REFERENCE TITLE: secretary of state; elections; lobbyists

State of Arizona Senate Forty-ninth Legislature Second Regular Session 2010

SB 1393

Introduced by Senators Paton: Nelson; Representative McComish

AN ACT

AMENDING SECTION 13-2602, ARIZONA REVISED STATUTES; AMENDING TITLE 13, CHAPTER 26, ARIZONA REVISED STATUTES, BY ADDING SECTION 13-2602.01; AMENDING SECTIONS 16-163, 16-164, 16-166, 16-168, 16-171, 16-543.02, 16-583, 16-902.01, 16-902.02, 16-903, 16-904, 16-912.01, 16-913, 16-914, 16-916, 16-916.01 AND 16-918, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 16, CHAPTER 8, ARIZONA REVISED STATUTES, TO "ESTABLISHMENT OF LEGISLATIVE AND CONGRESSIONAL DISTRICTS"; REPEALING SECTIONS 16-1101 AND 16-1102, ARIZONA REVISED STATUTES; AMENDING SECTIONS 19-121.01, 19-122, 41-1232, 41-1232.01, 41-1232.05 AND 41-1348, ARIZONA REVISED STATUTES; RELATING TO ELECTIONS, ELECTORS AND LOBBYISTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 13-2602, Arizona Revised Statutes, is amended to read:

13-2602. <u>First degree bribery of a public servant or party</u> officer: classification: definition

- A. A person commits FIRST DEGREE bribery of a public servant or party officer if with corrupt intent:
- 1. Such THAT person offers, confers or agrees to confer any benefit $\frac{\text{upon}}{\text{upon}}$ ON a public servant or party officer with the intent to influence the public servant's or party officer's vote, opinion, judgment, exercise of discretion or other action in his official capacity as a public servant or party officer; or
- 2. While a public servant or party officer, such THAT person solicits, accepts or agrees to accept any benefit upon ON an agreement or understanding that his vote, opinion, judgment, exercise of discretion or other action as a public servant or party officer may thereby be influenced.
- B. It is $\frac{1}{100}$ NOT A defense to a prosecution under this section that a person sought to be influenced was not qualified to act in the desired way because such person had not yet assumed office, lacked jurisdiction or for any other reason.
- C. FIRST DEGREE bribery of a public servant or party officer is a class 4 felony.
- D. FOR THE PURPOSES OF THIS SECTION, "PUBLIC SERVANT" MEANS ANY CURRENT OFFICEHOLDER OR CANDIDATE FOR ANY OFFICE THAT IS ESTABLISHED BY CHARTER, ORDINANCE, RESOLUTION, STATUTE OR THE ARIZONA CONSTITUTION OR ANY PERSON WHO HAS FILED AN EXPLORATORY COMMITTEE FOR ANY OF THOSE OFFICES.
- Sec. 2. Title 13, chapter 26, Arizona Revised Statutes, is amended by adding section 13-2602.01, to read:

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13-2602.01. <u>Second degree bribery of a public servant or party officer: classification: definition</u>
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- A. A PERSON COMMITS SECOND DEGREE BRIBERY OF A PUBLIC SERVANT OR PARTY OFFICER IF WITH CORRUPT INTENT:
- 1. THAT PERSON OFFERS, CONFERS OR AGREES TO CONFER A CONTRIBUTION TO A PUBLIC OFFICIAL OR PARTY OFFICER THAT EXPRESSLY LINKS THE CONTRIBUTION BY PROMISE OR PLEDGE WITH ACCESS TO THE PUBLIC SERVANT OR PARTY OFFICER.
- 2. WHILE A PUBLIC SERVANT OR PARTY OFFICER, THAT PERSON SOLICITS, ACCEPTS OR AGREES TO ACCEPT A CONTRIBUTION THAT EXPRESSLY LINKS THE CONTRIBUTION BY PROMISE OR PLEDGE WITH ACCESS TO THE PUBLIC SERVANT OR PARTY OFFICER.
- B. IT IS NOT A DEFENSE TO A PROSECUTION UNDER THIS SECTION THAT A PERSON SOUGHT TO BE INFLUENCED WAS NOT QUALIFIED TO ACT IN THE DESIRED WAY BECAUSE SUCH PERSON HAD NOT YET ASSUMED OFFICE, LACKED JURISDICTION OR FOR ANY OTHER REASON.
- C. SECOND DEGREE BRIBERY OF A PUBLIC SERVANT OR PARTY OFFICER IS A CLASS 6 FELONY.

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D. FOR THE PURPOSES OF THIS SECTION, "PUBLIC SERVANT" HAS THE SAME MEANING PRESCRIBED IN SECTION 13-2602.

Sec. 3. Section 16-163, Arizona Revised Statutes, is amended to read: 16-163. Assignment of registrations to general county register:

exception: notification to elector: filing of registration forms

- A. The county recorder, upon ON receipt of a registration in proper form, shall assign the registration record to its proper precinct and alphabetical arrangement in the general county register. The general county register shall be preserved permanently to reflect the registration as of each general election. After the general county register is revised to reflect the valid registrations for the general election, the county recorder shall provide the Arizona state library, archives and public records with a copy of the revised county register.
- B. After placing the record of registration in the county general register, the county recorder shall notify the elector within thirty days in writing that the elector's name appears in the general register.
- C. If the notice that is sent is returned undeliverable, the county recorder may send an additional notice as prescribed by section 16-166, subsection A and that notice shall indicate that the elector must respond no later than thirty-five days after the mailing of the notice.
- D. All current IMAGES OF original registration forms shall be filed countywide or by precinct in alphabetical order by surname of elector STORED ELECTRONICALLY IN THE VOTER REGISTRATION DATABASE. All original registration forms THAT ARE canceled, and all original applications for cancellation of registration received since the preceding general election,— ALSO shall be separately filed and maintained IN THE VOTER REGISTRATION DATABASE. Computer output microfilm, listings or other electronic format media containing the information from the general county register after each general election shall be provided to the Arizona state library, archives and public records and shall serve to fulfill the requirements of this subsection SECTION and section 16-164, subsection A.
 - Sec. 4. Section 16-164, Arizona Revised Statutes, is amended to read: 16-164. Change of registration on new registration form effecting change of precinct, party, address or name
- A. Upon ON receipt of a new registration form which THAT effects a change of precinct, political party, address or name, the county recorder shall remove the registration form to which it relates from the general county register, indicate ELECTRONICALLY IN THE COUNTY VOTER REGISTRATION DATABASE that the registration has been canceled and the date and reason for cancellation. , and place the form in a cancellation file. In lieu of such procedure, The county recorder may modify the record of registration to reflect any changes of address, name or party upon ON receipt of a registration form reflecting such changes.

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- B. All records of cancelled registration shall be arranged and retained ELECTRONICALLY IN THE VOTER REGISTRATION DATABASE in like manner as voter registrations.
 - Sec. 5. Section 16-166, Arizona Revised Statutes, is amended to read: 16-166. <u>Verification of registration</u>
- A. Except for the mailing of sample ballots, a county recorder who mails an item to any elector shall send the mailing by nonforwardable first class mail marked with the statement required by the postmaster to receive an address correction notification. If the item is returned undelivered, the county recorder shall send a follow-up notice to that elector within three weeks of receipt of the returned notice. The county recorder shall send the follow-up notice to the address that appears on IN the general county register or to the forwarding address provided by the United States postal service. The follow-up notice shall include a registration form and the information prescribed by section 16-131, subsection C and shall state that if the elector does not complete and return a new registration form with current information to the county recorder within thirty-five days, the name of the elector will be removed from the general register and transferred to the inactive voter list ELECTOR'S REGISTRATION STATUS SHALL BE CHANGED FROM ACTIVE TO INACTIVE.
- B. If the elector provides the county recorder with a new registration form, the county recorder shall change the general register to reflect the changes indicated on the new registration. If the elector indicates a new residence address outside that county, the county recorder shall forward the voter registration form to the county recorder of the county in which the elector's address is located. If the elector provides a new residence address that is located outside this state, the county recorder shall cancel the elector's registration.
- C. The county recorder shall maintain on the inactive voter list the names of electors who have been removed from the general register pursuant to subsection A or E of this section for a period of four years or through the date of the second general election for federal office following the date of the notice from the county recorder that is sent pursuant to subsection E of this section.
- D. On notice that a government agency has changed the name of any street, route number, post office box number or other address designation, the county recorder shall revise the registration records and shall send a new verification of registration notice to the electors whose records were changed.
- E. The county recorder on or before May 1 of each year preceding a state primary and general election or more frequently as the recorder deems necessary may use the change of address information supplied by the postal service through its licensees to identify registrants whose addresses may have changed. If it appears from information provided by the postal service that a registrant has moved to a different residence address in the same

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county, the county recorder shall change the registration records to reflect the new address and shall send the registrant a notice of the change by forwardable mail and a postage prepaid preaddressed return form by which the registrant may verify or correct the registration information. registrant fails to return the form postmarked not later than thirty-five days after the mailing of the notice, the elector shall be removed from the general register and transferred to the inactive voter list ELECTOR'S REGISTRATION STATUS SHALL BE CHANGED FROM ACTIVE TO INACTIVE. If the notice sent by the recorder is not returned, the registrant may be required to provide affirmation or confirmation of the registrant's address in order to vote. If the registrant does not vote in an election during the period after the date of the notice from the recorder through the date of the second general election for federal office following the date of that notice, the registrant's name shall be removed from the list of inactive voters. If the registrant has changed residence to a new county, the county recorder shall provide information on how the registrant can continue to be eligible to vote.

