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MICHELE REAGAN
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CHAPTER 79

SENATE BILL 1516

AN ACT

AMENDING SECTIONS 11-138, 13-3302, 15-424, 15-1442, 16-311, 16-312, 16-314, 16-341 AND 16-343, ARIZONA REVISED STATUTES; REPEALING SECTIONS 16-901, 16-902, 16-902.01, 16-902.02, 16-903, 16-904, 16-905, 16-906, 16-907, 16-911, 16-912, 16-912.01, 16-913, 16-913.01, 16-914, 16-914.01, 16-914.02, 16-915, 16-915.01, 16-916, 16-916.01, 16-916.02, 16-917, 16-918, 16-919, 16-920, 16-921, 16-922, 16-923, 16-924 AND 16-925, ARIZONA REVISED STATUTES; AMENDING TITLE 16, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 16-901; AMENDING TITLE 16, CHAPTER 6, ARIZONA REVISED STATUTES, BY ADDING ARTICLES 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 AND 1.7; AMENDING SECTIONS 16-941, 16-946, 16-947, 16-948, 16-958, 16-959, 16-961, 19-111, 19-111.01, 19-114, 19-121.01, 19-202, 23-361.02, 38-296.01, 38-544, 41-128 AND 41-133, ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 11-138, Arizona Revised Statutes, is amended to read:

11-138. Report by political action committees

~~Campaign committees~~ A POLITICAL ACTION COMMITTEE, as defined in section 16-901, promoting or opposing the formation of new counties under this article shall register with and report to the secretary of state and otherwise comply with the requirements of title 16, chapter 6 regarding the election under section 11-137.

Sec. 2. Section 13-3302, Arizona Revised Statutes, is amended to read:

13-3302. Exclusions

A. The following conduct is not unlawful under this chapter:

1. Amusement gambling.

2. Social gambling.

3. Regulated gambling if the gambling is conducted in accordance with the statutes, rules or orders governing the gambling.

4. Gambling that is conducted at state, county or district fairs and that complies with section 13-3301, paragraph 1, subdivision (d).

B. An organization that has qualified for an exemption from taxation of income under section 43-1201, subsection A, paragraph 1, 2, 4, 5, 6, 7, 10 or 11 may conduct a raffle that is subject to the following restrictions:

1. The nonprofit organization shall maintain this status and no member, director, officer, employee or agent of the nonprofit organization may receive any direct or indirect pecuniary benefit other than being able to participate in the raffle on a basis equal to all other participants.

2. The nonprofit organization has been in existence continuously in this state for a five year period immediately before conducting the raffle.

3. No person except a bona fide local member of the sponsoring organization may participate directly or indirectly in the management, sales or operation of the raffle.

4. Nothing in paragraph 1 or 3 of this subsection prohibits:

(a) A licensed general hospital, a licensed special hospital or a foundation established to support cardiovascular medical research that is exempt from taxation of income under section 43-1201, subsection A, paragraph 4 or section 501(c)(3) of the internal revenue code from contracting with an outside agent who participates in the management, sales or operation of the raffle if the proceeds of the raffle are used to fund medical research, graduate medical education or indigent care and the raffles are conducted no more than three times per calendar year. The maximum fee for an outside agent shall not exceed fifteen percent of the net proceeds of the raffle.

(b) An entity that is exempt from taxation of income under section 43-1201, subsection A, paragraph 4 or section 501(c)(3) of the internal revenue code and that has at least a twenty-year history of providing comprehensive services to prevent child abuse and to provide services and advocacy for victims of child abuse from contracting with an outside agent

who participates in the management, sales or operation of the raffle if the proceeds of the raffle are used to provide comprehensive services to prevent child abuse and to provide services and advocacy for victims of child abuse and the raffles are conducted no more than three times per calendar year. The maximum fee for an outside agent shall not exceed fifteen percent of the net proceeds of the raffle.

C. A state, county or local historical society designated by this state or a county, city or town to conduct a raffle may conduct the raffle subject to the following conditions:

1. No member, director, officer, employee or agent of the historical society may receive any direct or indirect pecuniary benefit other than being able to participate in the raffle on a basis equal to all other participants.

2. The historical society must have been in existence continuously in this state for a five year period immediately before conducting the raffle.

3. No person except a bona fide local member of the sponsoring historical society may participate directly or indirectly in the management, sales or operation of the raffle.

D. A nonprofit organization that is a booster club, a civic club or a political club or political organization ~~as defined in section 16-901~~ THAT IS FORMALLY AFFILIATED WITH AND RECOGNIZED BY A POLITICAL PARTY IN THIS STATE may conduct a raffle that is subject to the following restrictions:

1. No member, director, officer, employee or agent of the club or organization may receive any direct or indirect pecuniary benefit other than being able to participate in the raffle on a basis equal to all other participants.

2. No person except a bona fide local member of the sponsoring club or organization may participate directly or indirectly in the management, sales or operation of the raffle.

3. The maximum annual benefit that the club or organization receives for all raffles is ten thousand dollars.

4. The club or organization is organized and operated exclusively for pleasure, recreation or other nonprofit purposes and no part of the club's or organization's net earnings inures to the personal benefit of any member, director, officer, employee or agent of the club or organization.

Sec. 3. Section 15-424, Arizona Revised Statutes, is amended to read:

15-424. Election of governing board members; terms; statement of contributions and expenditures

A. A regular election shall be held for each school district at the time and place, and in the manner, of general elections as provided in title 16.

B. Except as provided in subsection C of this section and sections 15-429 and 15-430, the term of office for each member shall be four years from January 1 next following the member's election.

C. At the first general election held for a newly formed district, three members shall be elected. The candidate receiving the highest number

of votes shall be elected to a four year term, and the candidates having the second and third highest number of votes shall be elected to two year terms. A district increasing its governing board to five members shall elect at the next general election members in the following manner:

1. If one of the previous three offices is to be filled, the three candidates receiving the highest, the second highest and the third highest number of votes shall be elected to four year terms.

2. If two of the previous three offices are to be filled, the candidates receiving the highest, the second highest and the third highest number of votes shall be elected to four year terms. The candidate receiving the fourth highest number of votes shall be elected to a two year term. Thereafter all such offices shall have four year terms.

D. If only one person files ~~or no person files~~ a nominating petition or nomination paper for a write-in candidate for an election to fill a district office, the board of supervisors no earlier than seventy-five days before the election may cancel the election for the position and appoint the person who filed the nominating petition or nomination paper to fill the position. If no person files a nominating petition or nomination paper for an election to fill a district office, the board of supervisors no earlier than seventy-five days before the election may cancel the election for that office and that office is deemed vacant and shall be filled as provided in section 15-302. A person who is appointed pursuant to this subsection is fully vested with the powers and duties of the office as if elected to that office.

E. If two or more candidates receive an equal number of votes for the same office, and a higher number than any other candidate for that office, whether upon the tally by the school election board or canvass of returns by the board of supervisors, or upon recount by a court, the officer or board whose duty it is to declare the result shall determine by lot and in the presence of the candidates which candidate shall be declared elected.

F. Position of the names of candidates for each office shall be rotated so that each candidate occupies each position on the ballot an equal number of times, insofar as is possible, for each ballot style. For candidates seeking election to fill a vacancy on the governing board, the ballot shall be designated as provided in section 16-502.

G. This section does not require that a school election at which no member is to be elected be held on a general election day.

H. All candidates for the office of school district governing board member shall file with the county school superintendent a statement of contributions and expenditures as provided in section ~~16-913~~ 16-926.

Sec. 4. Section 15-1442, Arizona Revised Statutes, is amended to read:

15-1442. Nominating petitions; election; returns; results; certificate of election; statement of contributions and expenditures

A. Candidates for the district board must file nominating petitions, conforming to section 16-314, with the appropriate county officer.

B. Members of the district board shall be elected at the time and place, and in the manner, of general elections as provided in title 16.

C. If only one person files ~~or no person files~~ a nominating petition or nomination paper for a write-in candidate for an election to fill a community college board office, the county school superintendent no earlier than seventy-five days before the election may cancel the election for the position and appoint the person who filed the nominating petition or nomination paper to fill the position. If no person files a nominating petition or nomination paper FOR A CANDIDATE OR FOR A WRITE-IN CANDIDATE for an election to fill a community college board office, the county board of supervisors no earlier than seventy-five days before the election may cancel the election for that office and that office is deemed vacant and shall be filled as provided in section 15-1441. A person who is appointed pursuant to this subsection is fully vested with the powers and duties of the office as if elected to that office.

D. The county school superintendent and the chairman of the board of supervisors shall meet on the seventh day following the election to canvass the returns in accordance with procedures for the canvass of returns in a general election. The county school superintendent shall declare the results of the election, declare elected the person receiving the highest number of votes for each office to be filled and issue to that person a certificate of election.

E. All candidates for the office of community college district governing board member shall file with the clerk of the board of supervisors a statement of contributions and expenditures as provided in section ~~16-913~~ 16-926.

Sec. 5. Section 16-311, Arizona Revised Statutes, is amended to read:

16-311. Nomination papers; filing; definitions

A. Any person desiring to become a candidate at a primary election for a political party and to have the person's name printed on the official ballot shall be a qualified elector of such party and, not less than ~~ninety nor more than~~ one hundred ~~twenty~~ EIGHTY days before the primary election, shall sign and cause to be filed a nomination paper giving the person's actual residence address or description of place of residence and post office address, naming the party of which the person desires to become a candidate, stating the office and district or precinct, if any, for which the person offers the person's candidacy, stating the exact manner in which the person desires to have the person's name printed on the official ballot pursuant to subsection G of this section, and giving the date of the primary election

and, if nominated, the date of the general election at which the person desires to become a candidate. A candidate for public office shall be a qualified elector at the time of filing and shall reside in the county, district or precinct that the person proposes to represent.

B. Any person desiring to become a candidate at any nonpartisan election and to have the person's name printed on the official ballot shall be at the time of filing a qualified elector of such county, city, town or district and, not less than ~~ninety nor more than~~ one hundred ~~twenty~~ EIGHTY days before the election, shall sign and cause to be filed a nomination paper giving the person's actual residence address or description of place of residence and post office address, stating the office and county, city, town or district and ward or precinct, if any, for which the person offers the person's candidacy, stating the exact manner in which the person desires to have the person's name printed on the official ballot pursuant to subsection G of this section and giving the date of the election. A candidate for office shall reside at the time of filing in the county, city, town, district, ward or precinct that the person proposes to represent.

C. Notwithstanding subsection B of this section, any city or town may adopt by ordinance for its elections the time frame provided in subsection A of this section for filing nomination petitions. Such ordinance shall be adopted not less than one hundred twenty days before the first election to which it applies.

D. All persons desiring to become a candidate shall file with the nomination paper provided for in subsection A of this section ~~an affidavit~~ A DECLARATION, which shall be printed in a form prescribed by the secretary of state. The ~~affidavit~~ DECLARATION shall include facts sufficient to show that, other than the residency requirement provided in subsection A of this section and the satisfaction of any monetary penalties, fines or judgments as prescribed in subsection I of this section, the candidate will be qualified at the time of election to hold the office the person seeks, and that for any monetary penalties, fines or judgments as prescribed in subsection I of this section, the candidate has made complete payment before the time of filing.

E. The nomination paper of a candidate for the office of United States senator or representative in Congress, for the office of presidential elector or for a state office, including a member of the legislature, or for any other office for which the electors of the entire state or a subdivision of the state greater than a county are entitled to vote, shall be filed with the secretary of state no later than 5:00 p.m. on the last date for filing.

