FUNDRAISING SOLICITATION.

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

B. A POLITICAL ACTION COMMITTEE THAT MAKES AN EXPENDITURE FOR AN ADVERTISEMENT SHALL INCLUDE, IN ADDITION TO THE DISCLOSURE REQUIRED BY SUBSECTION A, A DISCLOSURE STATING THE NAMES OF THE THREE PERSONS MAKING THE LARGEST AGGREGATE CONTRIBUTIONS DURING THE ELECTION CYCLE TO THE POLITICAL ACTION COMMITTEE MAKING THE EXPENDITURE, JUDGED AS OF THE TIME THE ADVERTISEMENT WAS DISTRIBUTED FOR PUBLICATION, DISPLAY, DELIVERY, OR BROADCAST.

C. IF A DISCLOSURE CONTAINS ANY ACRONYM, THE DISCLOSURE SHALL ALSO SPELL OUT THE ACRONYM.

D. IF THE ADVERTISEMENT IS:

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

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

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

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

(A) THE DISCLOSURE SHALL BE BOTH WRITTEN AND SPOKEN AT THE END OF THE ADVERTISEMENT, EXCEPT THAT IF THE WRITTEN DISCLOSURE STATEMENT IS DISPLAYED FOR AT LEAST ONE-SIXTH OF THE BROADCAST LENGTH, A SPOKEN DISCLOSURE STATEMENT IS NOT REQUIRED.

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

E. THIS SECTION DOES NOT APPLY TO:

(1) SOCIAL MEDIA MESSAGES OR TEXT MESSAGES.

(2) BUMPER STICKERS, PINS, BUTTONS, PENS AND SIMILAR SMALL ITEMS ON WHICH THE STATEMENTS REQUIRED IN THIS SECTION CANNOT BE CONVENIENTLY PRINTED.

(3) A SOLICITATION OF CONTRIBUTIONS BY A SEPARATE SEGREGATED FUND.

(4) A COMMUNICATION BY A TAX-EXEMPT ORGANIZATION SOLELY TO ITS MEMBERS.

Section 6. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.6, to read:

ARTICLE 1.6. REPORTING REQUIREMENTS

16-917. CONTENTS OF REPORTS

A. A COMMITTEE SHALL FILE CAMPAIGN FINANCE REPORTS WITH THE FILING OFFICER. THE FORMAT FOR ALL REPORTS AND STATEMENTS SHALL BE PRESCRIBED IN THE SECRETARY OF STATE'S PROCEDURES MANUAL.

B. A CAMPAIGN FINANCE REPORT SHALL SET FORTH:

1. THE AMOUNT OF CASH ON HAND AT THE BEGINNING OF THE REPORTING PERIOD.

2. TOTAL RECEIPTS DURING THE REPORTING PERIOD, INCLUDING:

(A) AN ITEMIZED LIST OF RECEIPTS IN THE FOLLOWING CATEGORIES, INCLUDING THE SOURCE, AMOUNT, AND DATE OF RECEIPT, TOGETHER WITH THE TOTAL OF ALL RECEIPTS IN EACH CATEGORY:

(I) CONTRIBUTIONS FROM INDIVIDUALS WHOSE CONTRIBUTIONS EXCEED FIFTY DOLLARS FOR THAT ELECTION CYCLE, INCLUDING IDENTIFICATION OF THE CONTRIBUTOR'S OCCUPATION AND EMPLOYER.

(II) CONTRIBUTIONS FROM CANDIDATE COMMITTEES.

(III) CONTRIBUTIONS FROM POLITICAL ACTION COMMITTEES.

(IV) CONTRIBUTIONS FROM POLITICAL PARTIES.

(V) CONTRIBUTIONS FROM PARTNERSHIPS.

(VI) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS FROM CORPORATIONS AND LIMITED LIABILITY COMPANIES.

(VII) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS FROM LABOR ORGANIZATIONS.

(VIII) FOR A CANDIDATE COMMITTEE, A CANDIDATE'S CONTRIBUTION OF PERSONAL MONIES.

(IX) ALL LOANS, INCLUDING IDENTIFICATION OF ANY ENDORSER OR GUARANTOR AND THE AMOUNT ENDORSED OR GUARANTEED BY EACH.

(X) REBATES AND REFUNDS.

(XI) INTEREST ON COMMITTEE MONIES.

(XII) THE FAIR MARKET VALUE OF IN-KIND CONTRIBUTIONS RECEIVED.

(XIII) EXTENSIONS OF CREDIT THAT REMAIN OUTSTANDING, INCLUDING IDENTIFICATION OF THE CREDITOR AND PURPOSE OF THE EXTENSION.