- F. The county recorder shall reject any application for registration that is not accompanied by satisfactory evidence of United States citizenship. Satisfactory evidence of citizenship shall include any of the following:
- 1. The number of the applicant's driver license or nonoperating identification license issued after October 1, 1996 by the department of transportation or the equivalent governmental agency of another state within the United States if the agency indicates on the applicant's driver license or nonoperating identification license that the person has provided satisfactory proof of United States citizenship.
- 2. A legible photocopy of the applicant's birth certificate that verifies citizenship to the satisfaction of the county recorder.
- 3. A legible photocopy of pertinent pages of the applicant's United States passport identifying the applicant and the applicant's passport number or presentation to the county recorder of the applicant's United States passport.
- 4. A presentation to the county recorder of the applicant's United States naturalization documents or the number of the certificate of naturalization. If only the number of the certificate of naturalization is provided, the applicant shall not be included in the registration rolls until the number of the certificate of naturalization is verified with the United States immigration and naturalization service by the county recorder.
- 5. Other documents or methods of proof that are established pursuant to the immigration reform and control act of 1986.
- 6. The applicant's bureau of Indian affairs card number, tribal treaty card number or tribal enrollment number.
- G. Notwithstanding subsection F of this section, any person who is registered in this state on the effective date of this amendment to this

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section is deemed to have provided satisfactory evidence of citizenship and shall not be required to resubmit evidence of citizenship unless the person is changing voter registration from one county to another.

- H. For the purposes of this section, proof of voter registration from another state or county is not satisfactory evidence of citizenship.
- I. A person who modifies voter registration records with a new residence ballot shall not be required to submit evidence of citizenship. After citizenship has been demonstrated to the county recorder, the person is not required to resubmit satisfactory evidence of citizenship in that county.
- J. After a person has submitted satisfactory evidence of citizenship, the county recorder shall indicate this information in the person's permanent voter file. After two years the county recorder may destroy all documents that were submitted as evidence of citizenship.
 - Sec. 6. Section 16-168, Arizona Revised Statutes, is amended to read: 16-168. Precinct registers; date of preparation; contents; copies; reports; statewide database; violation; classification
- A. By the tenth day preceding the primary and general elections the county recorder shall prepare from the original registration forms or from electronic media at least four lists that are printed or typed on paper of all qualified electors in each precinct in the county, and the lists shall be the official precinct registers.
- B. The official precinct registers for use at the polling place shall contain at least the names in full, party preference, date of registration and residence address of each qualified elector in the respective precincts. The names shall be in alphabetical order and, in a column to the left of the names, shall be numbered consecutively beginning with number 1 in each precinct register.
- C. For the purposes of transmitting voter registration information as prescribed by this subsection, electronic media in counties with a population over five hundred thousand persons in the last decennial census shall be the principal media. A county or state chairman who is eligible to receive copies of precinct lists as prescribed by this subsection may request that the recorder provide a paper copy of the precinct lists. IN ADDITION TO PREPARING THE OFFICIAL PRECINCT LISTS, the county recorder, in addition to preparing the official precinct lists, shall provide a means for mechanically or electronically reproducing the precinct lists. and Unless otherwise agreed, THE COUNTY RECORDER shall deliver ONE ELECTRONIC MEDIA COPY OF EACH PRECINCT LIST IN THE COUNTY WITHOUT CHARGE AND ON THE SAME DAY within eight days after the close of registration for the primary and general elections, without charge, on the same day one electronic media copy of each precinct list within the county to the county chairman and one electronic media copy to the state chairman of each party that has at least four candidates other than presidential electors appearing on the ballot in that county at the current election. The county recorder of a county with a

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population of five hundred thousand or fewer persons, on the same day precinct lists are delivered to county chairmen, shall deliver one electronic media copy of each precinct list within the county to the state chairman of each party that has at least four candidates other than presidential electors appearing on the ballot in this state at the current election. The secretary of state shall prescribe the manner, format and template in which all county recorders provide this data to the secretary of state to ensure that the submissions are uniform from all counties in this state. The ELECTRONIC MEDIA copies of the precinct lists shall be electronic media and THAT ARE DELIVERED TO THE PARTY CHAIRMEN shall include for each elector the following information:

- 1. Name in full and appropriate title.
- 2. Party preference.
- 3. Date of registration.
- 4. Residence address.
- 5. Mailing address, if different from residence address.
- 6. Zip code.
- 7. Telephone number if given.
- 8. Birth year.
- 9. Occupation if given.
- 10. Voting history for all elections in the prior four years and any other information regarding registered voters that the county recorder or city or town clerk maintains electronically and that is public information.
- 11. All data relating to permanent early voters and nonpermanent early voters, including ballot requests and ballot returns.
- D. The names on the precinct lists shall be in alphabetical order and the precinct lists in their entirety, unless otherwise agreed, shall be delivered to each county chairman and each state chairman within ten business days of the close of each date for counting registered voters prescribed by subsection G of this section other than the primary and general election registered voter counts in the same format and media as prescribed by subsection C of this section. During the thirty-three days immediately preceding an election and on request from a county or state chairman, the county recorder shall provide at no cost a daily list of persons who have requested an early ballot and shall provide at no cost a weekly listing of persons who have returned their early ballots. The recorder shall provide the daily and weekly information through the Friday preceding the election. On request from a county chairman or state chairman, the county recorder of a county with a population of more than eight hundred thousand persons shall provide at no cost a daily listing of persons who have returned their early The daily listing shall be provided Mondays through Fridays, beginning with the first Monday following the start of early voting and ending on the Monday before the election.
- E. Precinct registers and other lists and information derived from registration forms may be used only for purposes relating to a political or

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political party activity, a political campaign or an election, for revising election district boundaries or for any other purpose specifically authorized by law and may not be used for a commercial purpose as defined in section 39-121.03. The sale of registers, lists and information derived from registration forms to a candidate or a registered political committee for a use specifically authorized by this subsection does not constitute use for a commercial purpose. The county recorder, on a request for an authorized use and within thirty days from receipt of the request, shall prepare additional copies of an official precinct list and furnish them to any person requesting them on payment of a fee equal to five cents for each name appearing on the register for a printed list and one cent for each name for an electronic data medium, plus the cost of the blank computer disk or computer software if furnished by the recorder, for each copy so furnished.

- F. Any person in possession of a precinct register or list, in whole or part, or any reproduction of a precinct register or list, shall not permit the register or list to be used, bought, sold or otherwise transferred for any purpose except for uses otherwise authorized by this section. A person in possession of information derived from voter registration forms or precinct registers shall not distribute, post or otherwise provide access to any portion of that information through the internet except as authorized by subsection J of this section. Nothing in this section shall preclude public inspection of voter registration records at the office of the county recorder for the purposes prescribed by this section, except that the month and day of birth date, the social security number or any portion thereof, the driver license number or nonoperating identification license number, the Indian census number, the father's name or mother's maiden name, the state or country of birth and the records containing a voter's signature shall not be accessible or reproduced by any person other than the voter, by an authorized government official in the scope of the official's duties, for signature verification on petitions and candidate filings, for election purposes and for news gathering purposes by a person engaged in newspaper, radio, television or reportorial work, or connected with or employed by a newspaper, radio or television station or pursuant to a court order. A person who violates this subsection or subsection E of this section is guilty of a class 6 felony.
- G. The county recorder shall count the registered voters by political party by precinct, legislative district and congressional district as follows:
- 1. In even numbered years, the county recorder shall count all persons who are registered to vote as of:
 - (a) January 1.
 - (b) March 1.
 - (c) June 1.
 - (d) The last day on which a person may register to be eligible to vote in the next primary election.