F. The nomination paper of a candidate for superior court judge or for a county, district and precinct office for which the electors of a county or a subdivision of a county other than an incorporated city or town are entitled to vote shall be filed with the county elections officer no later than 5:00 p.m. on the last date for filing as prescribed by subsection A of this section. The nomination paper of a candidate for a city or town office shall be filed with the city or town clerk no later than 5:00 p.m. on the

last date for filing. The nomination paper of a candidate for school district office shall be filed with the county school superintendent no later than 5:00 p.m. on the last date for filing.

G. The nomination paper shall include the exact manner in which the candidate desires to have the person's name printed on the official ballot and shall be limited to the candidate's surname and given name or names, an abbreviated version of such names or appropriate initials such as "Bob" for "Robert", "Jim" for "James", "Wm." for "William" or "S." for "Samuel". Nicknames are permissible, but in no event shall nicknames, abbreviated versions or initials of given names suggest reference to professional, fraternal, religious or military titles. No other descriptive name or names shall be printed on the official ballot, except as provided in this section. Candidates' abbreviated names or nicknames may be printed within quotation marks. The candidate's surname shall be printed first, followed by the given name or names.

H. A person who does not file a timely nomination paper that complies with this section is not eligible to have the person's name printed on the official ballot for that office. The filing officer shall not accept the nomination paper of a candidate for state or local office unless the person provides or has provided all of the following:

~~1. The nomination petition required by this title.~~

~~2. A political committee statement of organization or the five hundred dollar threshold exemption statement for that office.~~

~~3.~~ 1. The financial disclosure statement as prescribed for candidates for that office.

~~4.~~ 2. The ~~affidavit~~ DECLARATION of qualification and eligibility as prescribed in subsection D of this section.

I. Except in cases where the liability is being appealed, the filing officer shall not accept the nomination paper of a candidate for state or local office if the person is liable for an aggregation of one thousand dollars or more in fines, penalties, late fees or administrative or civil judgments, including any interest or costs, in any combination, that have not been fully satisfied at the time of the attempted filing of the nomination paper and the liability arose from failure to comply with or enforcement of chapter 6 of this title.

J. For the purposes of this title:

1. "Election district" means the state, any county, city, town, precinct or other political subdivision or a special district that is not a political subdivision, that is authorized by statute to conduct an election and that is authorized or required to conduct its election in accordance with this title.

2. "Nomination paper" means the form filed with the appropriate office by a person wishing to declare the person's intent to become a candidate for a particular political office.

Sec. 6. Section 16-312, Arizona Revised Statutes, is amended to read:

16-312. Filing of nomination papers for write-in candidates

A. Any person desiring to become a write-in candidate for an elective office in any election shall file a nomination paper, signed by the candidate, giving the person's actual residence address or description of place of residence and post office address, age, length of residence in the state and date of birth.

B. A write-in candidate shall file the nomination paper not later than 5:00 p.m. on the fortieth day before the election, except that:

1. A candidate running as a write-in candidate as provided in section 16-343, subsection D shall file the nomination paper not later than 5:00 p.m. on the fifth day before the election.

2. A candidate running as a write-in candidate for an election that may be canceled pursuant to section 16-410 shall file the nomination paper not later than 5:00 p.m. on the seventy-sixth day before the election.

C. The write-in filing procedure shall be in the same manner as prescribed in section 16-311. Any person who does not file a timely nomination paper shall not be counted in the tally of ballots. The filing officer shall not accept the nomination paper of a candidate for state or local office unless the candidate provides or has provided ~~both of the following:~~

~~1. A political committee statement of organization or the five hundred dollar threshold exemption statement for that office.~~

~~2.~~ the financial disclosure statement as prescribed for candidates for that office.

D. Except in cases where the liability is being appealed, the filing officer shall not accept the nomination paper of a write-in candidate for state or local office if the person is liable for an aggregation of one thousand dollars or more in fines, penalties, late fees or administrative or civil judgments, including any interest or costs, in any combination, that have not been fully satisfied at the time of the attempted filing of the nomination paper and the liability arose from failure to comply with or enforcement of chapter 6 of this title.

E. The secretary of state shall notify the various boards of supervisors as to write-in candidates filing with the secretary of state's office. The county school superintendent shall notify the appropriate board of supervisors as to write-in candidates filing with the superintendent's office. The board of supervisors shall notify the appropriate election board inspector of all candidates who have properly filed such statements. In the case of a city or town election, the city or town clerk shall notify the appropriate election board inspector of candidates properly filed. No other write-ins shall be counted. The election board inspector shall post the notice of official write-in candidates in a conspicuous location within the polling place.

F. Except as provided in section 16-343, subsection E, a candidate may not file pursuant to this section if any of the following applies:

1. For a candidate in the general election, the candidate ran in the immediately preceding primary election and failed to be nominated to the office sought in the current election.

2. For a candidate in the general election, the candidate filed a nomination petition for the immediately preceding primary election for the office sought and failed to provide a sufficient number of valid petition signatures as prescribed by section 16-322.

3. For a candidate in the primary election, the candidate filed a nomination petition for the current primary election for the office sought and failed to provide a sufficient number of valid petition signatures as prescribed by section 16-322.

4. For a candidate in the general election, the candidate filed a nomination petition for nomination other than by primary for the office sought and failed to provide a sufficient number of valid petition signatures as prescribed by section 16-341.

G. A person who files a nomination paper pursuant to this section for the office of president of the United States shall designate in writing to the secretary of state at the time of filing the name of the candidate's vice-presidential running mate, the names of presidential electors who will represent that candidate and a statement signed by the vice-presidential running mate and designated presidential electors that indicates their consent to be designated. A nomination paper for each presidential elector designated shall be filed with the candidate's nomination paper. The number of presidential electors shall equal the number of United States senators and representatives in Congress from this state.

Sec. 7. Section 16-314, Arizona Revised Statutes, is amended to read:

16-314. Filing and form of nomination petitions; definition

A. Any person desiring to become a candidate at any election and to have the person's name printed on the official ballot shall file~~, within the same time~~ NOT LESS THAN NINETY NOR MORE THAN ONE HUNDRED TWENTY DAYS BEFORE THE PRIMARY ELECTION and with the same officer as provided by section 16-311, a nomination petition in addition to the nomination paper required.

B. For the purposes of this title, "nomination petition" means the form or forms used for obtaining the required number of signatures of qualified electors, which is circulated by or on behalf of the person wishing to become a candidate for a political office.

C. Nomination petitions shall be captioned "partisan nomination petition" or "nonpartisan nomination petition", followed by the language of the petition in substantially the following form:

Partisan Nomination Petition

I, the undersigned, a qualified elector of the county of _____, state of Arizona, and of (here name political division or district from which the nomination is sought) and a

member of the _____ party or a person who is registered as no party preference or independent as the party preference or who is registered with a political party that is not qualified for representation on the ballot, hereby nominate _____ who resides at _____ in the county of _____ for the party nomination for the office of _____ to be voted at the primary election to be held _____ as representing the principles of such party, and I hereby declare that I am qualified to vote for this office and that I have not signed, and will not sign, any nomination petition for more persons than the number of candidates necessary to fill such office at the next ensuing election. I further declare that if I choose to use a post office box address on this petition, my residence address has not changed since I last reported it to the county recorder for purposes of updating my voter registration file.

Nonpartisan Nomination Petition

I, the undersigned, a qualified elector of the county of _____, state of Arizona, and of (here name political division or district from which the nomination is sought) hereby nominate _____ who resides at _____ in the county of _____ for the office of _____ to be voted at the _____ election to be held _____, and hereby declare that I am qualified to vote for this office and that I have not signed and will not sign any nomination petitions for more persons than the number of candidates necessary to fill such office at the next ensuing election. I further declare that if I choose to use a post office box address on this petition, my residence address has not changed since I last reported it to the county recorder for purposes of updating my voter registration file.

D. The nomination petition of a person seeking to fill an unexpired vacant term for any public office shall designate the expiration date of the term following the name of the office being sought.

Sec. 8. Section 16-341, Arizona Revised Statutes, is amended to read:

16-341. Nomination petition; method and time of filing; form; qualifications and number of petitioners required

A. Any qualified elector who is not a registered member of a political party that is recognized pursuant to this title may be nominated as a candidate for public office otherwise than by primary election or by party committee pursuant to this section.

B. This article shall not be used to place on the general election ballot the name of a political party that fails to meet the qualifications specified in section 16-802 or 16-804, or the name of any candidate representing such party or the name of a candidate who has filed a nomination

petition in the immediately preceding primary election and has failed to qualify as the result of an insufficient number of valid signatures.

C. A nomination petition stating the name of the office to be filled, the name and residence of the candidate and other information required by this section shall be filed with the same officer with whom primary nomination papers and petitions are required to be filed as prescribed in section 16-311. Except for candidates for the office of presidential elector filed pursuant to this section, the petition shall be filed ~~at the same time as primary nomination papers and petitions are required to be filed as prescribed by section 16-311~~ NOT LESS THAN NINETY NOR MORE THAN ONE HUNDRED TWENTY DAYS BEFORE THE PRIMARY ELECTION. The petition shall be signed only by voters who have not signed the nomination petitions of a candidate for the office to be voted for at that primary election.

D. The nomination petition shall be in substantially the following form:

> The undersigned, qualified electors of _____ county, state of Arizona, do hereby nominate _____, who resides at _____ in the county of _____, as a candidate for the office of _____ at the general (or special, as the case may be) election to be held on the _____ day of _____, _____.
>
> I hereby declare that I have not signed the nomination petitions of any candidate for the office to be voted for at this primary election, and I do hereby select the following designation under which name the said candidate shall be placed on the official ballot (here insert such designation not exceeding three words in length as the signers may select).

E. The nomination petition shall conform as nearly as possible to the provisions relating to nomination petitions of candidates to be voted for at primary elections and shall be signed by at least the number of persons who are registered to vote determined by calculating three ~~per cent~~ PERCENT of the persons who are registered to vote of the state, county, subdivision or district for which the candidate is nominated who are not members of a political party that is qualified to be represented by an official party ballot at the next ensuing primary election and accorded representation on the general election ballot.

F. The percentage of persons who are registered to vote necessary to sign the nomination petition shall be determined by the total number of registered voters from other than political parties that are qualified to be represented by an official party ballot at the next ensuing primary election and accorded representation on the general election ballot in the state, county, subdivision or district on March 1 of the year in which the general election is held. Notwithstanding the method prescribed by subsection E of this section and this subsection for calculating the minimum number of signatures necessary, any person who is registered to vote in the state, county, subdivision or district for which the candidate is nominated is

eligible to sign the nomination petition without regard to the signer's party affiliation.

G. A nomination petition for any candidate may be circulated by a person who is not a resident of this state but who is otherwise eligible to register to vote in this state if that person registers as a circulator with the secretary of state before circulating petitions. The nomination petition for the office of presidential elector shall include a group of names of candidates equal to the number of United States senators and representatives in Congress from this state instead of separate nomination petitions for each candidate for the office of presidential elector. A valid signature on a petition containing a group of presidential electors candidates is counted as a signature for the nomination of each of the candidates. The presidential candidate whom the candidates for presidential elector will represent shall designate in writing to the secretary of state the names of the candidates who will represent the presidential candidate before any signatures for the candidate can be accepted for filing. A nomination petition for the office of presidential elector shall be filed not less than sixty nor more than ninety days before the general election. The petition shall be signed only by qualified electors who have not signed the nomination petitions of a candidate for the office of presidential elector to be voted for at that election.

