

Senate Engrossed

campaign finance; reporting threshold; lobbyists

State of Arizona  
Senate  
Fifty-sixth Legislature  
First Regular Session  
2023

# SENATE BILL 1048

AN ACT

AMENDING SECTION 16-926, 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 16-926, Arizona Revised Statutes, is amended to  
3 read:

4 16-926. Campaign finance reports; contents

5 A. A committee shall file campaign finance reports with the filing  
6 officer. The secretary of state's instructions and procedures manual  
7 adopted pursuant to section 16-452 shall prescribe the format for all  
8 reports and statements.

9 B. A campaign finance report shall set forth:

10 1. The amount of cash on hand at the beginning of the reporting  
11 period.

12 2. Total receipts during the reporting period, including:

13 (a) An itemized list of receipts in the following categories,  
14 including the source, amount and date of receipt, together with the total  
15 of all receipts in each category:

16 (i) Contributions from in-state individuals whose contributions  
17 exceed ~~\$100~~ \$200 for that election cycle, including identification of the  
18 contributor's occupation and employer. Notwithstanding section 16-901,  
19 paragraph 29, subdivision (a), a person whose residential address is  
20 protected from public disclosure pursuant to section 16-153 is not  
21 required to disclose the person's residential address and shall instead  
22 provide an alternate mailing address.

23 (ii) Contributions from out-of-state individuals, including  
24 identification of the contributor's occupation and employer.

25 (iii) Contributions from candidate committees.

26 (iv) Contributions from political action committees.

27 (v) Contributions from political parties.

28 (vi) Contributions from partnerships.

29 (vii) CONTRIBUTIONS FROM INDIVIDUALS WHO ARE REGISTERED PURSUANT TO  
30 TITLE 41, CHAPTER 7, ARTICLE 8.1 AS AN AUTHORIZED LOBBYIST, AUTHORIZED  
31 PUBLIC LOBBYIST, DESIGNATED LOBBYIST, DESIGNATED PUBLIC LOBBYIST OR  
32 LOBBYIST FOR COMPENSATION. INDIVIDUALS LISTED IN THIS ITEM SHALL IDENTIFY  
33 TO THE COMMITTEES RECEIVING THE CONTRIBUTIONS THE INDIVIDUAL'S LOBBYIST  
34 REGISTRATION IDENTIFICATION OR SERIAL NUMBER, IF ANY, IN THE LOBBYIST  
35 REPORTING SYSTEM ESTABLISHED AND MAINTAINED BY THE SECRETARY OF STATE.

36 ~~(vii)~~ (viii) For a political action committee or political party,  
37 contributions from corporations and limited liability companies, including  
38 identification of the corporation's or limited liability company's file  
39 number issued by the corporation commission.

40 ~~(viii)~~ (ix) For a political action committee or political party,  
41 contributions from labor organizations, including identification of the  
42 labor organization's file number issued by the corporation commission.

43 ~~(ix)~~ (x) For a candidate committee, a candidate's contribution of  
44 personal monies.

1           ~~(x)~~ (xi) All loans, including identification of any endorser or  
2 guarantor other than a candidate's spouse, and the contribution amount  
3 endorsed or guaranteed by each.

4           ~~(xii)~~ (xii) Rebates and refunds.

5           ~~(xiii)~~ (xiii) Interest on committee monies.

6           ~~(xiv)~~ (xiv) The fair market value of in-kind contributions  
7 received.

8           ~~(xv)~~ (xv) Extensions of credit that remain outstanding, including  
9 identification of the creditor and the purpose of the extension.

10           (b) The aggregate amount of contributions from all in-state  
11 individuals whose contributions do not exceed ~~\$100~~ \$200 for the election  
12 cycle.

13           3. An itemized list of all disbursements in excess of \$250 during  
14 the reporting period in the following categories, including the recipient,  
15 the recipient's address, a description of the disbursement and the amount  
16 and date of the disbursement, together with the total of all disbursements  
17 in each category:

18           (a) Disbursements for operating expenses.

19           (b) Contributions to candidate committees.

20           (c) Contributions to political action committees.