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- (e) The last day on which a person may register to be eligible to vote in the next general election.
- (f) The last day on which a person may register to be eligible to vote in the next presidential preference election.
- 2. In odd numbered years, the county recorder shall count all persons who are registered to vote as of:
 - (a) January 1.
 - (b) April 1.
 - (c) July 1.
 - (d) October 1.
- H. The county recorder shall report the totals to the secretary of state as soon as is practicable following each of the dates prescribed in subsection G of this section. The report shall include completed registration forms returned in accordance with section 16-134, subsection B. The county recorder shall also provide the report in a uniform electronic computer media format that shall be agreed upon ON between the secretary of state and all county recorders. The secretary of state shall then prepare a summary report for the state and shall maintain that report as a permanent record.
- I. The county recorder and the secretary of state shall protect access to voter registration information in an auditable format and method specified in the secretary of state's electronic voting system instructions and procedures manual that is adopted pursuant to section 16-452.
- The secretary of state shall develop and administer a statewide database of voter registration information that contains the name and registration information of every registered voter in this state. statewide database is a matter of statewide concern and is not subject to modification or further regulation by a political subdivision. The database shall include an identifier that is unique for each individual voter. The database shall provide for access by voter registration officials and shall allow expedited entry of voter registration information after it is received by county recorders. As a part of the statewide voter registration database, county recorders shall provide for the electronic transmittal of that information to the secretary of state on a real time basis. The secretary of state shall provide for maintenance of the database, including provisions regarding removal of ineligible voters that are consistent with the national voter registration act of 1993 (P.L. 103-31; 107 Stat. 77; 42 United States Code section 394) and the help America vote act of 2002 (P.L. 107-252; 116 Stat. 1666; 42 United States Code sections 15301 through 15545), provisions regarding removal of duplicate registrations and provisions to ensure that eligible voters are not removed in error. For the purpose of maintaining compliance with the help America vote act of 2002, each county voter registration system is subject to approval by the secretary of state for compatibility with the statewide voter registration database system.

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- K. Except as provided in subsection L of this section, for requests for the use of registration forms and access to information as provided in subsections E and F of this section, the county recorder shall receive and respond to requests regarding federal, state and county elections.
- L. Beginning January 1, 2008, recognized political parties shall request precinct lists and access to information as provided in subsections E and F of this section during the time periods prescribed in subsection C or D of this section and the county recorder shall receive and respond to those requests. If the county recorder does not provide the requested materials within the applicable time prescribed for the county recorder pursuant to subsection C or D of this section, a recognized political party may request that the secretary of state provide precinct lists and access to information as provided in subsections E and F of this section for federal, state and county elections. The secretary of state shall not provide access to precinct lists and information for recognized political parties unless the county recorder has failed or refused to provide the lists and materials as prescribed by this section. The secretary of state may charge the county recorder a fee determined by rule for each name or record produced.
- M. For municipal registration information in those municipalities in which the county administers the municipal elections, county and state party chairmen shall request and obtain voter registration information and precinct lists from the city or town clerk during the time periods prescribed in subsection C or D of this section. If the city or town clerk does not provide that information within the same time prescribed for county recorders pursuant to subsection C or D of this section, the county or state party chairman may request and obtain the information from the county recorder. The county recorder shall provide the municipal voter registration and precinct lists within the time prescribed in subsection C or D of this section.
- N. The county recorders and the secretary of state shall not prohibit any person or entity prescribed in subsection C of this section from distributing a precinct list to any person or entity that is deemed to be using the precinct list in a lawful manner as prescribed in subsections E and F of this section.
 - Sec. 7. Section 16-171, Arizona Revised Statutes, is amended to read: 16-171. Preservation of signature rosters as permanent records

The signature roster of a precinct register shall be retained $\frac{\text{for at}}{\text{least six years from the date of the election}}$ PERMANENTLY, and transfer $\frac{\text{or at}}{\text{disposal}}$ shall be pursuant to sections 41-1347 and 41-1351.

Sec. 8. Section 16-543.02, Arizona Revised Statutes, is amended to read:

16-543.02. <u>Federal write-in early ballots; procedure;</u> registration form

A. An overseas voter as defined in the uniformed and overseas citizens absentee voting act of 1986 (P.L. 99-410; 42 United States Code section

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1973ff-6), as amended by the Ronald W. Reagan national defense authorization act for fiscal year 2005 (P.L. 108-375), who is absent from the place of residence in this state where the voter is otherwise qualified to vote may use a federal write-in early ballot in a primary, general or special election for the offices of presidential elector and United States senator and representative in Congress if the voter applies for an early ballot by 7:00 p.m. on election day and does not receive that early ballot.

- B. A federal write-in early ballot of an overseas voter shall not be counted if either of the following conditions is met:
- 1. The application of the overseas voter for an early ballot is received by the county recorder or other officer in charge of elections after 7:00 p.m. on election day.
- 2. An early ballot from the overseas voter is received by the county recorder or other officer in charge of elections by 7:00 p.m. on election day.
- C. An overseas voter who completes a federal write-in early ballot may designate a candidate by writing in the name of the candidate or by writing in the name of a political party, in which case the ballot shall be counted for the candidate of that political party. In the case of the offices of president and vice-president, a vote for a named candidate or in the name of the political party shall be counted as a vote for that candidate's or party's presidential electors. Any abbreviation, misspelling or other minor variation in the form of the name of a candidate or political party shall be disregarded in determining the validity of the ballot if the intention of the voter can be ascertained.
- D. For an overseas voter who completes a federal write-in early ballot transmission envelope with the federal write-in early ballot request, the transmission envelope shall serve as a voter registration form and the voter is registered to vote on completion and receipt of the transmission envelope and the federal write-in early ballot if all of the following apply:
- 1. The information submitted on the transmission envelope includes the information prescribed in section 16-121.01.
 - 2. The voter is otherwise eligible to register and vote in this state.
- 3. The request is received by the county recorder by 7:00 p.m. on election day.
- E. For any request received after 7:00 p.m. on election day, an otherwise valid transmission envelope constitutes a voter registration form that is valid for any subsequent election.
 - Sec. 9. Section 16-583, Arizona Revised Statutes, is amended to read: 16-583. <u>Voter not on precinct register; inactive voter list;</u> procedure

A. On or before election day, the county recorder shall provide to each precinct the names of electors on the inactive voter list. If a person whose name is not on the precinct register appears at a polling place, an election official shall determine whether the person is on the inactive voter

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list. If the person is on the inactive voter list, the registrant, on affirmation by the registrant before an election official at the polling place that the registrant continues to reside at the address indicated on the inactive voter list, shall be permitted to vote at that polling place. The elector's name shall be entered on a separate signature roster page at the end of the signature roster, and voters' names shall be numbered consecutively. If the registrant indicates that he THE REGISTRANT lives at a new residence, the election official shall direct the registrant to the polling place for the new address.

B. Following the election, the county recorder shall remove from the inactive voter list the names of STATUS all electors who voted pursuant to subsection A, and shall place the electors' names back on the general register AND SHALL RETURN THE ELECTORS' STATUS TO ACTIVE.

Sec. 10. Section 16-902.01, Arizona Revised Statutes, is amended to read:

16-902.01. Registration of political committees; contents; amendment

- A. Each political committee that intends to accept contributions or make expenditures of more than five hundred dollars shall file a statement of organization with the filing officer IN THE FORMAT PRESCRIBED BY THE FILING OFFICER before accepting contributions, making expenditures, distributing any campaign literature or circulating petitions. Each political committee that intends to accept contributions or make expenditures of five hundred dollars or less shall file a signed exemption statement in a form prescribed by the filing officer that states that intention before making any expenditures, accepting any contributions, distributing any campaign literature or circulating petitions. If a political committee that has filed a five hundred dollar threshold exemption statement receives contributions or makes expenditures of more than five hundred dollars, that political committee shall file a statement of organization with the filing officer IN THE FORMAT PRESCRIBED BY THE FILING OFFICER within five business days after exceeding the five hundred dollar limit.
- B. The statement of organization of a political committee shall include all of the following:
 - 1. The name, address and type of committee.
- 2. The name, address, relationship and type of any sponsoring organization.
- 3. The names, addresses, telephone numbers, occupations and employers of the chairman and treasurer of the committee.
- 4. In the case of a candidate's campaign committee, the name, address, office sought and party affiliation of the candidate.
- 5. A listing of all banks, safety deposit boxes or other depositories used by the committee.

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- C. Except as prescribed by subsection E of this section, on the filing of a statement of organization, a political committee shall be issued an identification number IN THE FORMAT PRESCRIBED BY THE FILING OFFICER.
- D. The political committee shall file an amended statement of organization reporting any change in the information prescribed in $\frac{\text{subsection}}{\text{SUBSECTIONS}}$ B AND F of this section within five business days after the change.
- E. A standing political committee shall file a statement of organization with the secretary of state and in each jurisdiction in which the committee is active, and only the secretary of state shall issue an identification number for the committee. The statement of organization shall include a statement with the notarized signature of the chairman or treasurer of the standing political committee that declares the committee's status as a standing political committee. The secretary of state may charge an annual fee for the filing.
- F. For a political committee that makes expenditures in an attempt to influence the results of a ballot proposition election, the statement of organization shall include in the name of the political committee the official serial number for the petition, IF ASSIGNED, and a statement as to whether the political committee supports or opposes the passage of the ballot measure. On completion of the designation of statewide ballot propositions by number as prescribed in section 19-125, the secretary of state is authorized TO and shall amend the name of the political committee by attaching to the statement of organization the ballot proposition number as a substitute for the official serial number in the name of the political committee. The secretary of state shall promptly notify the political committee of the amended political committee name and shall make that information available to the public.

