

REFERENCE TITLE: **campaign finance; contributions; reporting**

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

SB 1303

Introduced by
Senator Mesnard

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 for that election cycle, including identification of the
18 contributor's occupation and employer. **IF AN IN-STATE INDIVIDUAL HAS MADE
19 PRIOR CONTRIBUTIONS THAT TOTAL LESS THAN \$100 DURING THE ELECTION CYCLE,
20 ONLY THOSE CONTRIBUTIONS THAT WHEN ADDED TO THE PRIOR CONTRIBUTIONS TOTAL
21 MORE THAN \$100, AND ALL SUBSEQUENT CONTRIBUTIONS DURING THAT ELECTION
22 CYCLE, MUST BE REPORTED, INCLUDING IDENTIFICATION OF THE CONTRIBUTOR'S
23 OCCUPATION AND EMPLOYER.** Notwithstanding section 16-901, paragraph 29,
24 subdivision (a), a person whose residential address is protected from
25 public disclosure pursuant to section 16-153 is not required to disclose
26 the person's residential address and shall instead provide an alternate
27 mailing address.

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

30 (iii) Contributions from candidate committees.

31 (iv) Contributions from political action committees.

32 (v) Contributions from political parties.

33 (vi) Contributions from partnerships.

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

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

41 (ix) For a candidate committee, a candidate's contribution of
42 personal monies.

- 1 (x) All loans, including identification of any endorser or guarantor
2 other than a candidate's spouse, and the contribution amount endorsed or
3 guaranteed by each.
- 4 (xi) Rebates and refunds.
- 5 (xii) Interest on committee monies.
- 6 (xiii) The fair market value of in-kind contributions received.
- 7 (xiv) Extensions of credit that remain outstanding, including
8 identification of the creditor and the purpose of the extension.
- 9 (b) The aggregate amount of contributions from all in-state
10 individuals whose contributions do not exceed \$100 for the election cycle.
- 11 3. An itemized list of all disbursements in excess of \$250 during
12 the reporting period in the following categories, including the recipient,
13 the recipient's address, a description of the disbursement and the amount
14 and date of the disbursement, together with the total of all disbursements
15 in each category:
- 16 (a) Disbursements for operating expenses.
- 17 (b) Contributions to candidate committees.
- 18 (c) Contributions to political action committees.
- 19 (d) Contributions to political parties.
- 20 (e) Contributions to partnerships.
- 21 (f) For a political action committee or political party,
22 contributions to corporations and limited liability companies, including
23 identification of the corporation's or limited liability company's file
24 number issued by the corporation commission.
- 25 (g) For a political action committee or political party,
26 contributions to labor organizations, including identification of the labor
27 organization's file number issued by the corporation commission.
- 28 (h) Repayment of loans.
- 29 (i) Refunds of contributions.
- 30 (j) Loans made.
- 31 (k) The value of in-kind contributions provided.
- 32 (l) Independent expenditures that are made to advocate the election
33 or defeat of a candidate, including identification of the candidate, office
34 sought by the candidate, election date, mode of advertising and
35 distribution or publication date.
- 36 (m) Expenditures to advocate the passage or defeat of a ballot
37 measure, including identification of the ballot measure, ballot measure
38 serial number, election date, mode of advertising and distribution or
39 publication date.
- 40 (n) Expenditures to advocate for or against the issuance of a recall
41 election order or for the election or defeat of a candidate in a recall
42 election, including identification of the officer to be recalled or
43 candidate supported or opposed, mode of advertising and distribution or
44 publication date.

1 (o) Any other disbursements or expenditures.

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

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

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

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

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

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

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

30 E. If any receipt or disbursement is earmarked, the committee shall
31 report the identity of the person to whom the receipt or disbursement is
32 earmarked.

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

39 G. For a political action committee that receives individual
40 contributions through a payroll deduction plan, that committee is not
41 required to separately itemize each contribution received from the
42 contributor during the reporting period. In lieu of itemization, the
43 committee may report all of the following:

44 1. The aggregate amount of contributions received from the
45 contributor through the payroll deduction plan during the reporting period.

- 1 2. The individual's identity.
- 2 3. The amount deducted per pay period.
- 3 H. An entity that makes independent expenditures or ballot measure
- 4 expenditures in excess of \$1,000 during a reporting period shall file an
- 5 expenditure report with the filing officer for the applicable reporting
- 6 period. Expenditure reports shall identify the candidate or ballot measure
- 7 supported or opposed, office sought by the candidate, if any, election
- 8 date, mode of advertising and first date of publication, display, delivery
- 9 or broadcast of the advertisement.