H. The secretary of state shall require in the instructions and procedures manual issued pursuant to section 16-452 that persons who circulate nomination petitions pursuant to this section and who are not residents of this state but who are otherwise eligible to register to vote in this state shall register as circulators with the office of the secretary of state before circulating petitions. The secretary of state shall provide for a method of receiving service of process for those petition circulators who are registered.

I. A person who files a nomination paper pursuant to this section for the office of president of the United States shall designate in writing to the secretary of state at the time of filing the name of the candidate's vice-presidential running mate, the names of the presidential electors who will represent that candidate and a statement that is signed by the vice-presidential running mate and the designated presidential electors and that indicates their consent to be designated. A nomination paper for each presidential elector designated shall be filed with the candidate's nomination paper. The number of presidential electors shall equal the number of United States senators and representatives in Congress from this state.

J. A candidate who does not file a timely nomination petition that complies with this section is not eligible to have the candidate's name printed on the official ballot for that office. The filing officer shall not accept the nomination paper of a candidate for state or local office unless the candidate provides or has provided all of the following:

~~1. The nomination petition required by this title.~~

~~2. A political committee statement of organization or the five hundred dollar threshold exemption statement for that office.~~

~~3.~~ 1. The financial disclosure statement as prescribed for candidates for that office.

2. THE DECLARATION OF QUALIFICATION AND ELIGIBILITY AS PRESCRIBED IN SECTION 16-311.

K. Except in cases where the liability is being appealed, the filing officer shall not accept the nomination paper of a candidate for state or local office if the person is liable for an aggregation of one thousand dollars or more in fines, penalties, late fees or administrative or civil judgments, including any interest or costs, in any combination, that have not been fully satisfied at the time of the attempted filing of the nomination paper and the liability arose from failure to comply with or enforcement of chapter 6 of this title.

Sec. 9. Section 16-343, Arizona Revised Statutes, is amended to read:

16-343. Filling vacancy caused by death or incapacity or withdrawal of candidate

A. A vacancy occurring due to death, mental incapacity or voluntary withdrawal of a candidate after the close of petition filing but prior to a primary or general election shall be filled by the political party with which the candidate was affiliated as follows:

1. In the case of a United States senator or statewide candidate, the state executive committee of the candidate's political party shall nominate a candidate of the party's choice and shall file a nomination paper and ~~affidavit~~ DECLARATION complying with the requirements for candidates as stated in section 16-311 in order to fill the vacancy.

2. In the case of a vacancy for the office of United States representative or the legislature, the party precinct committeemen of that congressional or legislative district shall nominate a candidate of the party's choice and shall file a nomination paper and ~~affidavit~~ DECLARATION complying with the requirements of section 16-311.

3. In the case of a vacancy for a county or precinct office, the party county committee of counties with a population of less than two hundred fifty thousand persons according to the most recent United States decennial census and, in counties with a population of two hundred fifty thousand persons or more according to the most recent United States decennial census the county officers of the party together with the chairman of the party precinct committeemen in each legislative district of the county, shall nominate a candidate of the party's choice and shall file a nomination paper and ~~affidavit~~ DECLARATION complying with the requirements of section 16-311 to fill such vacancy.

B. The nomination paper and ~~affidavit~~ DECLARATION required in subsection A of this section shall be filed with the office with which nomination petitions were to be filed at any time before the official ballots are printed.

C. Any meetings for the purpose of filing a nomination paper and ~~affidavit~~ DECLARATION provided for in this section shall be called by the chairman of such committee or legislative district, except that in the case of multicounty legislative or congressional districts the party county chairman of the county having the largest geographic area within such district shall call such meeting. The chairman or in his absence the vice-chairman calling such meeting shall preside. The call to such meeting shall be mailed or given in person to each person entitled to participate therein no later than one day prior to such meeting. A majority of those present and voting shall be required to fill a vacancy pursuant to this section.

D. A vacancy that is due to voluntary or involuntary withdrawal of the candidate and that occurs following the printing of official ballots shall not be filled in accordance with this section, however, prospective candidates shall comply with section 16-312. A candidate running as a write-in candidate under this subsection shall file the nomination paper no later than 5:00 p.m. on the fifth day before the election.

E. Candidates nominated pursuant to subsection A of this section or a candidate running as a write-in candidate under subsection D of this section may be a candidate who ran in the immediately preceding primary election for the office and failed to be nominated.

F. If a vacancy occurs as described in subsection A of this section for a state office, the secretary of state shall notify the various boards of supervisors as to the vacancy. The boards of supervisors shall notify the inspectors of the various precinct election boards in the county, district or precinct where a vacancy occurs. In the case of a city or town election, the city or town clerk shall notify the appropriate inspectors. A vacancy that occurs as prescribed in subsection D of this section due to the death or incapacity of the candidate shall not be filled and the secretary of state shall notify the appropriate county board of supervisors to post a notice of the death or incapacity of the candidate in each polling place along with notice that any votes cast for that candidate will be tabulated.

G. The inspectors shall post the notice of vacancy in the same manner as posting official write-in candidates. In the case of a withdrawal of a candidate that occurs after the printing of official ballots, the inspectors shall post the notice of withdrawal in a conspicuous location in each polling place. Notice of withdrawal shall also be posted at all early voting locations and shall be made available to early voters by providing with the early ballot instructions a website address at which prompt updates to information regarding write-in and withdrawn candidates ~~is~~ ARE available.

Sec. 10. Repeal

Sections 16-901, 16-902, 16-902.01, 16-902.02, 16-903, 16-904, 16-905, 16-906, 16-907, 16-911, 16-912, 16-912.01, 16-913, 16-913.01, 16-914, 16-914.01, 16-914.02, 16-915, 16-915.01, 16-916, 16-916.01, 16-916.02, 16-917, 16-918, 16-919, 16-920, 16-921, 16-922, 16-923, 16-924 and 16-925, Arizona Revised Statute, are repealed.

Sec. 11. Title 16, chapter 6, article 1, Arizona Revised Statutes, is amended by adding a new section 16-901, to read:

16-901. Definitions

IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "ADVERTISEMENT" MEANS INFORMATION OR MATERIALS, OTHER THAN SOCIAL MEDIA MESSAGES, THAT ARE MAILED, E-MAILED, POSTED, DISTRIBUTED, PUBLISHED, DISPLAYED, DELIVERED, BROADCASTED OR PLACED IN A COMMUNICATION MEDIUM AND THAT ARE FOR THE PURPOSE OF INFLUENCING AN ELECTION.

2. "AFFILIATE" MEANS ANY ORGANIZATION THAT CONTROLS, IS CONTROLLED BY OR IS UNDER COMMON CONTROL WITH A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION.

3. "AGENT" MEANS ANY PERSON WHO HAS ACTUAL AUTHORITY, EITHER EXPRESS OR IMPLIED, TO REPRESENT OR MAKE DECISIONS ON BEHALF OF ANOTHER PERSON.

4. "BALLOT MEASURE EXPENDITURE" MEANS AN EXPENDITURE MADE BY A PERSON THAT EXPRESSLY ADVOCATES THE SUPPORT OR OPPOSITION OF A CLEARLY IDENTIFIED BALLOT MEASURE.

5. "BEST EFFORT" MEANS THAT A COMMITTEE TREASURER OR TREASURER'S AGENT MAKES AT LEAST ONE WRITTEN EFFORT, INCLUDING AN ATTEMPT BY E-MAIL, TEXT MESSAGE, PRIVATE MESSAGE THROUGH SOCIAL MEDIA OR OTHER SIMILAR COMMUNICATION, OR AT LEAST ONE ORAL EFFORT THAT IS DOCUMENTED IN WRITING TO IDENTIFY THE CONTRIBUTOR OF AN INCOMPLETE CONTRIBUTION.

6. "CALENDAR QUARTER" MEANS A PERIOD OF THREE CONSECUTIVE CALENDAR MONTHS ENDING ON MARCH 31, JUNE 30, SEPTEMBER 30 OR DECEMBER 31.

7. "CANDIDATE" MEANS AN INDIVIDUAL WHO RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES OR WHO GIVES CONSENT TO ANOTHER PERSON TO RECEIVE CONTRIBUTIONS OR MAKE EXPENDITURES ON BEHALF OF THAT INDIVIDUAL IN CONNECTION WITH THE CANDIDATE'S NOMINATION, ELECTION OR RETENTION FOR ANY PUBLIC OFFICE.

8. "CANDIDATE COMMITTEE" INCLUDES THE CANDIDATE.

9. "CLEARLY IDENTIFIED CANDIDATE" MEANS THAT THE NAME OR A DESCRIPTION, IMAGE, PHOTOGRAPH OR DRAWING OF THE CANDIDATE APPEARS OR THE IDENTITY OF THE CANDIDATE IS OTHERWISE APPARENT BY UNAMBIGUOUS REFERENCE.

10. "COMMITTEE" MEANS A CANDIDATE COMMITTEE, A POLITICAL ACTION COMMITTEE OR A POLITICAL PARTY.

11. "CONTRIBUTION" MEANS ANY MONEY, ADVANCE, DEPOSIT OR OTHER THING OF VALUE THAT IS MADE TO A PERSON FOR THE PURPOSE OF INFLUENCING AN ELECTION. CONTRIBUTION INCLUDES:

(a) A CONTRIBUTION THAT IS MADE TO RETIRE CAMPAIGN DEBT FROM A PREVIOUS ELECTION CYCLE.

(b) MONEY OR THE FAIR MARKET VALUE OF ANYTHING THAT IS DIRECTLY OR INDIRECTLY PROVIDED TO AN ELECTED OFFICIAL FOR THE SPECIFIC PURPOSE OF DEFRAYING THE EXPENSE OF COMMUNICATIONS WITH CONSTITUENTS.

(c) THE FULL PURCHASE PRICE OF ANY ITEM FROM A COMMITTEE.

(d) A LOAN THAT IS MADE TO A COMMITTEE FOR THE PURPOSE OF INFLUENCING AN ELECTION, TO THE EXTENT THE LOAN REMAINS OUTSTANDING.

12. "CONTROL" MEANS TO POSSESS, DIRECTLY OR INDIRECTLY, THE POWER TO DIRECT OR TO CAUSE THE DIRECTION OF THE MANAGEMENT OR POLICIES OF ANOTHER ORGANIZATION, WHETHER THROUGH VOTING POWER, OWNERSHIP, CONTRACT OR OTHERWISE.

13. "COORDINATE", "COORDINATED" OR "COORDINATION" MEANS THE COORDINATION OF AN EXPENDITURE AS PROSCRIBED BY SECTION 16-922.

14. "COORDINATED PARTY EXPENDITURES" MEANS EXPENDITURES THAT ARE MADE BY A POLITICAL PARTY TO DIRECTLY PAY FOR GOODS OR SERVICES ON BEHALF OF ITS NOMINEE.

15. "DISTRICT OFFICE" MEANS AN ELECTED OFFICE ESTABLISHED OR ORGANIZED PURSUANT TO TITLE 15 OR TITLE 48.

16. "EARMARKED" MEANS A DESIGNATION, INSTRUCTION OR ENCUMBRANCE BETWEEN THE TRANSFEROR OF A CONTRIBUTION AND A TRANSFEREE THAT REQUIRES THE TRANSFEREE TO MAKE A CONTRIBUTION TO A CLEARLY IDENTIFIED CANDIDATE.