Sec. 11. Section 16-902.02, Arizona Revised Statutes, is amended to read:

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16-902.02. <u>Out-of-state political committees: registration:</u> <u>initial reporting</u>
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A political committee that files a statement of organization in this state as prescribed by section 16-902.01, that is registered in another state or pursuant to federal law and that intends to use in this state monies raised before filing its statement of organization shall also file IN THE FORMAT PRESCRIBED BY THE FILING OFFICER complete copies of its previous campaign finance or other similar reports filed in those other jurisdictions that cover all contributions or receipts for the preceding two years.

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Sec. 12. Section 16-903, Arizona Revised Statutes, is amended to read: 16-903. Candidate's campaign committees; exploratory committees; designation; candidate as agent; civil penalty
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A. Each candidate who intends to receive contributions or make expenditures of more than five hundred dollars in connection with a campaign

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for office shall designate in writing THE FORMAT PRESCRIBED BY THE FILING OFFICER a political committee for each election to serve as the candidate's campaign committee. The candidate shall make the designation pursuant to this subsection by filing a statement of organization before making any expenditures, accepting any contributions, distributing any campaign literature or circulating any petitions. Each candidate who intends to receive contributions or make expenditures of five hundred dollars or less shall file a signed exemption statement IN THE FORMAT PRESCRIBED BY THE FILING OFFICER that states that intention before making any expenditures, accepting any contributions, distributing any campaign literature or circulating petitions. If a candidate who has filed a five hundred dollar exemption statement receives contributions or makes expenditures of more than five hundred dollars, that candidate shall file a statement of organization with the filing officer within five business days after exceeding the five hundred dollar limit.

- B. An individual who receives contributions or makes expenditures of more than five hundred dollars for the purpose of determining whether the individual will become a candidate for election to an office in this state shall designate in writing THE FORMAT PRESCRIBED BY THE FILING OFFICER a political committee to serve as the individual's exploratory committee. The individual shall make the designation pursuant to this subsection before making any expenditures, accepting any contributions or distributing any campaign literature.
- C. An individual may have only one exploratory committee in existence at one time. A candidate may have only one campaign committee designated for each election, but a candidate may have more than one campaign committee simultaneously in existence.
- D. A political committee that supports or has supported another candidate or more than one candidate may not be designated as a candidate's campaign committee.
- E. Any candidate who receives a contribution or any loan for use in connection with the campaign of that candidate for election or who makes a disbursement in connection with that campaign shall be deemed as having received the contribution or loan or as having made the disbursement as an agent of the candidate's campaign committee for purposes of this article.
- F. An elected official is not deemed to have offered himself for nomination or election to an office or to have made a formal, public declaration of candidacy within the meaning of section 38-296 solely by his designation of a candidate campaign committee.
- G. A person who violates this section is subject to a civil penalty imposed as prescribed in section 16-924 of up to three times the amount of money that has been received, expended or promised in violation of this section or up to three times the value in money for an equivalent of money or other things of value that have been received, expended or promised in violation of this section.

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Sec. 13. Section 16-904, Arizona Revised Statutes, is amended to read: 16-904. <u>Treasurer: duties: records: civil penalty</u>

- A. No expenditure may be made for or on behalf of a political committee without the authorization of the treasurer or $\frac{\text{his}}{\text{HE}}$ THE TREASURER'S designated agent.
- B. The treasurer shall maintain a record of all petty cash disbursements pursuant to subsection E, paragraph 4 of this section.
- C. All receipts received by a political committee shall be deposited in an account designated pursuant to section 16-902, subsection C. All monies of a political committee shall be segregated from, and may not be commingled with, the monies of any individual other than contributions by an individual.
- D. A political committee shall exercise its best efforts to obtain the required information for any incomplete contribution received that is required to be itemized on a campaign finance report pursuant to section 16-915, subsection A, paragraph 3. A political committee will not be deemed to have exercised best efforts to obtain the required information unless the treasurer or his THE TREASURER'S agent has made at least one effort after the receipt of the contribution to obtain the missing information by a written request sent to the contributor or by oral contact with the contributor documented in writing and shall comply with the following:
- 1. The request must clearly ask for the missing information and inform the contributor that the committee is required by law to obtain the mailing address, occupation and employer of each individual contributor and the mailing address and identification number of each political committee contributor.
- 2. Any information required for the identification of a contributor received by the political committee after the contribution has been disclosed on a campaign finance report required pursuant to section 16-913 shall be reported on an amended report.
- E. The treasurer of a political committee is the custodian of the committee's books and accounts and shall keep an account of all of the following:
- 1. All contributions or other monies received by or on behalf of the political committee.
- 2. The identification of any individual or political committee that makes any contribution together with the date and amount of each contribution and the date of deposit into a designated account.
- 3. Cumulative totals contributed by each individual or political committee.
- 4. The name and address of every person to whom any expenditure is made, the date, amount and purpose or reason for the expenditure and, except in the case of an expenditure by a candidate's campaign committee, the name of the candidate and the office sought by the candidate if the expenditure was made on behalf of or in opposition to a candidate.

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- 5. All periodic or other statements for each account designated pursuant to section 16-902, subsection C.
- F. FOR ANY COMMITTEE THAT HAS FILED A FIVE HUNDRED DOLLAR THRESHOLD EXEMPTION STATEMENT:
- 1. THE COMMITTEE AND TREASURER SHALL MAINTAIN A RECORD OF ALL CONTRIBUTIONS RECEIVED AND EXPENDITURES MADE BY THE COMMITTEE. IF THE COMMITTEE EXCEEDS THE FIVE HUNDRED DOLLAR LIMIT, THE COMMITTEE SHALL AMEND ITS STATEMENT OF ORGANIZATION, FILE A REPORT OF ITS CONTRIBUTIONS AND EXPENDITURES PURSUANT TO SECTION 16-913 AND COMPLY WITH ALL REPORTING REQUIREMENTS.
- 2. FOR A COMMITTEE THAT DOES NOT EXCEED ITS FIVE HUNDRED DOLLAR THRESHOLD, THE COMMITTEE TERMINATES AT THE END OF THE ELECTION CYCLE FOR WHICH IT WAS FORMED, SHALL FILE A TERMINATION STATEMENT AS PRESCRIBED BY SECTION 16-914 AND SHALL DISPOSE OF ANY SURPLUS MONIES AS OTHERWISE PROVIDED BY LAW.
- 3. A COMMITTEE THAT FAILS TO FILE ITS TERMINATION STATEMENT PURSUANT TO PARAGRAPH 2 OF THIS SUBSECTION IS TERMINATED BY OPERATION OF LAW NINETY DAYS AFTER THE END OF THE ELECTION CYCLE FOR WHICH IT WAS FORMED AND SHALL PAY A CIVIL PENALTY OF ONE HUNDRED DOLLARS.
- F. G. Unless specified by the contributor or contributors to the contrary, the treasurer shall record a contribution made by check, money order or other written instrument as a contribution by the person whose signature or name appears on the bottom of the instrument or who endorses the instrument before delivery to the committee. If a contribution is made by more than one person in a single written instrument, the treasurer shall record the amount to be attributed to each contributor as specified.
- G. H. All contributions other than in-kind contributions must be made by a check drawn on the account of the actual contributor or by a money order or a cashier's check containing the name of the actual contributor or must be evidenced by a written receipt with a copy of the receipt given to the contributor and a copy maintained in the contribution records of the recipient.
- H. I. The treasurer shall preserve all records required to be kept by this section and copies of all finance reports required to be filed by this article for three years after the filing of the finance report covering the receipts and disbursements evidenced by the records.
- I. J. On request of the attorney general, the county, city or town attorney or the filing officer, the treasurer shall provide any of the records required to be kept pursuant to this section.
- J. K. A person who violates this section is subject to a civil penalty imposed as prescribed in section 16-924 of three times the amount of money that has been received, expended or promised in violation of this section or three times the value in money for an equivalent of money or other things of value that has been received, expended or promised in violation of this section.