(B) THE AGGREGATE AMOUNT OF CONTRIBUTIONS FROM INDIVIDUALS WHOSE CONTRIBUTIONS DO NOT EXCEED FIFTY DOLLARS FOR THE ELECTION CYCLE.

3. AN ITEMIZED LIST OF ALL DISBURSEMENTS DURING THE REPORTING PERIOD IN THE FOLLOWING CATEGORIES, INCLUDING THE RECIPIENT, RECIPIENT'S ADDRESS, DESCRIPTION OF DISBURSEMENT, AMOUNT AND DATE OF DISBURSEMENT, TOGETHER WITH THE TOTAL OF ALL DISBURSEMENTS IN EACH CATEGORY:

(A) EXPENDITURES FOR OPERATING EXPENSES.

(B) CONTRIBUTIONS TO CANDIDATE COMMITTEES.

(C) CONTRIBUTIONS TO POLITICAL ACTION COMMITTEES.

(D) CONTRIBUTIONS TO POLITICAL PARTIES.

(E) CONTRIBUTIONS TO PARTNERSHIPS.

(F) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS TO CORPORATIONS AND LIMITED LIABILITY COMPANIES.

(G) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS TO LABOR ORGANIZATIONS.

(H) REPAYMENT OF LOANS.

(I) REFUNDS OF CONTRIBUTIONS.

(J) LOANS MADE.

(K) THE VALUE OF IN-KIND CONTRIBUTIONS PROVIDED.

(L) INDEPENDENT EXPENDITURES TO ADVOCATE THE ELECTION OR DEFEAT OF A CANDIDATE, INCLUDING IDENTIFICATION OF THE CANDIDATE, OFFICE SOUGHT BY THE CANDIDATE, ELECTION DATE, MODE OF ADVERTISING, AND DISTRIBUTION OR PUBLICATION DATE.

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

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

(O) ANY OTHER DISBURSEMENTS OR EXPENDITURES.

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

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

C. THE AMOUNT OF AN IN-KIND CONTRIBUTION SHALL BE EQUAL TO THE USUAL AND NORMAL VALUE ON THE DATE RECEIVED BY THE COMMITTEE.

D. CANDIDATE COMMITTEE REPORTS SHALL BE CUMULATIVE FOR THE ELECTION CYCLE FOR WHICH THEY RELATE. POLITICAL ACTION COMMITTEE AND POLITICAL PARTY REPORTS SHALL BE CUMULATIVE FOR A TWO-YEAR ELECTION CYCLE ENDING IN THE YEAR OF A GENERAL ELECTION. IF THERE HAS BEEN NO CHANGE DURING THE REPORTING PERIOD IN AN ITEM LISTED IN THE IMMEDIATE PREVIOUS REPORT, ONLY THE AMOUNT NEED BE CARRIED FORWARD.

E. IN THE CASE OF A POLITICAL ACTION COMMITTEE THAT RECEIVES INDIVIDUAL CONTRIBUTIONS THROUGH A PAYROLL DEDUCTION PLAN, THAT COMMITTEE IS NOT REQUIRED TO SEPARATELY ITEMIZE EACH CONTRIBUTION RECEIVED FROM THE CONTRIBUTOR DURING THE REPORTING PERIOD. IN LIEU OF ITEMIZATION, THE COMMITTEE MAY REPORT OF THE FOLLOWING:

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

2. THE INDIVIDUAL'S IDENTITY.

3. THE AMOUNT DEDUCTED PER PAY PERIOD.

F. A PERSON, OTHER THAN AN INDIVIDUAL OR COMMITTEE, THAT MAKES INDEPENDENT EXPENDITURES DURING A REPORTING PERIOD SHALL FILE AN INDEPENDENT EXPENDITURE REPORT WITH THE FILING OFFICER FOR THE APPLICABLE REPORTING PERIOD, INCLUDING IDENTIFICATION OF THE CANDIDATE AFFECTED, OFFICE SOUGHT BY THE CANDIDATE, ELECTION DATE, MODE OF ADVERTISING, AND DATE OF PUBLICATION, DISPLAY, DELIVERY, OR BROADCAST.

16-918. CAMPAIGN FINANCE REPORTING PERIOD

A. A COMMITTEE SHALL FILE A CAMPAIGN FINANCE REPORT COVERING EACH REPORTING PERIOD.

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

(A) FILED NO LATER THAN THE FIFTEENTH DAY AFTER THE CALENDAR QUARTER.

(B) COMPLETE THROUGH THE LAST DAY OF THE CALENDAR QUARTER.