17. "ELECTION" MEANS ANY ELECTION FOR ANY BALLOT MEASURE IN THIS STATE OR ANY CANDIDATE ELECTION DURING A PRIMARY, GENERAL, RECALL, SPECIAL OR RUNOFF ELECTION FOR ANY OFFICE IN THIS STATE OTHER THAN A FEDERAL OFFICE AND A POLITICAL PARTY OFFICE PRESCRIBED BY CHAPTER 5, ARTICLE 2 OF THIS TITLE.

18. "ELECTION CYCLE" MEANS THE TWO-YEAR PERIOD BETWEEN SUCCESSIVE STATEWIDE GENERAL ELECTIONS OR, FOR CITIES AND TOWNS, THE TWO-YEAR PERIOD BETWEEN THE SCHEDULED DATE OF THE CITY'S OR TOWN'S SECOND, RUNOFF OR GENERAL ELECTION AND THE SCHEDULED DATE OF THE IMMEDIATELY FOLLOWING SECOND, RUNOFF OR GENERAL ELECTION, HOWEVER DESIGNATED BY THE CITY OR TOWN. FOR PURPOSES OF A RECALL ELECTION, "ELECTION CYCLE" MEANS THE PERIOD BETWEEN ISSUANCE OF A RECALL PETITION SERIAL NUMBER AND THE LATEST OF THE FOLLOWING:

(a) THE DATE OF THE RECALL ELECTION THAT IS CALLED PURSUANT TO SECTION 19-209.

(b) THE DATE THAT A RESIGNATION IS ACCEPTED PURSUANT TO SECTION 19-208.

(c) THE DATE THAT THE RECEIVING OFFICER PROVIDES NOTICE PURSUANT TO SECTION 19-208.01 THAT THE NUMBER OF SIGNATURES IS INSUFFICIENT.

19. "EMPLOYEE" MEANS AN INDIVIDUAL WHO IS ENTITLED TO COMPENSATION FOR LABOR OR SERVICES PERFORMED FOR THE INDIVIDUAL'S EMPLOYER.

20. "EMPLOYER" MEANS ANY PERSON THAT PAYS COMPENSATION TO AND DIRECTS THE LABOR OR SERVICES OF ANY INDIVIDUAL IN THE COURSE OF EMPLOYMENT.

21. "ENFORCEMENT OFFICER" MEANS THE ATTORNEY GENERAL OR THE COUNTY, CITY OR TOWN ATTORNEY WITH AUTHORITY TO COLLECT FINES OR ISSUE PENALTIES WITH RESPECT TO A GIVEN ELECTION PURSUANT TO SECTION 16-938.

22. "ENTITY" MEANS A CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION, PARTNERSHIP, TRUST, ASSOCIATION, ORGANIZATION, JOINT VENTURE,

COOPERATIVE, UNINCORPORATED ORGANIZATION OR ASSOCIATION OR OTHER ORGANIZED GROUP THAT CONSISTS OF MORE THAN ONE INDIVIDUAL.

23. "EXCLUSIVE INSURANCE CONTRACT" MEANS AN INSURANCE PRODUCER'S CONTRACT WITH AN INSURER THAT DOES EITHER OF THE FOLLOWING:

(a) PROHIBITS THE PRODUCER FROM SOLICITING INSURANCE BUSINESS FOR ANY OTHER INSURER.

(b) REQUIRES A FIRST RIGHT OF REFUSAL ON ALL LINES OF INSURANCE BUSINESS WRITTEN BY THE INSURER AND SOLICITED BY THE PRODUCER.

24. "EXPENDITURE" MEANS ANY PURCHASE, PAYMENT OR OTHER THING OF VALUE THAT IS MADE BY A PERSON FOR THE PURPOSE OF INFLUENCING AN ELECTION.

25. "FAMILY CONTRIBUTION" MEANS ANY CONTRIBUTION THAT IS PROVIDED TO A CANDIDATE'S COMMITTEE BY THE PARENT, GRANDPARENT, AUNT, UNCLE, CHILD OR SIBLING OF THE CANDIDATE OR THE CANDIDATE'S SPOUSE, INCLUDING THE SPOUSE OF ANY OF THE LISTED FAMILY MEMBERS, REGARDLESS OF WHETHER THE RELATION IS ESTABLISHED BY MARRIAGE OR ADOPTION.

26. "FILING OFFICER" MEANS THE SECRETARY OF STATE OR THE COUNTY, CITY OR TOWN OFFICER IN CHARGE OF ELECTIONS FOR THAT JURISDICTION WHO ACCEPTS STATEMENTS AND REPORTS FOR THOSE ELECTIONS PURSUANT TO SECTION 16-928.

27. "FIREWALL" MEANS A WRITTEN POLICY THAT PRECLUDES ONE PERSON FROM SHARING INFORMATION WITH ANOTHER PERSON.

28. "IDENTIFICATION" OR "IDENTIFY" MEANS:

(a) FOR AN INDIVIDUAL, THE INDIVIDUAL'S FIRST AND LAST NAME, RESIDENCE LOCATION OR STREET ADDRESS AND OCCUPATION AND THE NAME OF THE INDIVIDUAL'S PRIMARY EMPLOYER.

(b) FOR ANY OTHER PERSON, THE PERSON'S FULL NAME AND PHYSICAL LOCATION OR STREET ADDRESS.

29. "INCOMPLETE CONTRIBUTION" MEANS ANY CONTRIBUTION THAT IS RECEIVED BY A COMMITTEE FOR WHICH THE CONTRIBUTOR'S COMPLETE IDENTIFICATION HAS NOT BEEN OBTAINED.

30. "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE BY A PERSON, OTHER THAN A CANDIDATE COMMITTEE, THAT COMPLIES WITH BOTH OF THE FOLLOWING:

(a) EXPRESSLY ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE.

(b) IS NOT MADE IN COOPERATION OR CONSULTATION WITH OR AT THE REQUEST OR SUGGESTION OF THE CANDIDATE OR THE CANDIDATE'S AGENT.

31. "IN-KIND CONTRIBUTION" MEANS A CONTRIBUTION OF GOODS, SERVICES OR ANYTHING OF VALUE THAT IS PROVIDED WITHOUT CHARGE OR AT LESS THAN THE USUAL AND NORMAL CHARGE.

32. "INSURANCE PRODUCER" MEANS A PERSON THAT:

(a) IS REQUIRED TO BE LICENSED TO SELL, SOLICIT OR NEGOTIATE INSURANCE.

(b) HAS AN EXCLUSIVE INSURANCE CONTRACT WITH AN INSURER.

33. "ITEMIZED" MEANS THAT EACH CONTRIBUTION RECEIVED OR EXPENDITURE MADE IS SET FORTH SEPARATELY.

34. "LABOR ORGANIZATION" MEANS ANY EMPLOYEE REPRESENTATION ORGANIZATION THAT EXISTS FOR THE PURPOSE OF DEALING WITH EMPLOYERS CONCERNING GRIEVANCES, LABOR DISPUTES, WAGES, RATES OF PAY, HOURS OF EMPLOYMENT OR OTHER CONDITIONS OF EMPLOYMENT.

35. "LEGISLATIVE OFFICE" MEANS THE OFFICE OF REPRESENTATIVE IN THE STATE HOUSE OF REPRESENTATIVES OR SENATOR IN THE STATE SENATE.

36. "MEGA PAC STATUS" MEANS OFFICIAL RECOGNITION THAT A POLITICAL ACTION COMMITTEE HAS RECEIVED CONTRIBUTIONS FROM FIVE HUNDRED OR MORE INDIVIDUALS IN AMOUNTS OF TEN DOLLARS OR MORE IN THE FOUR-YEAR PERIOD IMMEDIATELY BEFORE APPLICATION TO THE SECRETARY OF STATE.

37. "NOMINEE" MEANS A CANDIDATE WHO PREVAILS IN A PRIMARY ELECTION FOR PARTISAN OFFICE AND INCLUDES THE NOMINEE'S CANDIDATE COMMITTEE.

38. "PERSON" MEANS AN INDIVIDUAL OR A CANDIDATE, NOMINEE, COMMITTEE, CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION, PARTNERSHIP, TRUST, ASSOCIATION, ORGANIZATION, JOINT VENTURE, COOPERATIVE OR UNINCORPORATED ORGANIZATION OR ASSOCIATION.

39. "PERSONAL MONIES" MEANS ANY OF THE FOLLOWING:

(a) ASSETS TO WHICH THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE HAS EITHER LEGAL TITLE OR AN EQUITABLE INTEREST.

(b) SALARY AND OTHER EARNED INCOME FROM BONA FIDE EMPLOYMENT OF THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

(c) DIVIDENDS AND PROCEEDS FROM THE SALE OF INVESTMENTS OF THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

(d) BEQUESTS TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

(e) INCOME TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE FROM REVOCABLE TRUSTS FOR WHICH THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE IS A BENEFICIARY.

(f) GIFTS OF A PERSONAL NATURE TO THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE THAT WOULD HAVE BEEN GIVEN REGARDLESS OF WHETHER THE INDIVIDUAL BECAME A CANDIDATE OR ACCEPTED A CONTRIBUTION.

(g) THE PROCEEDS OF LOANS OBTAINED BY THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE THAT ARE SECURED BY COLLATERAL OR SECURITY PROVIDED BY THE INDIVIDUAL OR INDIVIDUAL'S SPOUSE.

(h) FAMILY CONTRIBUTIONS.

40. "POLITICAL ACTION COMMITTEE" MEANS AN ENTITY THAT IS REQUIRED TO REGISTER AS A POLITICAL ACTION COMMITTEE PURSUANT TO SECTION 16-905.

41. "POLITICAL PARTY" MEANS A COMMITTEE THAT MEETS THE REQUIREMENTS FOR RECOGNITION AS A POLITICAL PARTY PURSUANT TO CHAPTER 5 OF THIS TITLE.

42. "PRIMARY PURPOSE" MEANS AN ENTITY'S PREDOMINANT PURPOSE. NOTWITHSTANDING ANY OTHER LAW OR RULE, AN ENTITY IS NOT ORGANIZED FOR THE PRIMARY PURPOSE OF INFLUENCING AN ELECTION IF ALL OF THE FOLLOWING APPLY:

(a) THE ENTITY HAS TAX EXEMPT STATUS UNDER SECTION 501(a) OF THE INTERNAL REVENUE CODE.

(b) EXCEPT FOR A RELIGIOUS ORGANIZATION, ASSEMBLY OR INSTITUTION, THE ENTITY HAS PROPERLY FILED A FORM 1023 OR FORM 1024 WITH THE INTERNAL REVENUE

SERVICE OR THE EQUIVALENT SUCCESSOR FORM DESIGNATED BY THE INTERNAL REVENUE SERVICE.

(c) THE ENTITY'S TAX EXEMPT STATUS HAS NOT BEEN DENIED OR REVOKED BY THE INTERNAL REVENUE SERVICE.

(d) THE ENTITY REMAINS IN GOOD STANDING WITH THE CORPORATION COMMISSION.

(e) THE ENTITY HAS PROPERLY FILED A FORM 990 WITH THE INTERNAL REVENUE SERVICE OR THE EQUIVALENT SUCCESSOR FORM DESIGNATED BY THE INTERNAL REVENUE SERVICE.