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Sec. 14. Section 16-912.01, Arizona Revised Statutes, is amended to read:

16-912.01. <u>Ballot measure committees: campaign literature and advertising funding: identification: disclosure: civil penalty: definition</u>

- A. A political committee that makes an expenditure in connection with any literature or advertisement to support or oppose a ballot proposition shall disclose AND INCLUDE ON THE LITERATURE OR ADVERTISEMENT THE WORDS "PAID FOR BY", FOLLOWED BY THE NAME OF THE COMMITTEE THAT APPEARS ON ITS STATEMENT OF ORGANIZATION OR FIVE HUNDRED DOLLAR THRESHOLD EXEMPTION STATEMENT, AND SHALL ALSO INCLUDE in such literature or advertisement the four largest of its major funding sources as of the time the literature or advertisement is printed, recorded or otherwise produced for dissemination. If a political committee has fewer than four major funding sources, the committee shall disclose all major funding sources.
- B. For purposes of this section, a major funding source of a political committee is any contributor that is not an individual person and that has made cumulative contributions of either:
- 1. Ten thousand dollars or more for an expenditure in support of or opposition to a statewide ballot proposition or a ballot proposition of a political subdivision with a population of one hundred thousand persons or more.
- 2. Five thousand dollars or more for an expenditure in support of or opposition to a ballot proposition of a political subdivision with a population of less than one hundred thousand persons.
- C. If an out-of-state contributor or group of out-of-state contributors is a major funding source to a political committee disclosed pursuant to subsection A, the political committee shall state the contributor is an out-of-state contributor on its literature or advertisement in support of or in opposition to a ballot proposition.
- D. Contributors that make contributions to more than one political committee that supports or opposes the same ballot proposition shall notify each political committee of the cumulative total of these contributions. Cumulative totals must be disclosed by each political committee that received contributions from the same contributor if the cumulative totals qualify as a major funding source to be disclosed pursuant to subsection A.
- E. Any disclosure statement required by this section shall be printed clearly and legibly in a conspicuous manner in type at least as large as the majority of the printed text. If the communication is broadcast on radio, the information shall be spoken at the end of the communication. If the communication is broadcast on a telecommunications system, the information shall be both written and spoken at the end of the communication, except that if the disclosure statement is written for at least five seconds of a thirty second advertisement broadcast or ten seconds of a sixty second advertisement broadcast, a spoken disclosure statement is not required. If the

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communication is broadcast on a telecommunications system, the written disclosure statement shall be printed in letters equal to or larger than four per cent of the vertical picture height.

- F. Subsection A does not apply to bumper stickers, pins, buttons, pens and similar small items on which the statements required in subsection A cannot be conveniently printed or to a communication by an organization solely to its members.
- G. A committee shall change future literature and advertisements to reflect any change in funding sources that must be disclosed pursuant to subsection A.
- H. This section only applies to advertisements the contents of which are more than fifty per cent devoted to one or more ballot propositions or proposed measures on the same subject.
- I. Any committee that violates this section is liable in a civil action brought by the attorney general, county attorney or city or town attorney, as appropriate, or by any other person for a civil penalty of three times the total cost of the advertisement. A donor who does not accurately disclose its contributions is liable for a civil penalty of three times the amount donated.
- J. For THE purposes of this section, "advertisement" means general public advertising through the print and electronic media, signs, billboards and direct mail.
 - Sec. 15. Section 16-913, Arizona Revised Statutes, is amended to read: 16-913. Campaign finance reports; reporting of receipts and disbursements; exemptions; civil penalty
- A. Except as provided in subsection K of this section, each political committee shall file campaign finance reports IN THE FORMAT PRESCRIBED BY THE FILING OFFICER setting forth the committee's receipts and disbursements according to the schedule prescribed in subsections B and C of this section.
- B. In any calendar year during which there is a regularly scheduled election at which any candidates, measures, questions or propositions appear or may appear on the ballot, the political committee shall file each of the following campaign finance reports:
- 1. A report covering the period beginning January 1 through May 31, filed no later than June 30.
- 2. A preelection report, which shall be filed not less than twelve days before any election and which shall be complete through the twentieth day before the election.
- 3. A postelection report, which shall be filed not more than thirty days after any election and which shall be complete through the twentieth day after the election.

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- C. In any other calendar year, the political committee shall file a report covering the period beginning twenty-one days after the date of the election in the preceding calendar year through December 31 of the nonelection year filed no later than January 31 of the following calendar year.
- D. In the event that a political committee receives no contributions and makes no expenditures during a period in which it is required to file a campaign finance report, the committee treasurer or if the treasurer is unavailable the candidate, in lieu of filing a report required by subsection B of this section, may sign and file a form prescribed by the secretary of state indicating no activity during the specific reporting period.
- E. In lieu of the reports prescribed in subsections B and C of this section, a candidate's political committee that remains active after an election due to outstanding debts may file a document no later than January 31 in a form prescribed by the secretary of state that states that the committee does not intend to receive any contributions or make any expenditures during the year. If a candidate's political committee does receive a contribution or make an expenditure during that year, the committee shall report as prescribed by subsection B or C of this section.
- F. A judge who has filed a declaration of the desire to be retained in office is exempt from filing any report required by this section if the judge, not later than twelve days before the general election, files a statement signed and sworn to by the judge certifying that the judge has received no contributions, has made no expenditures and has no campaign committee and that the judge does not intend to receive contributions, make expenditures or have a campaign committee for the purpose of influencing the result of the vote on the question of the judge's retention. With respect to superior court judges, a statement filed pursuant to this subsection is effective until the earlier of twelve days before the third general election following the filing of this statement or the judge receives contributions, makes expenditures or authorizes a campaign committee. Such a statement filed by a supreme court justice or a court of appeals judge is effective until the earlier of twelve days before the fourth general election following the filing of this statement or the justice or judge receives contributions, makes expenditures or authorizes a campaign committee.
- G. Reports in connection with special or recall elections shall conform to the filing deadlines set forth in subsection B of this section.
- H. Except as provided in section 16-916, subsection B and subsection K of this section, a political committee shall comply with the requirements of this section in each jurisdiction in this state in which the committee has filed a statement of organization until the committee terminates pursuant to section 16-914, and its statements, designations and reports shall be filed with each officer with whom it has filed a statement of organization, as appropriate.

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- I. Each report required to be filed pursuant to this section shall be signed by the committee treasurer or the candidate or the designating individual if the treasurer is unavailable and shall contain the certification of the signer under penalty of perjury that the report is true and complete.
- J. A political committee and the candidate, in the case of a candidate's campaign committee, or the designating individual, in the case of an exploratory committee, who violate this section are subject to the penalty prescribed in section 16-918.
- K. A standing political committee shall file reports with the secretary of state and is exempt from filing a report with any other jurisdiction in which it is active. The reports shall be in an electronic format as prescribed by the secretary of state and shall be filed by delivery of a computer diskette or cd-rom that contains the report or by use of the internet. The secretary of state shall promptly make the reports available to the public on the internet and on paper SHALL MAKE THE REPORTS AVAILABLE BY ELECTRONIC MEANS by request. The standing committee shall file the following reports:
- 1. A preelection report that is due as prescribed by subsection B, paragraph 2 of this section shall be filed for each consolidated election date prescribed by section 16-204.
- 2. A postelection report that is due as prescribed by subsection B, paragraph 3 of this section shall be filed for each consolidated election date prescribed by section 16-204.
- 3. An annual report that is due by January 31 in the year immediately following the calendar year that is the subject of the report.
 - Sec. 16. Section 16-914, Arizona Revised Statutes, is amended to read: 16-914. Termination statement
- A. Except as prescribed by subsection C of this section AND SECTION 16-904, SUBSECTION F, a political committee may terminate only when the committee chairman and treasurer file a written statement with the officer with whom the committee's statement of organization is filed IN THE FORMAT PRESCRIBED BY THE FILING OFFICER certifying under penalty of perjury that it will no longer receive any contributions or make any disbursements, that the committee has no outstanding debts or obligations and that any surplus monies have been disposed of pursuant to section 16-915.01 together with a statement of the manner of disposition of the surplus, the name and address of each recipient of surplus monies and the date and amount of each disposition of For a political committee that is an individual's surplus monies. exploratory committee or a candidate's campaign committee, the committee may transfer the committee's debts and obligations to a subsequent committee for that individual or candidate, as prescribed by section 16-915.01, and in that event may terminate without certifying that the committee has no outstanding debts or obligations.

