

REFERENCE TITLE: **utilities; contributions; lobbying**

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

SB 1605

Introduced by
Senator Sundareshan

AN ACT

AMENDING SECTION 16-916, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 7, ARTICLE 8.1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1232.09; RELATING TO CAMPAIGN CONTRIBUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 16-916, Arizona Revised Statutes, is amended to
3 read:

4 16-916. Corporation, limited liability company and labor
5 organization contributions; separate segregated
6 fund; limits; requirements

7 A. A corporation, limited liability company or labor organization
8 shall not make contributions to a candidate committee.

9 B. A corporation, limited liability company or labor organization
10 may make unlimited contributions to persons other than candidate
11 committees.

12 C. A corporation, limited liability company or labor organization
13 may sponsor a separate segregated fund. Employees, members, executives,
14 stockholders and retirees and their families of a corporation, limited
15 liability company or labor organization and any subsidiary or affiliate of
16 a corporation, limited liability company or labor organization may make
17 contributions to the separate segregated fund, subject to the following:

18 1. The separate segregated fund must register as a political action
19 committee.

20 2. The sponsor or its affiliate may pay the administrative,
21 personnel and fund-raising expenses of its separate segregated fund, which
22 shall not be deemed contributions to the fund.

23 3. The sponsor or its separate segregated fund may solicit
24 contributions from the sponsor's, sponsor's affiliates' or sponsor's
25 subsidiaries' employees, members, executives, stockholders and retirees
26 and their families. The following additional restrictions apply:

27 (a) With respect to an insurer, an insurer or its separate
28 segregated fund may also solicit contributions from an insurance
29 producer's employees, members, executives, stockholders and retirees and
30 their families.

31 (b) With respect to a trade association or membership organization,
32 the association or organization may solicit contributions from its
33 members' employees, executives, stockholders, subsidiaries and retirees
34 and their families.

35 4. A sponsor or its affiliate or a trade association or membership
36 organization may facilitate the making of contributions to its separate
37 segregated fund by establishing a payroll deduction system or other
38 similar payment transfer method.

39 5. A sponsor, trade association, membership organization or
40 separate segregated fund may rely on the federal election commission's
41 written guidance interpreting 52 United States Code section 30118(b) and
42 rules adopted under that section when interpreting this subsection, if
43 otherwise consistent with this article and articles 1, 1.1, 1.3, 1.4, 1.5,
44 1.6 and 1.7 of this chapter.

1 D. A PUBLIC SERVICE CORPORATION THAT IS REGULATED BY THE
2 CORPORATION COMMISSION OR A PUBLIC POWER ENTITY AS DEFINED IN SECTION
3 30-801 MAY NOT MAKE CONTRIBUTIONS TO:

4 1. ANY POLITICAL ACTION COMMITTEE THAT MAKES EXPENDITURES,
5 INCLUDING A COMMITTEE THAT MAKES INDEPENDENT EXPENDITURES, FOR OR AGAINST
6 ANY CANDIDATE FOR THE CORPORATION COMMISSION.

7 2. A CORPORATION THAT IS REGISTERED UNDER SECTION 501(c)3 OR
8 501(c)4 OF THE INTERNAL REVENUE CODE AND THAT MAKES EXPENDITURES TO
9 INFLUENCE THE OUTCOME OF AN ELECTION OF ONE OR MORE CANDIDATES FOR THE
10 CORPORATION COMMISSION.

11 Sec. 2. Title 41, chapter 7, article 8.1, Arizona Revised Statutes,
12 is amended by adding section 41-1232.09, to read:

13 41-1232.09. Lobbying prohibited; public service corporation;
14 public power entity; report

15 A. A PUBLIC SERVICE CORPORATION THAT IS REGULATED BY THE
16 CORPORATION COMMISSION, THE PUBLIC SERVICE CORPORATION'S PARENT COMPANY
17 AND ANY SUBSIDIARY OF THE PUBLIC SERVICE CORPORATION MAY NOT SPEND
18 RATEPAYER MONIES TO LOBBY THE LEGISLATURE.

19 B. A PUBLIC POWER ENTITY AS DEFINED IN SECTION 30-801 MAY NOT SPEND
20 RATEPAYER MONIES TO LOBBY THE LEGISLATURE.

21 C. A PERSON PRESCRIBED BY SUBSECTION A OR B OF THIS SECTION SHALL
22 FILE REPORTS PURSUANT TO SECTION 41-1232.02 OR 41-1232.03 THAT INCLUDE A
23 DESCRIPTION OF THE SOURCE OF THE MONIES USED TO LOBBY THE LEGISLATURE.