43. "RETENTION" MEANS THE ELECTION PROCESS BY WHICH A SUPERIOR COURT JUDGE, APPELLATE COURT JUDGE OR SUPREME COURT JUSTICE IS RETAINED IN OFFICE AS PRESCRIBED BY ARTICLE VI, SECTION 38 OR 40, CONSTITUTION OF ARIZONA.

44. "SEPARATE SEGREGATED FUND" MEANS A FUND ESTABLISHED BY A CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION OR PARTNERSHIP THAT IS REQUIRED TO REGISTER AS A POLITICAL ACTION COMMITTEE.

45. "SOCIAL MEDIA MESSAGES" MEANS FORMS OF COMMUNICATION, INCLUDING INTERNET SITES FOR SOCIAL NETWORKING OR BLOGGING, THROUGH WHICH USERS CREATE A PERSONAL PROFILE AND PARTICIPATE IN ONLINE COMMUNITIES TO SHARE INFORMATION, IDEAS AND PERSONAL MESSAGES.

46. "SPONSOR" MEANS ANY PERSON THAT ESTABLISHES, ADMINISTERS OR CONTRIBUTES FINANCIAL SUPPORT TO THE ADMINISTRATION OF A POLITICAL ACTION COMMITTEE OR THAT HAS COMMON OR OVERLAPPING MEMBERSHIP OR OFFICERS WITH THAT POLITICAL ACTION COMMITTEE.

47. "STANDING COMMITTEE" MEANS A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY THAT IS ACTIVE IN MORE THAN ONE REPORTING JURISDICTION IN THIS STATE AND THAT FILES A STATEMENT OF ORGANIZATION IN A FORMAT PRESCRIBED BY THE SECRETARY OF STATE.

48. "STATEWIDE OFFICE" MEANS THE OFFICE OF GOVERNOR, SECRETARY OF STATE, STATE TREASURER, ATTORNEY GENERAL, SUPERINTENDENT OF PUBLIC INSTRUCTION, CORPORATION COMMISSIONER OR MINE INSPECTOR.

49. "SURPLUS MONIES" MEANS THOSE MONIES OF A TERMINATING COMMITTEE THAT REMAIN AFTER ALL OF THE COMMITTEE'S EXPENDITURES HAVE BEEN MADE, ALL DEBTS HAVE BEEN EXTINGUISHED AND THE COMMITTEE CEASES ACCEPTING CONTRIBUTIONS.

Sec. 12. Title 16, chapter 6, Arizona Revised Statutes, is amended by adding articles 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 and 1.7, to read:

ARTICLE 1.1. ESTABLISHMENT OF COMMITTEE

16-905. Committee qualification; requirements; exemption; adjustments

A. A CANDIDATE FOR ELECTION OR RETENTION SHALL REGISTER AS A CANDIDATE COMMITTEE IF THE CANDIDATE RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES, IN ANY COMBINATION, OF AT LEAST ONE THOUSAND DOLLARS IN CONNECTION WITH THAT CANDIDACY.

B. AN ENTITY SHALL REGISTER AS A POLITICAL ACTION COMMITTEE IF BOTH OF THE FOLLOWING APPLY:

1. THE ENTITY IS ORGANIZED FOR THE PRIMARY PURPOSE OF INFLUENCING THE RESULT OF AN ELECTION.

2. THE ENTITY KNOWINGLY RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES, IN ANY COMBINATION, OF AT LEAST ONE THOUSAND DOLLARS IN CONNECTION WITH ANY ELECTION DURING A CALENDAR YEAR.

C. A FILING OFFICER OR ENFORCEMENT OFFICER SHALL MAKE A REBUTTABLE PRESUMPTION THAT AN ENTITY IS ORGANIZED FOR THE PRIMARY PURPOSE OF INFLUENCING THE RESULT OF AN ELECTION IF THE ENTITY MEETS ANY OF THE FOLLOWING:

1. EXCEPT FOR A RELIGIOUS ORGANIZATION, ASSEMBLY OR INSTITUTION, CLAIMS TAX EXEMPT STATUS BUT HAD NOT FILED FORM 1023 OR FORM 1024 WITH THE INTERNAL REVENUE SERVICE, OR THE EQUIVALENT SUCCESSOR FORM DESIGNATED BY THE INTERNAL REVENUE SERVICE, BEFORE MAKING A CONTRIBUTION OR EXPENDITURE.

2. MADE A CONTRIBUTION OR EXPENDITURE AND AT THAT TIME HAD ITS TAX EXEMPT STATUS REVOKED BY THE INTERNAL REVENUE SERVICE.

3. MADE A CONTRIBUTION OR EXPENDITURE AND AT THAT TIME FAILED TO FILE FORM 990 WITH THE INTERNAL REVENUE SERVICE, OR THE EQUIVALENT SUCCESSOR FORM DESIGNATED BY THE INTERNAL REVENUE SERVICE, IF REQUIRED BY LAW.

4. AT THE TIME OF MAKING A CONTRIBUTION OR EXPENDITURE WAS NOT REGISTERED WITH THE CORPORATION COMMISSION IF REQUIRED BY LAW.

5. AT THE TIME OF MAKING A CONTRIBUTION OR EXPENDITURE WAS REGISTERED WITH THE CORPORATION COMMISSION BUT WAS NOT IN GOOD STANDING.

D. A FUND THAT IS ESTABLISHED BY A CORPORATION, LIMITED LIABILITY COMPANY, LABOR ORGANIZATION OR PARTNERSHIP FOR THE PURPOSE OF INFLUENCING THE RESULT OF AN ELECTION SHALL REGISTER AS A POLITICAL ACTION COMMITTEE.

E. AN ENTITY MAY REGISTER AS A POLITICAL PARTY COMMITTEE ONLY AS PRESCRIBED IN CHAPTER 5 OF THIS TITLE.

F. A COMMITTEE IS NOT SUBJECT TO STATE INCOME TAX AND IS NOT REQUIRED TO FILE A STATE INCOME TAX RETURN.

G. THE DOLLAR AMOUNTS PRESCRIBED BY THIS SECTION SHALL BE INCREASED EVERY TWO YEARS PURSUANT TO SECTION 16-931.

16-906. Committee statement of organization; amendment; committee limitation

A. A COMMITTEE SHALL FILE A STATEMENT OF ORGANIZATION WITH THE FILING OFFICER WITHIN TEN DAYS AFTER QUALIFYING AS A COMMITTEE.

B. A STATEMENT OF ORGANIZATION SHALL INCLUDE THE FOLLOWING COMMITTEE INFORMATION:

1. THE COMMITTEE NAME, MAILING ADDRESS, E-MAIL ADDRESS, WEBSITE, IF ANY, TELEPHONE NUMBER, IF ANY, AND TYPE OF COMMITTEE. THE COMMITTEE NAME SHALL INCLUDE:

(a) FOR A CANDIDATE COMMITTEE, THE CANDIDATE'S FIRST OR LAST NAME AND OFFICE SOUGHT.

(b) FOR A POLITICAL ACTION COMMITTEE THAT IS SPONSORED, THE SPONSOR'S NAME OR COMMONLY KNOWN NICKNAME.

2. THE NAME, MAILING ADDRESS, E-MAIL ADDRESS, WEBSITE, IF ANY, AND TELEPHONE NUMBER OF ANY SPONSOR.

3. THE NAME, PHYSICAL LOCATION OR STREET ADDRESS, E-MAIL ADDRESS, TELEPHONE NUMBER, OCCUPATION AND EMPLOYER OF THE COMMITTEE'S CHAIRPERSON AND TREASURER. FOR A CANDIDATE COMMITTEE, THE CANDIDATE MAY SERVE AS BOTH CHAIRPERSON AND TREASURER.

4. FOR A CANDIDATE COMMITTEE FOR A PARTISAN OFFICE, THE CANDIDATE'S PARTY AFFILIATION.

5. A LISTING OF ALL BANKS OR OTHER FINANCIAL INSTITUTIONS USED BY THE COMMITTEE.

6. A STATEMENT THAT THE COMMITTEE CHAIRPERSON AND COMMITTEE TREASURER HAVE READ THE FILING OFFICER'S CAMPAIGN FINANCE AND REPORTING GUIDE, AGREE TO COMPLY WITH THIS ARTICLE AND ARTICLES 1.2, 1.3, 1.4, 1.5, 1.6 AND 1.7 OF THIS CHAPTER, AND AGREE TO ACCEPT ALL NOTIFICATIONS AND SERVICE OF PROCESS VIA THE E-MAIL ADDRESS PROVIDED BY THE COMMITTEE.

C. A COMMITTEE SHALL FILE AN AMENDED STATEMENT OF ORGANIZATION WITHIN TEN DAYS AFTER ANY CHANGE IN COMMITTEE INFORMATION.

D. ON FILING A STATEMENT OF ORGANIZATION, THE FILING OFFICER SHALL ISSUE AN IDENTIFICATION NUMBER TO THE COMMITTEE.

E. A STANDING COMMITTEE SHALL FILE A STATEMENT OF ORGANIZATION WITH THE SECRETARY OF STATE AND A COPY OF THE STATEMENT IN EACH JURISDICTION IN WHICH THE COMMITTEE IS ACTIVE. ONLY THE SECRETARY OF STATE SHALL ISSUE AN IDENTIFICATION NUMBER.

F. A CANDIDATE MAY HAVE ONLY ONE COMMITTEE IN EXISTENCE FOR THE SAME OFFICE DURING THE SAME ELECTION CYCLE.

G. ON FILING A STATEMENT OF ORGANIZATION, A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY MAY PERFORM ANY LAWFUL ACTIVITY, INCLUDING MAKING CONTRIBUTIONS, MAKING EXPENDITURES OR CONDUCTING ISSUE ADVOCACY, WITHOUT ESTABLISHING A SEPARATE COMMITTEE FOR EACH ACTIVITY OR SPECIFYING EACH ACTIVITY IN ITS STATEMENT OF ORGANIZATION.

16-907. Committee recordkeeping; treasurer; accounts

A. A COMMITTEE TREASURER IS THE CUSTODIAN OF THE COMMITTEE'S BOOKS AND ACCOUNTS. A COMMITTEE MAY NOT MAKE A CONTRIBUTION, EXPENDITURE OR DISBURSEMENT WITHOUT THE AUTHORIZATION OF THE TREASURER OR THE TREASURER'S DESIGNATED AGENT.

B. ALL COMMITTEE MONIES SHALL BE DEPOSITED IN ONE OR MORE BANK ACCOUNTS HELD BY THE FINANCIAL INSTITUTIONS LISTED IN THE COMMITTEE'S STATEMENT OF ORGANIZATION. COMMITTEE BANK ACCOUNTS SHALL BE SEGREGATED AS FOLLOWS:

1. COMMITTEE MONIES SHALL BE SEGREGATED IN DIFFERENT BANK ACCOUNTS FROM PERSONAL MONIES.

2. CONTRIBUTIONS FROM INDIVIDUALS AND COMMITTEES SHALL BE SEGREGATED IN DIFFERENT BANK ACCOUNTS FROM CONTRIBUTIONS FROM CORPORATIONS, LIMITED LIABILITY COMPANIES AND LABOR ORGANIZATIONS.

3. CONTRIBUTIONS TO A POLITICAL PARTY TO DEFRAY OPERATING EXPENSES OR SUPPORT PARTY-BUILDING ACTIVITIES SHALL BE SEGREGATED IN DIFFERENT BANK ACCOUNTS FROM CONTRIBUTIONS USED TO SUPPORT CANDIDATES.