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- B. After the filing of an appropriate termination statement, a political committee is not required to file any subsequent campaign finance reports and shall have no further receipts or disbursements without filing a new statement of organization.
- C. A political committee may terminate its activities in a reporting jurisdiction and remain active in other jurisdictions by attaching a statement to the reporting jurisdiction's termination statement that is signed by the committee's chairman and treasurer, that attests to the intent to remain active in other jurisdictions and that contains a statement that the committee's remaining monies shall be used for activities in other jurisdictions.
 - Sec. 17. Section 16-916, Arizona Revised Statutes, is amended to read: 16-916. Filing statements of contributions and expenditures; public inspection
- A. Except as provided in subsection B of this section, the statements, designations and reports required to be filed pursuant to this article shall be filed as follows:
- 1. In the office of the secretary of state for political committees supporting or opposing the recall of a public officer elected statewide or to the legislature, supporting the circulation of petitions for ballot measures, questions and propositions appearing on a state general election ballot or recall of public officials elected statewide or to the legislature or supporting or opposing candidates for state offices and members of the legislature, for justices of the supreme court, for judges of the court of appeals and for a statewide initiative or referendum or any measure or proposition appearing on a state general election ballot. The office of the secretary of state shall post to its website in a format that is viewable by the public the campaign finance information prescribed by this section.
- 2. With the county officer in charge of elections for political committees supporting or opposing the recall of public officers elected to county offices, school district governing boards, community college district governing boards or judges of the superior court, supporting the circulation of petitions for ballot measures, questions and propositions appearing on a county election ballot or for the recall of a public officer elected to county offices, school district governing boards, community college district governing boards or judges of the superior court or supporting or opposing candidates for county offices, school district governing board members or ballot questions, community college district governing board members or ballot questions, judges of the superior court seeking retention, special taxing districts and a county initiative or referendum or any measure or proposition appearing on a county election ballot. For any county with a population of more than one hundred thousand persons that operates a website, the county officer in charge of elections shall post to that website in a format that is viewable by the public the campaign finance information

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prescribed by this section. The posting requirements of this paragraph do not apply to reports where less than five hundred dollars is spent.

- 3. With the city or town clerk for political committees supporting or opposing the recall of public officers elected to city or town offices, supporting the circulation of petitions for ballot measures, questions and propositions appearing on a city or town election ballot or recall of public officers elected for city or town offices or supporting or opposing candidates for city or town offices and for a city or town initiative or referendum or any measure or proposition appearing on a city or town election ballot. For any city or town with a population of more than two thousand five hundred persons that operates a website, the city or town shall post to that website in a format that is viewable by the public the campaign finance information prescribed by this section. The posting requirements of this paragraph do not apply to reports where less than five hundred dollars is spent.
- B. An original and one copy of the CAMPAIGN FINANCE reports required pursuant to section 16-913 for the office of member of the legislature AND STATEWIDE OFFICES shall be filed with the secretary of state IN THE MANNER PRESCRIBED BY THE SECRETARY OF STATE. The secretary of state may provide through the procedures manual adopted pursuant to section 16-452 for an alternative method for providing public access to the reports prescribed by this section.
- C. For all statements, designations and reports, the date of filing is the date of actual receipt by the officer with whom the document is required to be filed except as follows:
- 1. For documents filed by certified mail with a United States mail postmark, the date of mailing constitutes the date of filing.
- 2. For documents filed by commercial delivery services that provide a standardized delivery confirmation process, the date of delivery confirmation constitutes the date of filing.
- 3. For documents filed by commercial delivery services that provide for electronic tracking of specific delivery packages, the date of electronic confirmation of delivery constitutes the date of filing.
- D. If the date for filing any statement, designation or report required by this article is a Saturday, a Sunday or another legal holiday, the filing deadline is the next day that is not a Saturday, a Sunday or another legal holiday.
- Sec. 18. Section 16-916.01, Arizona Revised Statutes, is amended to read:

16-916.01. <u>Electronic filing; statements of contributions and expenditures</u>

A. Statements, designations and reports that are filed pursuant to this article in the office of the secretary of state in electronic format shall be filed using computer software that is PROGRAMS THAT ARE provided or approved by the secretary of state. The secretary of state shall provide

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computer software PROGRAMS to accommodate electronic filings and shall implement and maintain a system for the electronic collection, filing and dissemination of materials filed pursuant to section 16-916, subsection A, paragraph 1. A county officer in charge of elections may implement an electronic filing system for statements, designations and reports that are required by this article to be filed with the county officer in charge of elections. Subsections B through F of this section apply to an electronic filing program operated by a county.

- B. If the filings are complete and correct, any statements, designations or reports that are filed in the secretary of state's electronic filing format are deemed to comply with:
 - 1. The filing requirements of this chapter.
- 2. The requirement that a filing be made under oath or be submitted with a written signature.
- C. A statement, designation or report that is filed in electronic format is deemed to be filed under penalty of perjury if the printed format version of that document is required to be filed under penalty of perjury.
- D. A person or political committee that submits any statement, designation or report pursuant to this chapter that is not properly formatted or that does not contain the information prescribed by this chapter has not complied with the reporting requirements of this chapter and is subject to penalties and enforcement as otherwise provided by law.
- E. During the implementation of an electronic filing system, the county officer in charge of elections may require that statements, designations or reports be filed with an additional written or printed copy.
- F. For an electronic filing system implemented by the secretary of state or other filing officer, the filing officer shall designate one or more approved transmittal formats and methods.
 - Sec. 19. Section 16-918, Arizona Revised Statutes, is amended to read: 16-918. Campaign finance reports: notice: civil penalty: prohibition on candidacy
- A. If a political committee fails to file a report in a timely manner as required by this chapter, the filing officer shall send written notice of the delinquency of the report to the political committee and the candidate, in the case of the candidate's campaign committee, or to the designating individual, in the case of an individual's exploratory committee. The notice shall be sent by certified mail within fifteen days after the filing officer determines there may be a failure to file a campaign finance report. The notice shall provide with reasonable particularity the nature of the failure and a statement of the penalties provided in this section.
- B. A political committee, or in the case of a candidate's campaign committee, the candidate, or in the case of an exploratory committee, the designating individual, is liable for a late penalty of ten dollars for each day after failure to make or file a campaign finance report that is required pursuant to this chapter up to a maximum of four hundred fifty dollars. The

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filing officer shall not accept a campaign report unless any penalties owed as a result of this section or any penalties imposed pursuant to section 16-924 are paid with the report.

- C. A political committee, or in the case of a candidate's campaign committee, the candidate, or in the case of an exploratory committee, the designating individual, that has failed to file within fifteen days after receiving a notice of delinquency pursuant to subsection A of this section is liable for a civil penalty of twenty-five dollars for each subsequent day that the filing is late. This penalty shall be assessed pursuant to section 16-924.
- D. For THE purposes of this section, there is a failure to make and file a campaign finance report by the treasurer, the designating individual, in the case of an exploratory committee, the candidate, in the case of a candidate's campaign committee, and for all other political committees, the chairman, if any of the following occurs:
- 1. The report is not filed in a timely manner as prescribed by section 16-913.
 - 2. The report is not signed in accordance with section 16-913.
- 3. A good faith effort is not made to substantially complete the report as prescribed by section 16-915.
- E. It is a defense to an enforcement action brought pursuant to this section if good cause is shown by the treasurer, the designating individual, in the case of an exploratory committee, or the candidate, in the case of a candidate's campaign committee, for the failure to make and file a campaign finance report. For THE purposes of this subsection, "good cause" includes an illness or absence from this state at the time the campaign finance report was due or the written notice of delinquency was delivered if the illness or absence reasonably prevented the treasurer, designating individual or candidate from filing the report or receiving the written notice.
- F. In addition to the enforcement actions prescribed by this section, a person who was a candidate for nomination or election to any local or state office and who after written notice pursuant to this section failed to make and file a campaign finance report as required by this chapter is not eligible to be a candidate for nomination or election to any local or state office for five years after the last failure to make and file a campaign finance report occurred. This penalty shall be imposed as follows:
- 1. A candidate's failure to make and file a campaign finance report with a filing officer for a jurisdiction is grounds for that filing officer to refuse the candidate's nomination paper for any public office in that jurisdiction as described in this subsection.
- 2. A candidate's failure to make and file a campaign finance report with any filing officer is grounds for a filing officer from another jurisdiction to refuse the candidate's nomination paper for any public office on presentation of a certified copy of a final order issued pursuant to section 16-924.

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- G. For a standing political committee, in addition to any late penalty and civil penalty assessed pursuant to this section, if the standing political committee makes a late filing three or more times, the standing political committee is no longer eligible for consolidated filing status pursuant to section 16-913, subsection K and shall make all of its filings in each reporting jurisdiction in which it is active.
- H. For any political committee that has failed to file three consecutive campaign finance reports with the secretary of state FILING OFFICER as prescribed by section 16-913, the secretary of state FILING OFFICER shall send the committee chairman and treasurer a written notice of intent to suspend the political committee. The notice of intent to suspend shall state that failure of the political committee to fully comply with all filing requirements for that committee, including any required payments, within thirty days of the date of the notice shall result in suspension of the political committee's authority to operate in this state THAT On suspension of the political committee's authority to JURISDICTION. operate, the secretary of state FILING OFFICER is no longer required to provide any further notice of delinquency to the political committee. This subsection does not reduce or eliminate the political committee's continuing obligation to make campaign finance filings and pay any fines, penalties, civil penalties or other sanctions that may continue to accrue as otherwise provided by law. This subsection does not apply to reports required pursuant to article 2 of this chapter or to a candidate's campaign committee designated by that candidate pursuant to section 16-903 during that election cycle.