2. FOR A CALENDAR QUARTER WITH A SCHEDULED ELECTION, A COMMITTEE SHALL FILE A PRE-ELECTION AND POST-ELECTION REPORT.

(A) A PRE-ELECTION REPORT SHALL BE:

(I) FILED NO LATER THAN _____ DAYS BEFORE THE ELECTION.

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

(B) A POST-ELECTION REPORT SHALL BE:

(I) FILED NO LATER THAN THE FIFTEENTH DAY AFTER THE APPLICABLE CALENDAR QUARTER.

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

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

16-919. FILING OFFICER FOR STATEMENTS AND REPORTS

A. A PERSON WHO INFLUENCES THE RESULT OF AN ELECTION SHALL FILE ANY STATEMENTS AND REPORTS REQUIRED BY THIS ARTICLE WITH THE FILING OFFICER IN CHARGE OF THE ELECTION, AS FOLLOWS:

1. THE SECRETARY OF STATE IS THE FILING OFFICER FOR STATEWIDE AND LEGISLATIVE ELECTIONS, INCLUDING RETENTION ELECTIONS FOR SUPREME COURT JUSTICES AND COURT OF APPEALS JUDGES.

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

3. THE CITY OR TOWN CLERK IS THE FILING OFFICER FOR CITY AND TOWN ELECTIONS.

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

C. A FILING OFFICER SHALL PROVIDE THE OPTION FOR ELECTRONIC FILING AND SHALL MAKE ALL STATEMENTS AND REPORTS PUBLICLY AVAILABLE ON THE INTERNET. A FILING OFFICER MAY SATISFY THIS REQUIREMENT BY OPTING INTO THE SECRETARY OF STATE'S ELECTRONIC FILING SYSTEM AND PAYING A FEE DETERMINED BY THE SECRETARY OF STATE.

Section 7. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.7, to read:

ARTICLE 1.7. TERMINATING A COMMITTEE

16-920. TRANSFER AND DISPOSAL OF COMMITTEE FUNDS

A. A COMMITTEE SHALL DISPOSE OF SURPLUS MONIES AS FOLLOWS:

1. RETURN SURPLUS MONIES TO THE CONTRIBUTOR; OR
2. CONTRIBUTE SURPLUS MONIES PURSUANT TO ARTICLE 1.3.

B. SURPLUS MONIES SHALL NOT BE USED FOR OR CONVERTED TO PERSONAL USE. NOTHING IN THIS SECTION PRECLUDES A LOAN REPAYMENT.

16-921. FILING TERMINATION STATEMENT

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

B. IN THE TERMINATION STATEMENT, THE COMMITTEE TREASURER SHALL CERTIFY UNDER PENALTY OF PERJURY THAT:

1. THE COMMITTEE WILL NO LONGER RECEIVE ANY CONTRIBUTIONS OR MAKE ANY EXPENDITURES;
2. THE COMMITTEE HAS NO OUTSTANDING DEBTS OR OBLIGATIONS;
3. ANY SURPLUS MONIES HAVE BEEN DISPOSED OF, SUCH THAT THE COMMITTEE HAS NO CASH ON HAND; AND
4. ALL CONTRIBUTIONS AND EXPENDITURES HAVE BEEN REPORTED, INCLUDING DISPOSAL OF SURPLUS MONIES.

C. THE FILING OFFICER MUST APPROVE THE TERMINATION STATEMENT BEFORE A COMMITTEE MAY TERMINATE.

D. AFTER A TERMINATION STATEMENT IS APPROVED, A COMMITTEE:

1. IS NOT REQUIRED TO FILE ANY SUBSEQUENT CAMPAIGN FINANCE REPORTS;
2. SHALL HAVE NO FURTHER RECEIPTS OR DISBURSEMENTS WITHOUT FILING A NEW STATEMENT OF ORGANIZATION.

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

Section 8. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding article 1.8, to read:

ARTICLE 1.8. ENFORCEMENT

16-922. FAILURE TO FILE PENALTIES

A. IF A COMMITTEE FAILS TO TIMELY FILE A COMPLETE REPORT REQUIRED BY THIS ARTICLE, THE FILING OFFICER SHALL SEND WRITTEN NOTICE TO THE COMMITTEE. THE NOTICE SHALL BE SENT TO BY EMAIL TO THE COMMITTEE WITHIN FIVE DAYS AFTER THE FILING DEADLINE. THE NOTICE SHALL IDENTIFY THE LATE REPORT, DESCRIBE HOW FINES ACCRUE, AND IDENTIFY METHODS OF PAYMENT.

B. A COMMITTEE THAT FAILS TO TIMELY FILE A REPORT SHALL PAY THE FILING OFFICER A DAILY FINE. THE FINE SHALL BE TEN DOLLARS PER DAY DURING THE FIRST FIFTEEN DAYS AFTER THE FILING DEADLINE, AND TWENTY FIVE DOLLARS FOR EACH SUBSEQUENT DAY. FINES SHALL ACCRUE UNTIL THE LATE REPORT IS FILED.