4. FOR A COMMITTEE THAT IS A POLITICAL PARTY, THE COMMITTEE MAY COMMINGLE MONIES FROM ANY SOURCE IN A SINGLE BANK ACCOUNT IF THE ACCOUNT IS MAINTAINED AS PRESCRIBED IN 11 CODE OF FEDERAL REGULATIONS SECTION 106.7.

5. FOR CONTRIBUTIONS INTENDED TO INFLUENCE A RECALL ELECTION, THE COMMITTEE SHALL SEGREGATE THOSE CONTRIBUTIONS INTO BANK ACCOUNTS THAT ARE DIFFERENT FROM THOSE INTENDED TO INFLUENCE ANY OTHER ELECTION AND THOSE RECALL CONTRIBUTIONS MAY NOT BE USED TO INFLUENCE ANY OTHER ELECTION.

C. A COMMITTEE SHALL EXERCISE ITS BEST EFFORT TO OBTAIN THE REQUIRED INFORMATION FOR ANY INCOMPLETE CONTRIBUTION RECEIVED THAT IS REQUIRED TO BE ITEMIZED AND REPORTED. THE COMMITTEE SHALL CLEARLY ASK FOR IDENTIFICATION AND INFORM THE CONTRIBUTOR THAT THE COMMITTEE IS REQUIRED BY LAW TO SEEK IDENTIFICATION. THE COMMITTEE SHALL REPORT IN AN AMENDED REPORT ANY CONTRIBUTOR IDENTIFICATION OBTAINED AFTER THE CONTRIBUTION HAS BEEN DISCLOSED ON A CAMPAIGN FINANCE REPORT.

D. A COMMITTEE SHALL KEEP RECORDS OF THE FOLLOWING:

1. ALL CONTRIBUTIONS MADE OR RECEIVED BY THE COMMITTEE.

2. THE IDENTIFICATION OF ANY CONTRIBUTOR THAT CONTRIBUTES IN THE AGGREGATE AT LEAST FIFTY DOLLARS TO THE COMMITTEE DURING THE ELECTION CYCLE, THE DATE AND AMOUNT OF EACH CONTRIBUTION AND THE DATE OF DEPOSIT INTO THE COMMITTEE'S ACCOUNT.

3. CUMULATIVE TOTALS CONTRIBUTED BY EACH CONTRIBUTOR DURING THE ELECTION CYCLE.

4. THE NAME AND ADDRESS OF EVERY PERSON THAT RECEIVES A CONTRIBUTION, EXPENDITURE OR DISBURSEMENT FROM THE COMMITTEE, INCLUDING THE DATE AND AMOUNT, AND, FOR ANY EXPENDITURE OR DISBURSEMENT, THE PURPOSE OF THE EXPENDITURE OR DISBURSEMENT. A CONTRIBUTION IS DEEMED MADE WHEN TENDERED TO THE COMMITTEE'S POSSESSION. AN EXPENDITURE OR DISBURSEMENT IS DEEMED MADE WHEN PROMISED, OBLIGATED, CONTRACTED FOR OR SPENT.

E. A COMMITTEE MAY ACCEPT A CASH CONTRIBUTION.

F. A COMMITTEE MAY ACCEPT A CONTRIBUTION BY WRITTEN OR ELECTRONIC INSTRUMENT, INCLUDING A CHECK, CREDIT CARD, PAYROLL DEDUCTION, ONLINE PAYMENT OR ELECTRONIC TRANSFER, IF THE CONTRIBUTOR IS AN ACCOUNT HOLDER OF THE INSTRUMENT. UNLESS DESIGNATED AS A JOINT CONTRIBUTION, A CONTRIBUTION SHALL BE ATTRIBUTED TO THE ACCOUNT HOLDER THAT SIGNS THE INSTRUMENT OR AUTHORIZES THE TRANSACTION.

G. A COMMITTEE SHALL PRESERVE ALL RECORDS REQUIRED TO BE KEPT BY THIS SECTION FOR TWO YEARS FOLLOWING THE END OF THE ELECTION CYCLE.

H. ON REQUEST OF THE FILING OFFICER OR ENFORCEMENT OFFICER, A COMMITTEE THAT HAS FILED A STATEMENT OF ORGANIZATION SHALL PRODUCE ANY OF THE RECORDS REQUIRED TO BE KEPT PURSUANT TO THIS SECTION TO THE FILING OFFICER OR ENFORCEMENT OFFICER.

I. A PERSON THAT QUALIFIES AS A COMMITTEE AS PRESCRIBED BY SECTION 16-905 SHALL REPORT ALL CONTRIBUTIONS, EXPENDITURES AND DISBURSEMENTS THAT OCCURRED BEFORE QUALIFYING AS A COMMITTEE AND SHALL MAINTAIN AND PRODUCE RECORDS AS PRESCRIBED BY THIS SECTION.

16-908. Mega pac status qualification

A. A POLITICAL ACTION COMMITTEE MAY APPLY TO THE SECRETARY OF STATE FOR MEGA PAC STATUS.

B. A POLITICAL ACTION COMMITTEE QUALIFIES FOR MEGA PAC STATUS IF IT RECEIVES AT LEAST TEN DOLLARS IN CONTRIBUTIONS FROM AT LEAST FIVE HUNDRED INDIVIDUALS IN THE FOUR-YEAR PERIOD IMMEDIATELY BEFORE APPLICATION TO THE SECRETARY OF STATE.

C. IF THE APPLICANT DEMONSTRATES IT HAS MET THE REQUIREMENTS FOR MEGA PAC STATUS, THE SECRETARY OF STATE SHALL PROVIDE WRITTEN CERTIFICATION TO THE POLITICAL ACTION COMMITTEE OF ITS MEGA PAC STATUS, WHICH STATUS IS VALID FOR FOUR YEARS.

ARTICLE 1.2. CONTRIBUTIONS

16-911. Exemption from definition of contribution

A. A PERSON MAY MAKE ANY CONTRIBUTION NOT OTHERWISE PROHIBITED BY LAW.

B. THE FOLLOWING ARE NOT CONTRIBUTIONS:

1. THE VALUE OF AN INDIVIDUAL'S VOLUNTEER SERVICES OR EXPENSES THAT ARE PROVIDED WITHOUT COMPENSATION OR REIMBURSEMENT, INCLUDING THE INDIVIDUAL'S:

(a) TRAVEL EXPENSES.

(b) USE OF REAL OR PERSONAL PROPERTY.

(c) COST OF INVITATIONS, FOOD OR BEVERAGES.

(d) USE OF E-MAIL, INTERNET ACTIVITY OR SOCIAL MEDIA MESSAGES, ONLY IF THE INDIVIDUAL'S USE IS NOT PAID FOR BY THE INDIVIDUAL OR ANY OTHER PERSON AND IF THE E-MAILS, SOCIAL MEDIA MESSAGES OR OTHER INTERNET ACTIVITIES DO NOT CONTAIN OR INCLUDE TRANSMITTAL OF A PAID ADVERTISEMENT OR PAID FUND-RAISING SOLICITATION.

2. THE COSTS INCURRED FOR COVERING OR CARRYING A NEWS STORY, COMMENTARY OR EDITORIAL BY A BROADCASTING STATION OR CABLE TELEVISION OPERATOR, AN INTERNET WEBSITE, A NEWSPAPER OR ANOTHER PERIODICAL PUBLICATION, INCLUDING AN INTERNET-BASED OR ELECTRONIC PUBLICATION, IF THE COST FOR THE NEWS STORY, COMMENTARY OR EDITORIAL IS NOT PAID FOR BY AND THE MEDIUM IS NOT OWNED OR UNDER THE CONTROL OF A CANDIDATE OR COMMITTEE.

3. ANY PAYMENT TO DEFRAY THE EXPENSE OF AN ELECTED OFFICIAL MEETING WITH CONSTITUENTS OR ATTENDING AN INFORMATIONAL TOUR, CONFERENCE, SEMINAR OR PRESENTATION, IF THE PAYOR OR THE ELECTED OFFICIAL DOES NOT ATTEMPT TO INFLUENCE THE RESULT OF AN ELECTION AND THE PAYMENT IS REPORTED IF REQUIRED PURSUANT TO TITLE 38, CHAPTER 3.1 OR TITLE 41, CHAPTER 7, ARTICLE 8.1, OR BOTH.

4. THE PAYMENT BY A POLITICAL PARTY TO SUPPORT ITS NOMINEE, INCLUDING:

(a) THE PRINTING OR DISTRIBUTION OF, OR POSTAGE EXPENSES FOR, VOTER GUIDES, SAMPLE BALLOTS, PINS, BUMPER STICKERS, HANDBILLS, BROCHURES, POSTERS, YARD SIGNS AND OTHER SIMILAR MATERIALS DISTRIBUTED THROUGH THE PARTY.

(b) COORDINATED POLITICAL PARTY EXPENDITURES.

5. THE PAYMENT BY ANY PERSON TO DEFRAY A POLITICAL PARTY'S OPERATING EXPENSES OR PARTY-BUILDING ACTIVITIES, INCLUDING:

(a) PARTY STAFF AND PERSONNEL.

(b) STUDIES AND REPORTS.

(c) VOTER REGISTRATION, RECRUITMENT, POLLING AND TURNOUT EFFORTS.

(d) PARTY CONVENTIONS AND PARTY MEETINGS.

(e) CONSTRUCTION, PURCHASE OR LEASE OF PARTY BUILDINGS OR FACILITIES.

6. THE VALUE OF ANY OF THE FOLLOWING TO A COMMITTEE:

(a) INTEREST EARNED ON THE COMMITTEE'S DEPOSITS OR INVESTMENTS.

(b) TRANSFERS BETWEEN COMMITTEES TO REIMBURSE EXPENSES AND DISTRIBUTE MONIES RAISED THROUGH A JOINT FUND-RAISING EFFORT, EXCEPT THAT CONTRIBUTIONS SHALL BE ALLOCATED AS DESCRIBED IN THE FUND-RAISING SOLICITATION AND EXPENSES SHALL BE ALLOCATED IN THE SAME PROPORTION AS CONTRIBUTIONS.

(c) PAYMENT OF A COMMITTEE'S LEGAL OR ACCOUNTING EXPENSES BY ANY PERSON.

(d) AN EXTENSION OF CREDIT FOR GOODS AND SERVICES ON A COMMITTEE'S BEHALF BY A CREDITOR IF THE TERMS ARE SUBSTANTIALLY SIMILAR TO EXTENSIONS OF CREDIT TO NONPOLITICAL DEBTORS THAT ARE OF SIMILAR RISK AND SIZE OF OBLIGATION. THE CREDITOR MUST MAKE A COMMERCIALLY REASONABLE ATTEMPT TO COLLECT THE DEBT, EXCEPT THAT IF AN EXTENSION OF CREDIT REMAINS UNSATISFIED BY THE COMMITTEE AFTER SIX MONTHS THE COMMITTEE IS DEEMED TO HAVE RECEIVED A CONTRIBUTION BUT THE CREDITOR IS NOT DEEMED TO HAVE MADE A CONTRIBUTION.