Sec. 20. <u>Heading change</u>

The chapter heading of title 16, chapter 8, Arizona Revised Statutes, is changed from "MEMBERSHIP AND APPORTIONMENT OF LEGISLATURE AND ESTABLISHMENT OF CONGRESSIONAL DISTRICTS" to "ESTABLISHMENT OF LEGISLATIVE AND CONGRESSIONAL DISTRICTS".

Sec. 21. Repeal

Sections 16-1101 and 16-1102, Arizona Revised Statutes, are repealed. Sec. 22. Section 19-121.01, Arizona Revised Statutes, is amended to read:

19-121.01. <u>Secretary of state; removal of petition and ineligible signatures; facsimile sheets; random sample</u>

- A. Within twenty days, excluding Saturdays, Sundays and other legal holidays, of the date of filing of an initiative or referendum petition and issuance of the receipt, the secretary of state shall:
 - 1. Remove the following:
- (a) Those sheets not attached to a copy of the title and text of the measure.
 - (b) The copy of the title and text from the remaining petition sheets.

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- (c) Those sheets not bearing the petition serial number in the lower right-hand corner of each side.
- (d) Those sheets containing a circulator's affidavit that is not completed or signed.
- (e) Those sheets on which the affidavit of the circulator is not notarized, the notary's signature is missing, the notary's commission has expired or the notary's seal is not affixed.
- (f) Those sheets on which the signatures of the circulator or the notary are dated earlier than the dates on which the electors signed the face of the petition sheet.
- (g) THOSE SHEETS THAT ARE CIRCULATED BY A CIRCULATOR WHO IS PROHIBITED FROM PARTICIPATING IN ANY ELECTION, INITIATIVE, REFERENDUM OR RECALL CAMPAIGN PURSUANT TO SECTION 19-119.01.
- 2. After completing the steps in paragraph 1 of this subsection, review each sheet to determine the county of the majority of the signers and shall:
- (a) Place a three or four letter abbreviation designating that county in the upper right-hand corner of the face of the petition.
- (b) Remove all signatures of those not in the county of the majority on each sheet by marking an "SS" in red ink in the margin to the right of the signature line.
- (c) Cause all signature sheets to be grouped together by county of registration of the majority of those signing and attach them to one or more copies of the title and text of the measure. If the sheets are too bulky for convenient grouping by the secretary of state in one volume by county, they may be bound in two or more volumes with those in each volume attached to a single printed copy of the measure. The remaining detached copies of the title and text of the measure shall be delivered to the applicant.
- 3. After completing the steps in paragraph 2 of this subsection, remove the following signatures that are not eligible for verification by marking an "SS" in red ink in the margin to the right of the signature line:
 - (a) If the signature of the qualified elector is missing.
- (b) If the residence address or the description of residence location is missing.
 - (c) If the date on which the petitioner signed is missing.
- (d) Signatures in excess of the fifteen signatures permitted per petition.
 - (e) Signatures withdrawn pursuant to section 19-113.
- (f) SIGNATURES FOR WHICH THE SECRETARY OF STATE DETERMINES THAT THE PETITION CIRCULATOR HAS PRINTED THE ELECTOR'S FIRST AND LAST NAMES OR OTHER INFORMATION IN VIOLATION OF SECTION 19-112.
- 4. After the removal of petition sheets and signatures, count the number of signatures for verification on the remaining petition sheets and note that number in the upper right-hand corner of the face of each petition sheet immediately above the county designation.

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- 5. Number the remaining petition sheets that were not previously removed and that contain signatures eligible for verification in consecutive order on the front side of each petition sheet in the upper left-hand corner.
- 6. Count all remaining petition sheets and signatures not previously removed and issue a receipt to the applicant of this total number eligible for verification.
- B. If the total number of signatures for verification as determined pursuant to subsection A, paragraph 6 of this section equals or exceeds the constitutional minimum, the secretary of state, during the same twenty day period provided in subsection A of this section, shall select, at random, five per cent of the total signatures eligible for verification by the county recorders of the counties in which the persons signing the petition claim to be qualified electors. The random sample of signatures to be verified shall be drawn in such a manner that every signature eligible for verification has an equal chance of being included in the sample. The random sample produced shall identify each signature selected by petition page and line number. The signatures selected shall be marked according to the following procedure:
- 1. Using red ink, mark the selected signature by circling the line number and drawing a line from the base of the circle extending into the left margin.
- 2. If a signature line selected for the random sample is found to be blank or was removed from the verification process pursuant to subsection A of this section and is marked with an "SS", then the next line down, even if that requires going to the next petition sheet in sequence, on which an eligible signature appears shall be selected as a substitute if that line has not already been selected for the random sample. If the next eligible line is already being used in the random sample, the secretary of state shall proceed back up the page from the signature line originally selected for the random sample to the next previous signature line eligible for verification. If that line is already being used in the random sample, the secretary of state shall continue moving down the page or to the next page from the line originally selected for the random sample and shall select the next eligible signature as its substitute for the random sample. The secretary of state shall use this process of alternately moving forward and backward until a signature eligible for verification and not already included in the random sample can be selected and substituted.
- C. After the selection of the random sample and the marking of the signatures selected on the original petition sheets pursuant to subsection B of this section, the secretary of state shall reproduce a facsimile of the front of each signature sheet on which a signature included in the random sample appears. The secretary of state shall clearly identify those signatures marked for verification by color highlighting or other similar method and shall transmit by personal delivery or certified mail to each county recorder a facsimile sheet of each signature sheet on which a signature appears of any individual who claims to be a qualified elector of

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that county and whose signature was selected for verification as part of the random sample.

D. The secretary of state shall retain in custody all signature sheets removed pursuant to this section except as otherwise prescribed in this title.

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Sec. 23. Section 19-122, Arizona Revised Statutes, is amended to read:

19-122. Refusal of secretary of state to file petition or

transmit facsimiles of signature sheets or affidavits
of circulators; writ of mandamus; venue
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A. If the secretary of state refuses to accept and file a petition for the initiative or referendum, or proposal for a constitutional amendment which THAT has been presented within the time prescribed, or if he THE SECRETARY OF STATE refuses to transmit the facsimiles of a signature sheet or sheets or affidavits of circulators to the county recorders for certification under section 19-121.01, he THE SECRETARY OF STATE shall provide the person who submitted the petition, proposal, signature sheet or affidavit with a written statement of the reason for the refusal. Within five calendar days after the refusal any citizen may apply to the superior court for a writ of mandamus to compel the secretary of state to file the petition or proposal or transmit the facsimiles, or the citizen may file a complaint with the county attorney or attorney general. The county attorney or attorney general may apply, within five calendar days after the complaint is made, to the superior court for a writ of mandamus to compel the secretary of state to file the petition or proposal or transmit the facsimiles. The action shall be advanced on the calendar and heard and decided by the court as soon as possible. Either party may appeal to the supreme court within five calendar days after judgment. If the court finds that the petition is legally sufficient, the secretary of state shall then file it, with a certified copy of the judgment attached as of the date on which it was originally offered for filing in his THE SECRETARY OF STATE'S office.

B. The most current version of the general county register statewide voter registration database at the time of filing a court action challenging an initiative or referendum petition shall constitute the official record to be used to determine on a prima facie basis by the challenger that the signer of a petition was not registered to vote at the address given on the date of signing the petition. If the address of the signer given on the date of signing the petition is different from that on the most current version of the general county register, the county recorder shall examine the version of the general county register which THAT was current on the date the signer signed the petition to determine the validity of the signature AND TO DETERMINE WHETHER THE PERSON WAS ELIGIBLE TO SIGN THE PETITION AT THE TIME OF SIGNING. This subsection does not preclude introducing into evidence a certified copy of the affidavit or OF registration of any signer dated prior to the signing of the petition if the affidavit is in the possession of the county recorder but has not yet been filed in the general county register.