21           (d) Contributions to political parties.

22           (e) Contributions to partnerships.

23           (f) For a political action committee or political party,  
24 contributions to corporations and limited liability companies, including  
25 identification of the corporation's or limited liability company's file  
26 number issued by the corporation commission.

27           (g) For a political action committee or political party,  
28 contributions to labor organizations, including identification of the  
29 labor organization's file number issued by the corporation commission.

30           (h) Repayment of loans.

31           (i) Refunds of contributions.

32           (j) Loans made.

33           (k) The value of in-kind contributions provided.

34           (l) Independent expenditures that are made to advocate the election  
35 or defeat of a candidate, including identification of the candidate,  
36 office sought by the candidate, election date, mode of advertising and  
37 distribution or publication date.

38           (m) Expenditures to advocate the passage or defeat of a ballot  
39 measure, including identification of the ballot measure, ballot measure  
40 serial number, election date, mode of advertising and distribution or  
41 publication date.

42           (n) Expenditures to advocate for or against the issuance of a  
43 recall election order or for the election or defeat of a candidate in a  
44 recall election, including identification of the officer to be recalled or

1 candidate supported or opposed, mode of advertising and distribution or  
2 publication date.

3 (o) Any other disbursements or expenditures.

4 4. The total sum of all receipts and disbursements for the  
5 reporting period.

6 5. A certification by the committee treasurer, issued under penalty  
7 of perjury, that the contents of the report are true and correct.

8 C. For the purposes of reporting under subsection B of this  
9 section:

10 1. A contribution is deemed to be received either on the date the  
11 committee knowingly takes possession of the contribution or the date of  
12 the check or credit card payment. For an in-kind contribution of  
13 services, the contribution is deemed made either on the date the services  
14 are performed or the date the committee receives the services.

15 2. An expenditure or disbursement is deemed made either on the date  
16 the committee authorizes the monies to be spent or the date the monies are  
17 withdrawn from the committee's account. For a transaction by check, the  
18 expenditure or disbursement is deemed made on the date the committee signs  
19 the check. For a credit card transaction on paper, the expenditure or  
20 disbursement is deemed made on the date the committee signs the  
21 authorization to charge the credit card. For an electronic transaction,  
22 an expenditure or disbursement is deemed made on the date the committee  
23 electronically authorizes the charge. For an agreement to purchase goods  
24 or services, the expenditure or disbursement is deemed made either on the  
25 date the parties enter into the agreement or the date the purchase order  
26 is issued.

27 3. A committee may record its transactions using any of the methods  
28 authorized by this subsection but for each type of contribution,  
29 expenditure or disbursement made or received, the committee shall use a  
30 consistent method of recording transactions throughout the election cycle.

31 D. The amount of an in-kind contribution of services shall be equal  
32 to the usual and normal charges for the services on the date performed.

33 E. If any receipt or disbursement is earmarked, the committee shall  
34 report the identity of the person to whom the receipt or disbursement is  
35 earmarked.

36 F. Candidate committee reports shall be cumulative for the election  
37 cycle to which they relate. Political action committee and political  
38 party reports shall be cumulative for a two-year election cycle ending in  
39 the year of a statewide general election. If there has been no change  
40 during the reporting period in an item listed in the immediately preceding  
41 report, only the amount need be carried forward.

42 G. For a political action committee that receives individual  
43 contributions through a payroll deduction plan, that committee is not  
44 required to separately itemize each contribution received from the

1 contributor during the reporting period. In lieu of itemization, the  
2 committee may report all of the following:

3 1. The aggregate amount of contributions received from the  
4 contributor through the payroll deduction plan during the reporting  
5 period.

6 2. The individual's identity.

7 3. The amount deducted per pay period.

8 H. An entity that makes independent expenditures or ballot measure  
9 expenditures in excess of \$1,000 during a reporting period shall file an  
10 expenditure report with the filing officer for the applicable reporting  
11 period. Expenditure reports shall identify the candidate or ballot  
12 measure supported or opposed, office sought by the candidate, if any,  
13 election date, mode of advertising and first date of publication, display,  
14 delivery or broadcast of the advertisement.