7. THE VALUE OF NONPARTISAN COMMUNICATIONS THAT ARE INTENDED TO ENCOURAGE VOTER REGISTRATION AND TURNOUT EFFORTS.

8. ANY PAYMENT TO A FILING OFFICER FOR ARGUMENTS IN A PUBLICITY PAMPHLET.

9. THE PAYMENT BY ANY SPONSOR OR ITS AFFILIATE FOR THE COSTS OF ESTABLISHING, ADMINISTERING AND SOLICITING CONTRIBUTIONS FROM ITS EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES TO THE SPONSOR'S SEPARATE SEGREGATED FUND.

10. ANY PAYMENT BY ANY ENTITY FOR THE COSTS OF COMMUNICATING WITH ITS EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES ABOUT ANY SUBJECT, WITHOUT REGARD TO WHETHER THOSE COMMUNICATIONS ARE MADE IN COORDINATION WITH ANY CANDIDATE OR CANDIDATE'S AGENT.

11. THE VALUE OF ALLOWING A CANDIDATE OR A COMMITTEE'S REPRESENTATIVE TO APPEAR AT ANY PRIVATE RESIDENCE OR AT THE FACILITIES OF ANY ENTITY TO SPEAK ABOUT THE CANDIDATE'S CAMPAIGN OR ABOUT A BALLOT MEASURE, IF THE VENUE IS FURNISHED BY THE VENUE'S OWNER, IS NOT PAID FOR BY A THIRD PARTY AND IS NOT A SPORTS STADIUM, COLISEUM, CONVENTION CENTER, HOTEL BALLROOM, CONCERT HALL OR OTHER SIMILAR ARENA THAT IS GENERALLY OPEN TO THE PUBLIC.

12. THE COSTS OF HOSTING A DEBATE OR CANDIDATES' FORUM, IF AT LEAST TWO OPPOSING CANDIDATES, WITH RESPECT TO ANY GIVEN OFFICE SOUGHT, OR REPRESENTATIVES OF AT LEAST TWO OPPOSING BALLOT MEASURE CAMPAIGNS, WITH RESPECT TO ANY MEASURE ON THE BALLOT, ARE INVITED WITH THE SAME OR SIMILAR ADVANCE NOTICE AND METHOD OF INVITATION.

13. THE PREPARATION AND DISTRIBUTION OF VOTER GUIDES, SUBJECT TO THE FOLLOWING:

(a) A FEATURED CANDIDATE OR BALLOT MEASURE SHALL NOT RECEIVE GREATER PROMINENCE OR SUBSTANTIALLY MORE SPACE IN THE VOTER GUIDE THAN ANY OTHER CANDIDATE OR BALLOT MEASURE.

(b) THE VOTER GUIDE SHALL NOT INCLUDE ANY MESSAGE THAT CONSTITUTES EXPRESS ADVOCACY.

14. MONIES THAT ARE LOANED BY A FINANCIAL INSTITUTION IN THE ORDINARY COURSE OF BUSINESS AND NOT FOR THE PURPOSE OF INFLUENCING THE RESULTS OF AN ELECTION, EXCEPT THAT THE LOAN IS DEEMED A PRO RATA CONTRIBUTION BY ANY ENDORSER OR GUARANTOR, OTHER THAN THE CANDIDATE'S SPOUSE.

15. THE COSTS OF PUBLISHING A BOOK OR PRODUCING A DOCUMENTARY, IF THE PUBLICATION AND PRODUCTION ARE FOR DISTRIBUTION TO THE GENERAL PUBLIC THROUGH TRADITIONAL DISTRIBUTION MECHANISMS OR A FEE IS OBTAINED FOR THE PURCHASE OF THE PUBLICATION OR VIEWING OF THE DOCUMENTARY.

C. THIS SECTION DOES NOT IMPLY THAT ANY TRANSACTIONS THAT ARE NOT SPECIFICALLY LISTED IN SUBSECTION B OF THIS SECTION ARE CONTRIBUTIONS UNLESS THOSE TRANSACTIONS OTHERWISE MEET THE DEFINITION OF CONTRIBUTION DEFINED IN SECTION 16-901.

16-912. Individual contribution limits; requirements

A. AN INDIVIDUAL MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

1. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR CITY, TOWN, COUNTY OR DISTRICT OFFICE.

2. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR LEGISLATIVE OFFICE.

3. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR STATEWIDE OFFICE.

B. AN INDIVIDUAL MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATE COMMITTEES.

C. AN INDIVIDUAL MAY ONLY MAKE CONTRIBUTIONS USING PERSONAL MONIES, EXCEPT THAT A CONTRIBUTION FROM AN UNEMANCIPATED MINOR CHILD SHALL BE TREATED AS A CONTRIBUTION BY THE CHILD'S CUSTODIAL PARENT OR PARENTS.

16-913. Candidate committee contribution limits; requirements

A. A CANDIDATE COMMITTEE MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE TO A CANDIDATE COMMITTEE FOR ANOTHER CANDIDATE:

1. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR A CANDIDATE FOR CITY, TOWN, COUNTY OR DISTRICT OFFICE.

2. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR A CANDIDATE FOR LEGISLATIVE OFFICE.

3. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR A CANDIDATE FOR STATEWIDE OFFICE.

B. A CANDIDATE COMMITTEE MAY TRANSFER UNLIMITED CONTRIBUTIONS TO ANY ONE OR MORE OTHER CANDIDATE COMMITTEES FOR THE SAME CANDIDATE WITHOUT REGARD TO THE OFFICE SOUGHT UNDER THE FOLLOWING CONDITIONS:

1. BOTH CANDIDATE COMMITTEES MUST BE REGISTERED WITH AN OFFICER PRESCRIBED BY SUBDIVISION (a) OF THIS PARAGRAPH OR BOTH MUST BE REGISTERED WITH AN OFFICER PRESCRIBED BY SUBDIVISION (b) OF THIS PARAGRAPH:

(a) A FILING OFFICER IN CHARGE OF CITY, TOWN, COUNTY OR DISTRICT ELECTIONS FOR ANY ONE OR MORE OFFICES, INCLUDING OFFICES WITH DIFFERENT FILING OFFICERS PRESCRIBED IN THIS SUBDIVISION.

(b) THE SECRETARY OF STATE, FOR ANY ONE OR MORE OFFICES FOR WHICH THE SECRETARY OF STATE IS THE FILING OFFICER.

2. CONTRIBUTIONS ORIGINALLY MADE TO THE TRANSFERRING CANDIDATE COMMITTEE ARE DEEMED TO BE CONTRIBUTIONS TO THE RECEIVING CANDIDATE COMMITTEE. ON TRANSFER, AN INDIVIDUAL'S AGGREGATE CONTRIBUTIONS TO BOTH CANDIDATE COMMITTEES DURING THE ELECTION CYCLE SHALL NOT EXCEED THE INDIVIDUAL'S CONTRIBUTION LIMIT FOR THAT CANDIDATE.

C. A CANDIDATE COMMITTEE SHALL NOT ACCEPT CONTRIBUTIONS IN EXCESS OF THE CONTRIBUTION LIMITS PRESCRIBED BY LAW. A CANDIDATE COMMITTEE SHALL REFUND OR REATTRIBUTE ANY EXCESS CONTRIBUTIONS WITHIN SIXTY DAYS AFTER RECEIPT OF THE CONTRIBUTION.

D. A CANDIDATE COMMITTEE MAY MAKE UNLIMITED CONTRIBUTIONS TO A PERSON OTHER THAN A CANDIDATE'S COMMITTEE.

E. A CANDIDATE MAY CONTRIBUTE UNLIMITED PERSONAL MONIES TO THE CANDIDATE'S OWN CANDIDATE COMMITTEE.

16-914. Political action committee contribution limits; requirements

A. A POLITICAL ACTION COMMITTEE WITHOUT MEGA PAC STATUS MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

1. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR CITY, TOWN, COUNTY OR DISTRICT OFFICE.

2. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR LEGISLATIVE OFFICE.

3. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR STATEWIDE OFFICE.

B. A POLITICAL ACTION COMMITTEE WITH MEGA PAC STATUS MAY CONTRIBUTE TWICE THE AMOUNTS PRESCRIBED IN SUBSECTION A OF THIS SECTION PER ELECTION CYCLE IF THE POLITICAL ACTION COMMITTEE PROVIDES THE RECIPIENT CANDIDATE COMMITTEE A COPY OF THE POLITICAL ACTION COMMITTEE'S CERTIFICATION OF MEGA PAC STATUS.

C. A POLITICAL ACTION COMMITTEE SHALL NOT CONTRIBUTE TO A CANDIDATE COMMITTEE USING MONIES CONTRIBUTED BY A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION.

D. A POLITICAL ACTION COMMITTEE MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATE COMMITTEES.

16-915. Political party contribution limits; requirements

A. A POLITICAL PARTY MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

1. TEN THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR A CITY, TOWN, COUNTY OR DISTRICT OFFICE.

2. TEN THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR LEGISLATIVE OFFICE.

3. ONE HUNDRED THOUSAND DOLLARS TO THE PARTY'S NOMINEE FOR STATEWIDE OFFICE.

B. A POLITICAL PARTY SHALL NOT CONTRIBUTE TO NOMINEES USING MONIES CONTRIBUTED BY A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION.

C. A POLITICAL PARTY SHALL NOT CONTRIBUTE TO CANDIDATE COMMITTEES OTHER THAN NOMINEES.

D. A POLITICAL PARTY MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATE COMMITTEES AND NOMINEES.

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

A. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION SHALL NOT MAKE CONTRIBUTIONS TO A CANDIDATE COMMITTEE.

B. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATE COMMITTEES.

C. A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION MAY SPONSOR A SEPARATE SEGREGATED FUND. EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES OF A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION AND ANY SUBSIDIARY OR AFFILIATE OF A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION MAY MAKE CONTRIBUTIONS TO THE SEPARATE SEGREGATED FUND, SUBJECT TO THE FOLLOWING:

1. THE SEPARATE SEGREGATED FUND MUST REGISTER AS A POLITICAL ACTION COMMITTEE.

2. THE SPONSOR OR ITS AFFILIATE MAY PAY THE ADMINISTRATIVE, PERSONNEL AND FUND-RAISING EXPENSES OF ITS SEPARATE SEGREGATED FUND, WHICH SHALL NOT BE DEEMED CONTRIBUTIONS TO THE FUND.

3. THE SPONSOR OR ITS SEPARATE SEGREGATED FUND MAY SOLICIT CONTRIBUTIONS FROM THE SPONSOR'S, SPONSOR'S AFFILIATES' OR SPONSOR'S SUBSIDIARIES' EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES. THE FOLLOWING ADDITIONAL RESTRICTIONS APPLY:

(a) WITH RESPECT TO AN INSURER, AN INSURER OR ITS SEPARATE SEGREGATED FUND MAY ALSO SOLICIT CONTRIBUTIONS FROM AN INSURANCE PRODUCER'S EMPLOYEES, MEMBERS, EXECUTIVES, STOCKHOLDERS AND RETIREES AND THEIR FAMILIES.

(b) WITH RESPECT TO A TRADE ASSOCIATION OR MEMBERSHIP ORGANIZATION, THE ASSOCIATION OR ORGANIZATION MAY SOLICIT CONTRIBUTIONS FROM ITS MEMBERS'

EMPLOYEES, EXECUTIVES, STOCKHOLDERS, SUBSIDIARIES AND RETIREES AND THEIR FAMILIES.

4. A SPONSOR OR ITS AFFILIATE OR A TRADE ASSOCIATION OR MEMBERSHIP ORGANIZATION MAY FACILITATE THE MAKING OF CONTRIBUTIONS TO ITS SEPARATE SEGREGATED FUND BY ESTABLISHING A PAYROLL DEDUCTION SYSTEM OR OTHER SIMILAR PAYMENT TRANSFER METHOD.