C. IF A COMMITTEE FAILS TO FILE A COMPLETE REPORT WITHIN THIRTY DAYS OF THE FILING DEADLINE, THE FILING OFFICER MAY NOTIFY THE ENFORCEMENT OFFICER.

D. FOR ANY POLITICAL ACTION COMMITTEE OR POLITICAL PARTY THAT HAS FAILED TO FILE THREE CONSECUTIVE COMPLETE REPORTS, THE FILING OFFICER SHALL EMAIL A NOTICE OF TEMPORARY SUSPENSION TO THE COMMITTEE.

1. UPON RECEIPT, THE COMMITTEE'S AUTHORITY TO OPERATE IN THE JURISDICTION SHALL BE TEMPORARILY SUSPENDED.

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

3. UPON PERMANENT SUSPENSION, THE FILING OFFICER SHALL NOTIFY THE COMMITTEE BY EMAIL AND THEREAFTER IS NO LONGER REQUIRED TO PROVIDE ANY FURTHER NOTICES. SUSPENSION DOES NOT ELIMINATE A COMMITTEE'S CONTINUING OBLIGATION TO FILE LATE REPORTS AND PAY ANY OUTSTANDING OR ACCRUING FINES AND PENALTIES PROVIDED BY LAW.

16-923. ENFORCEMENT AUTHORITY

A. A FILING OFFICER SHALL INVESTIGATE VIOLATIONS OF THIS ARTICLE AS FOLLOWS:

1. THE FILING OFFICER SHALL LIMIT ITS INVESTIGATION TO VIOLATIONS WITHIN THE FILING OFFICER'S JURISDICTION.

2. THE FILING OFFICER SHALL PUBLISH GUIDELINES THAT OUTLINE THE PROCEDURES, TIMELINES, AND OTHER PROCESSES THAT GOVERN INVESTIGATIONS.

3. IF THE FILING OFFICER DECLARES A CONFLICT OF INTEREST, THE FILING OFFICER MAY REFER THE INVESTIGATION TO ANY OTHER FILING OFFICER IN THIS STATE.

C. IF, AFTER INVESTIGATION, THE FILING OFFICER HAS REASONABLE CAUSE TO BELIEVE A PERSON VIOLATED THIS ARTICLE, THE FILING OFFICER SHALL REFER THE MATTER TO THE ENFORCEMENT OFFICER AS FOLLOWS:

1. THE SECRETARY OF STATE SHALL NOTIFY THE ATTORNEY GENERAL.

2. A COUNTY FILING OFFICER SHALL NOTIFY THE COUNTY ATTORNEY.

3. A CITY OR TOWN FILING OFFICER SHALL NOTIFY THE CITY OR TOWN ATTORNEY.

D. UPON REFERRAL FROM THE FILING OFFICER, THE ENFORCEMENT OFFICER MAY:

1. COLLECT ANY FINES LEVIED BY THE FILING OFFICER.
2. IMPOSE A CIVIL PENALTY UP TO THREE TIMES THE AMOUNT OF MONEY OR VALUE THAT HAS BEEN RECEIVED, EXPENDED OR PROMISED IN VIOLATION OF THIS ARTICLE.

E. AFTER REFERRAL FROM THE FILING OFFICER, IF THE ENFORCEMENT OFFICER HAS REASONABLE CAUSE TO BELIEVE A PERSON VIOLATED THIS ARTICLE, THE ENFORCEMENT OFFICER SHALL SERVE THE ALLEGED VIOLATOR WITH A COMPLIANCE ORDER. THE ORDER SHALL STATE WITH REASONABLE PARTICULARITY THE NATURE OF THE VIOLATION, SPECIFY THE FINE OR PENALTY IMPOSED, AND SHALL REQUIRE COMPLIANCE WITHIN TWENTY DAYS FROM THE DATE OF ISSUANCE OF THE ORDER.

F. THE ALLEGED VIOLATOR HAS TWENTY DAYS FROM THE DATE OF ISSUANCE OF THE ORDER TO REQUEST A HEARING PURSUANT TO TITLE 41, CHAPTER 6.

G. IF THE ALLEGED VIOLATOR REMAINS AGGRIEVED AT THE CONCLUSION OF THE APPEAL PROCESS OUTLINED IN TITLE 41, CHAPTER 6, THE ALLEGED VIOLATOR MAY APPEAL TO THE SUPERIOR COURT PURSUANT TO TITLE 12, CHAPTER 7, ARTICLE 6.