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- C. Notwithstanding section 19-121.04, if any petition filed is not legally sufficient, the court may, in an action brought by any citizen, MAY enjoin the secretary or other officers from certifying or printing on the official ballot for the ensuing election the amendment or measure proposed or referred. The action shall be advanced on the calendar and heard and decided by the court as soon as possible. Either party may appeal to the supreme court within five days after judgment.
- D. The superior court in Maricopa county shall have jurisdiction of actions relating to measures and amendments to be submitted to the electors of the state at large. With respect to actions relating to local and special measures, the superior court in the county, or in one of the counties, in which the measures are to be voted $\frac{1}{2}$ ON shall have jurisdiction.
- Sec. 24. Section 41-1232, Arizona Revised Statutes, is amended to read:

41-1232. Registration of principals; fee

- A. Except as provided in subsection B, before any principal causes any lobbying to occur on its behalf, the principal shall register with the secretary of state by filing a written statement IN A FORMAT PRESCRIBED BY THE SECRETARY OF STATE, subscribed under oath, containing the following information:
 - 1. The name and business address of the principal.
- 2. The name and business address of a person who is the designated lobbyist for the principal, regardless of whether such person is engaged to lobby for compensation.
- 3. The name and business address of each lobbyist for compensation or authorized lobbyist employed by, retained by or representing the principal.
- 4. For each lobbyist for compensation, designated lobbyist or authorized lobbyist that is not an individual, the name and business address of all employees of that lobbyist who lobby on the principal's behalf.
- 5. The nature of the primary business or activity, issue, interest or purpose of the principal.
 - 6. The duration of the engagement of any lobbyist.
- 7. A description of the expenses for which each lobbyist is to be reimbursed by the principal.
- 8. A listing of the state entities the lobbyist has been engaged or designated to lobby including the legislature and state agencies, boards, commissions or councils.
- B. If a registration as required by subsection A cannot be accomplished or is not practicable in advance of the first attempt or occasion to lobby, registration must occur within five business days after the day on which the first lobbying attempt, occasion or activity occurs.
- C. Each principal shall reregister during November NO LATER THAN 5:00 P.M. ON THE SECOND MONDAY IN JANUARY of each even ODD numbered year unless at that time the principal no longer engages any lobbyist. A PRINCIPAL SHALL FILE ITS REGISTRATION AT ANY TIME BEGINNING DECEMBER 1 IN THE EVEN NUMBERED

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YEAR UNTIL 5:00 P.M. ON THE SECOND MONDAY IN JANUARY IN THE ODD NUMBERED YEAR. Each principal shall amend its registration statement within five business days of any change in the information required by subsection A.

- D. A principal shall provide notice to each lobbyist for compensation, authorized lobbyist and designated lobbyist who is named in the principal's registration or reregistration statement. The notice shall state that the principal has listed the lobbyist for compensation, authorized lobbyist or designated lobbyist on the principal's registration or reregistration statement and that this listing obligates the lobbyist for compensation or designated lobbyist to register and file all reports required by this article. The notice shall be accompanied by a summary of the lobbyist laws published by the secretary of state, the first page of the principal's registration and the page of the schedule on which the name of the lobbyist for compensation, authorized lobbyist or designated lobbyist appears.
- E. Each principal that registers a lobbyist for compensation or a designated lobbyist who receives compensation for lobbying from the principal, at the time of registering or reregistering, shall pay a registration or reregistration fee of twenty-five dollars to the secretary of state. No principal may be charged more than one twenty-five dollar fee per registration period. Registration and reregistration fees collected by the secretary of state shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund, and, subject to legislative appropriation, the registration and reregistration fees for principals shall be used to reduce the costs associated with enforcing the lobbyist registration laws.

Sec. 25. Section 41-1232.01, Arizona Revised Statutes, is amended to read:

41-1232.01. Registration by public bodies: fee

- A. Except as provided in subsection B, before any public body causes any lobbying to occur on its behalf, the public body shall register with the secretary of state by filing a written statement IN A FORMAT PRESCRIBED BY THE SECRETARY OF STATE, subscribed under oath, containing the following information:
 - 1. The name and business address of the public body.
- 2. The name and business address of a person who is the designated public lobbyist for the public body, regardless of whether this person is engaged to lobby for compensation.
- 3. The name and business address of each authorized public lobbyist employed by, retained by or representing the public body.
- 4. For each designated public lobbyist or authorized public lobbyist that is not an individual, the name and business address of all employees of such designated public lobbyist or authorized public lobbyist who may lobby on the public body's behalf.
- 5. A description of the expenses for which each designated public lobbyist and authorized public lobbyist is to be reimbursed by the public body.

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- B. If a registration as required by subsection A cannot be accomplished or is not practicable in advance of the first attempt or occasion to lobby, registration must occur within five business days after the day on which the first lobbying attempt, occasion or activity occurs.
- C. Each public body shall reregister during November NO LATER THAN 5:00 P.M. ON THE SECOND MONDAY IN JANUARY of each even ODD numbered year unless at that time the public body no longer engages any designated public lobbyist or authorized public lobbyist. A PUBLIC BODY SHALL FILE ITS REGISTRATION AT ANY TIME BEGINNING DECEMBER 1 IN THE EVEN NUMBERED YEAR UNTIL 5:00 P.M. ON THE SECOND MONDAY IN JANUARY IN THE ODD NUMBERED YEAR. Each public body shall amend its registration statement within five business days of any change in the information required by subsection A.
- D. A public body shall provide notice to each designated public lobbyist or authorized public lobbyist who is named in the public body's registration or reregistration statement. The notice shall state that the public body has listed the designated public lobbyist or authorized public lobbyist on the public body's registration or reregistration statement and that this listing obligates the designated public lobbyist to register and file all reports required by this article. The notice shall be accompanied by a summary of the lobbyist laws published by the secretary of state, the first page of the public body's registration and the page of the schedule on which the designated or authorized public lobbyist's name appears.
- E. Each public body that registers a designated public lobbyist who receives compensation for lobbying from the public body, at the time of registering or reregistering, shall pay a registration or reregistration fee of twenty-five dollars to the secretary of state. No public body may be charged more than one twenty-five dollar fee per registration period. Registration and reregistration fees collected by the secretary of state shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund, and, subject to legislative appropriation, the registration and reregistration fees for public bodies shall be used to reduce the costs associated with enforcing the lobbyist registration laws.
- Sec. 26. Section 41-1232.05, Arizona Revised Statutes, is amended to read:

41-1232.05. Lobbyist registration; handbook; requirement

A. A person who is listed by a principal or public body on a registration form pursuant to section 41-1232 or 41-1232.01 as a lobbyist for compensation, designated lobbyist or designated public lobbyist shall file a lobbyist registration form with the secretary of state during November IN A FORMAT PRESCRIBED BY THE SECRETARY OF STATE NO LATER THAN 5:00 P.M. ON THE SECOND MONDAY IN JANUARY of each odd EVEN numbered year and shall read a handbook containing statutes and rules governing lobbyists for compensation, designated lobbyists and designated public lobbyists, written guidelines and forms and samples for completing the lobbyist disclosure forms. A PERSON SHALL FILE THE REGISTRATION AT ANY TIME BEGINNING DECEMBER 1 IN THE ODD

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NUMBERED YEAR UNTIL 5:00 P.M. ON THE SECOND MONDAY IN JANUARY IN THE EVEN NUMBERED YEAR. The lobbyist handbook shall be written and prescribed by the secretary of state. A person who is originally listed as a lobbyist for compensation, designated lobbyist or designated public lobbyist in FOR a month other than November JANUARY shall file, within thirty days, a registration form and shall file a registration form during November FOR JANUARY of each odd EVEN numbered year thereafter if he THE PERSON continues to be listed as a lobbyist for compensation, designated lobbyist or designated public lobbyist.

- B. The lobbyist registration form shall include:
- 1. The name of the lobbyist for compensation, designated lobbyist or designated public lobbyist.
- 2. The business name and address of the lobbyist for compensation, designated lobbyist or designated public lobbyist.
- 3. A statement that the lobbyist for compensation, designated lobbyist or designated public lobbyist has read the lobbyist handbook prescribed in subsection A of this section.
- Sec. 27. Section 41-1348, Arizona Revised Statutes, is amended to read:

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41-1348. Production and reproduction of records by agencies of the state and political subdivisions; admissibility; violation; classification
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- A. Each agency of this state or any of its political subdivisions may implement a program for the production or reproduction by photography or other method of reproduction on film, microfiche, digital imaging or other electronic media of records in its custody, whether obsolete or current, and classify, catalogue and index such records for convenient reference. The agency, before the institution of any such program of production or reproduction, shall obtain approval from the director of the types of records to be produced or reproduced and of the methods of production, reproduction and storage and the equipment which the agency proposes to use in connection with the production, reproduction and storage. On approval from the director, the source documents may be destroyed, but only after an administrative audit and after safeguards are in place to protect the public records pursuant to section 41-1347, subsection A.
- B. Except as otherwise provided by law, records reproduced as provided in subsection A of this section are admissible in evidence.
- C. The provisions of this section shall not be applicable to permit destruction of current original affidavits of registration as that term is used in section 16-163.
- D. C. A head of an agency of this state or a political subdivision of this state who violates this section is guilty of a class 2 misdemeanor.

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