

REFERENCE TITLE: independent expenditures; corporations; funding
disclosure

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HB 2123

Introduced by
Representatives Salman: De Los Santos, Ortiz

AN ACT

AMENDING SECTION 16-925, ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN
CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 16-925, Arizona Revised Statutes, is amended to
3 read:

4 16-925. Advertising and fundraising disclosure statements

5 A. A person, OTHER THAN AN INDIVIDUAL BUT INCLUDING A CORPORATION,
6 LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION THAT IS NOT REQUIRED TO
7 REGISTER PURSUANT TO THIS CHAPTER, that makes an expenditure for an
8 advertisement or fundraising solicitation, ~~other than an individual~~, shall
9 include the following disclosures in the advertisement or solicitation:

10 1. The words "paid for by", followed by the name of the person
11 making the expenditure for the advertisement or fundraising solicitation.

12 2. Whether the expenditure was authorized by any candidate,
13 followed by the identity of the authorizing candidate, if any.

14 B. In addition to the disclosure required by subsection A of this
15 section, ~~a political action committee~~ A PERSON that makes an expenditure
16 for an advertisement shall include a disclosure stating:

17 1. The names of the ~~three political action committees~~ FOUR FUNDING
18 SOURCES making the largest aggregate contributions to the ~~political action~~
19 ~~committee~~ PERSON making the expenditure, ~~if those aggregate contributions~~
20 ~~exceed \$20,000 during the election cycle~~, as calculated at the time the
21 advertisement was distributed for publication, display, delivery or
22 broadcast.

23 2. The aggregate percentage of out-of-state contributors as
24 calculated at the time the advertisement was produced for publication,
25 display, delivery or broadcast. The disclosure shall state "paid for by
26 _____" as prescribed by subsection A of this section, followed by "with
27 _____% from out-of-state contributors" with the blank to be filled by the
28 aggregate percentage prescribed by this paragraph.

29 3. IF AN OUT-OF-STATE CONTRIBUTOR OR GROUP OF OUT-OF-STATE
30 CONTRIBUTORS IS A MAJOR FUNDING SOURCE TO THE CORPORATION, LIMITED
31 LIABILITY COMPANY OR LABOR ORGANIZATION, THAT THE CONTRIBUTOR IS AN
32 OUT-OF-STATE CONTRIBUTOR. FOR THE PURPOSES OF THIS PARAGRAPH, "MAJOR
33 FUNDING SOURCE" MEANS A CONTRIBUTOR THAT IS NOT AN INDIVIDUAL AND THAT HAS
34 MADE CUMULATIVE CONTRIBUTIONS OF EITHER:

35 (a) \$10,000 OR MORE IN SUPPORT OF OR OPPOSITION TO A STATEWIDE OR
36 LEGISLATIVE CANDIDATE OR A STATEWIDE BALLOT MEASURE.

37 (b) \$5,000 OR MORE FOR ANY CANDIDATE FOR AN OFFICE OTHER THAN A
38 STATEWIDE OR LEGISLATIVE OFFICE OR A BALLOT MEASURE FOR ANY POLITICAL
39 SUBDIVISION OF THIS STATE.

40 C. If a disclosure contains any acronym or nickname that is not
41 commonly known, the disclosure shall also spell out the acronym or provide
42 the full name.

43 D. If the advertisement is:

44 1. Broadcast on radio, the disclosure shall be clearly spoken at
45 the beginning or end of the advertisement.

1 2. Delivered by hand or by mail, the disclosure shall be clearly
2 readable, and if the advertisement is paid for by a political action
3 committee, the disclosure shall be displayed in a height that is at least
4 ten percent of the vertical height of the advertisement.

5 3. Delivered electronically, the disclosure shall be clearly
6 readable.

7 4. Displayed on a sign or billboard, the disclosure shall be
8 displayed in a height that is at least four percent of the vertical height
9 of the sign or billboard, except that if the advertisement is paid for by
10 a political action committee, the disclosure shall be displayed in a
11 height that is at least ten percent of the vertical height of the sign or
12 billboard.

13 5. Broadcast on television or in a video or film, both of the
14 following requirements apply:

15 (a) The disclosure shall be both written and spoken at the
16 beginning or end of the advertisement, except that if the written
17 disclosure statement is displayed for the greater of at least one-sixth of
18 the broadcast duration or four seconds, a spoken disclosure statement is
19 not required.

20 (b) The written disclosure statement shall be printed in letters
21 that are displayed in a height that is at least four percent of the
22 vertical picture height, except that if the advertisement is paid for by a
23 political action committee, the written disclosure statement shall be
24 displayed in a height that is at least ten percent of the vertical picture
25 height.

26 E. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION
27 THAT MAKES AN INDEPENDENT EXPENDITURE AND THAT ACCEPTS DONATIONS OR
28 CONTRIBUTIONS SHALL FILE CAMPAIGN FINANCE REPORTS PURSUANT TO SECTION
29 16-926 WITH THE FILING OFFICER.

30 ~~E.~~ F. This section does not apply to:

31 1. Social media messages, text messages or messages sent by a short
32 message service.

33 2. Advertisements that are placed as a paid link on a website, if
34 the message is not more than two hundred characters in length and the link
35 directs the user to another website that complies with this section.

36 3. Advertisements that are placed as a graphic or picture link, if
37 the statements required in this section cannot be conveniently printed due
38 to the size of the graphic or picture and the link directs the user to
39 another website that complies with this section.

40 4. Bumper stickers, pins, buttons, pens and similar small items on
41 which the statements required in this section cannot be conveniently
42 printed.

43 5. A solicitation of contributions by a separate segregated fund.

44 6. A communication by a tax-exempt organization solely to its
45 members.

46 7. A published book or a documentary film or video.