5. A SPONSOR, TRADE ASSOCIATION, MEMBERSHIP ORGANIZATION OR SEPARATE SEGREGATED FUND MAY RELY ON THE FEDERAL ELECTION COMMISSION'S WRITTEN GUIDANCE INTERPRETING 52 UNITED STATES CODE SECTION 30118(b) AND RULES ADOPTED UNDER THAT SECTION WHEN INTERPRETING THIS SUBSECTION, IF OTHERWISE CONSISTENT WITH THIS ARTICLE AND ARTICLES 1, 1.1, 1.3, 1.4, 1.5, 1.6 AND 1.7 OF THIS CHAPTER.

16-917. Partnership contribution limits; requirements

A. A PARTNERSHIP MAY NOT CONTRIBUTE MORE THAN THE FOLLOWING AMOUNTS PER ELECTION CYCLE:

1. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR CITY, TOWN, COUNTY OR DISTRICT OFFICE.

2. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR LEGISLATIVE OFFICE.

3. SIX THOUSAND TWO HUNDRED FIFTY DOLLARS TO A CANDIDATE COMMITTEE FOR STATEWIDE OFFICE.

B. A PARTNERSHIP MAY MAKE UNLIMITED CONTRIBUTIONS TO PERSONS OTHER THAN CANDIDATE COMMITTEES.

C. PARTNERSHIP CONTRIBUTIONS ARE SUBJECT TO THE FOLLOWING:

1. PARTNERSHIP CONTRIBUTIONS SHALL BE ATTRIBUTED TO EACH CONTRIBUTING PARTNER AS DESIGNATED BY THE PARTNERSHIP. THE PARTNERSHIP SHALL PROVIDE THE RECIPIENT COMMITTEE WRITTEN NOTICE IDENTIFYING THE CONTRIBUTING PARTNERS AND THE AMOUNT ATTRIBUTED TO EACH.

2. PARTNERSHIP CONTRIBUTIONS SHALL COUNT AGAINST BOTH THE PARTNERSHIP'S AND THE INDIVIDUAL PARTNERS' CONTRIBUTION LIMITS TO A RECIPIENT. THE PORTION ATTRIBUTED TO EACH PARTNER SHALL BE AGGREGATED WITH THE INDIVIDUAL PARTNER'S NONPARTNERSHIP CONTRIBUTIONS TO THAT RECIPIENT AND SHALL NOT EXCEED THE INDIVIDUAL PARTNER'S CONTRIBUTION LIMIT.

3. THE PARTNERSHIP SHALL NOT ATTRIBUTE ANY CONTRIBUTION TO A PARTNER THAT IS A CORPORATION, LIMITED LIABILITY COMPANY OR LABOR ORGANIZATION.

4. PARTNERSHIP CONTRIBUTIONS NEED NOT BE ACCOMPANIED BY THE SIGNATURE OF EACH CONTRIBUTING PARTNER.

D. A PARTNERSHIP MAY ESTABLISH A SEPARATE SEGREGATED FUND AS PRESCRIBED IN SECTION 16-916.

16-918. Earmarking prohibited

A CONTRIBUTOR SHALL NOT GIVE AND A COMMITTEE SHALL NOT ACCEPT A CONTRIBUTION THAT HAS BEEN EARMARKED FOR A CANDIDATE.

ARTICLE 1.3. EXPENDITURES

16-921. Exemptions from definition of expenditure

A. A PERSON MAY MAKE ANY EXPENDITURE NOT OTHERWISE PROHIBITED BY LAW.

B. THE FOLLOWING ARE NOT EXPENDITURES:

1. THE VALUE OF AN INDIVIDUAL'S VOLUNTEER SERVICES OR EXPENSES THAT ARE PROVIDED WITHOUT COMPENSATION OR REIMBURSEMENT, INCLUDING THE INDIVIDUAL'S:

(a) TRAVEL EXPENSES.

(b) USE OF REAL OR PERSONAL PROPERTY.

(c) COST OF INVITATIONS, FOOD OR BEVERAGES.

(d) USE OF E-MAIL, INTERNET ACTIVITY OR SOCIAL MEDIA MESSAGES, ONLY IF THE INDIVIDUAL'S USE IS NOT PAID FOR BY THE INDIVIDUAL OR ANY OTHER PERSON AND IF THE E-MAILS, SOCIAL MEDIA MESSAGES OR OTHER INTERNET ACTIVITIES DO NOT CONTAIN OR INCLUDE TRANSMITTAL OF A PAID ADVERTISEMENT OR PAID FUND-RAISING SOLICITATION.

2. THE VALUE OF ANY NEWS STORY, COMMENTARY OR EDITORIAL BY ANY BROADCASTING STATION, CABLE TELEVISION OPERATOR, PROGRAMMER OR PRODUCER, NEWSPAPER, MAGAZINE, WEBSITE OR OTHER PERIODICAL PUBLICATION THAT IS NOT OWNED OR OPERATED BY A CANDIDATE, A CANDIDATE'S SPOUSE OR ANY COMMITTEE.

3. THE PAYMENT BY ANY PERSON TO DEFRAY A POLITICAL PARTY'S OPERATING EXPENSES OR PARTY-BUILDING ACTIVITIES, INCLUDING:

(a) PARTY STAFF AND PERSONNEL.

(b) STUDIES AND REPORTS.

(c) VOTER REGISTRATION, RECRUITMENT, POLLING AND TURNOUT EFFORTS.

(d) PARTY CONVENTIONS AND PARTY MEETINGS.

(e) CONSTRUCTION, PURCHASE OR LEASE OF PARTY BUILDINGS OR FACILITIES.

4. THE VALUE OF ANY OF THE FOLLOWING TO A COMMITTEE:

(a) INTEREST EARNED ON THE COMMITTEE'S DEPOSITS OR INVESTMENTS.

(b) TRANSFERS BETWEEN COMMITTEES TO REIMBURSE EXPENSES AND DISTRIBUTE MONIES RAISED THROUGH A JOINT FUND-RAISING EFFORT, EXCEPT THAT CONTRIBUTIONS SHALL BE ALLOCATED AS DESCRIBED IN THE FUND-RAISING SOLICITATION AND EXPENSES SHALL BE ALLOCATED IN THE SAME PROPORTION AS CONTRIBUTIONS.

(c) PAYMENT OF A COMMITTEE'S LEGAL OR ACCOUNTING EXPENSES.

(d) AN EXTENSION OF CREDIT FOR GOODS AND SERVICES ON A COMMITTEE'S BEHALF BY A CREDITOR IF THE TERMS ARE SUBSTANTIALLY SIMILAR TO EXTENSIONS OF CREDIT TO NONPOLITICAL DEBTORS THAT ARE OF SIMILAR RISK AND SIZE OF OBLIGATION. THE CREDITOR MUST MAKE A COMMERCIALLY REASONABLE ATTEMPT TO COLLECT THE DEBT, EXCEPT THAT IF AN EXTENSION OF CREDIT REMAINS UNSATISFIED BY THE COMMITTEE AFTER SIX MONTHS THE COMMITTEE IS DEEMED TO HAVE RECEIVED A CONTRIBUTION BUT THE CREDITOR IS NOT DEEMED TO HAVE MADE A CONTRIBUTION.

5. THE VALUE OF NONPARTISAN COMMUNICATIONS THAT ARE INTENDED TO ENCOURAGE VOTER REGISTRATION AND TURNOUT EFFORTS.

6. ANY PAYMENT BY A PERSON THAT IS NOT A COMMITTEE TO A FILING OFFICER FOR ARGUMENTS IN A PUBLICITY PAMPHLET.

7. ANY PAYMENT FOR LEGAL OR ACCOUNTING SERVICES THAT ARE PROVIDED TO A COMMITTEE.

8. THE PAYMENT OF COSTS OF PUBLISHING A BOOK OR PRODUCING A DOCUMENTARY, IF THE PUBLICATION AND PRODUCTION ARE FOR DISTRIBUTION TO THE

GENERAL PUBLIC THROUGH TRADITIONAL DISTRIBUTION MECHANISMS OR A FEE IS OBTAINED FOR THE PURCHASE OF THE PUBLICATION OR VIEWING OF THE DOCUMENTARY.

C. THIS SECTION DOES NOT IMPLY THAT ANY TRANSACTIONS THAT ARE NOT SPECIFICALLY LISTED IN SUBSECTION B OF THIS SECTION ARE EXPENDITURES UNLESS THOSE TRANSACTIONS OTHERWISE MEET THE DEFINITION OF EXPENDITURE AS DEFINED IN SECTION 16-901.

16-922. Independent and coordinated expenditures

A. ANY PERSON MAY MAKE INDEPENDENT EXPENDITURES.

B. AN EXPENDITURE IS NOT AN INDEPENDENT EXPENDITURE IF EITHER OF THE FOLLOWING APPLIES:

1. THERE IS ACTUAL COORDINATION WITH RESPECT TO AN EXPENDITURE BETWEEN A CANDIDATE OR CANDIDATE'S AGENT AND THE PERSON MAKING THE EXPENDITURE OR THAT PERSON'S AGENT.

2. BOTH OF THE FOLLOWING APPLY:

(a) THE EXPENDITURE IS BASED ON NONPUBLIC INFORMATION ABOUT A CANDIDATE'S OR CANDIDATE COMMITTEE'S PLANS OR NEEDS THAT THE CANDIDATE OR CANDIDATE'S AGENT PROVIDES TO THE PERSON MAKING THE EXPENDITURE OR THAT PERSON'S AGENT.

(b) THE CANDIDATE OR CANDIDATE'S AGENT PROVIDES THE NONPUBLIC INFORMATION WITH AN INTENT TOWARD HAVING THE EXPENDITURE MADE.

C. IN EVALUATING WHETHER AN EXPENDITURE IS AN INDEPENDENT EXPENDITURE, A FILING OFFICER OR ENFORCEMENT OFFICER MAY CONSIDER THE FOLLOWING TO BE REBUTTABLE EVIDENCE OF COORDINATION:

1. ANY AGENT OF THE PERSON MAKING THE EXPENDITURE IS ALSO AN AGENT OF THE CANDIDATE WHOSE ELECTION OR WHOSE OPPONENT'S DEFEAT IS BEING ADVOCATED BY THE EXPENDITURE.

2. IN THE SAME ELECTION CYCLE, THE PERSON MAKING THE EXPENDITURE OR THAT PERSON'S AGENT IS OR HAS BEEN AUTHORIZED TO RAISE OR SPEND MONIES ON THE CANDIDATE'S BEHALF.

3. IN THE SAME ELECTION CYCLE, THE CANDIDATE IS OR HAS BEEN AUTHORIZED TO RAISE MONEY OR SOLICIT CONTRIBUTIONS ON BEHALF OF THE PERSON MAKING THE EXPENDITURE.

D. NOTWITHSTANDING SUBSECTION C OF THIS SECTION, COORDINATION DOES NOT EXIST UNDER EITHER OF THE FOLLOWING:

1. IF THE PERSON MAKING THE EXPENDITURE MAINTAINS A FIREWALL BETWEEN THE PERSON AND THAT PERSON'S AGENT IN COMPLIANCE WITH ALL OF THE FOLLOWING:

(a) THE PERSON'S AGENT DID NOT PARTICIPATE IN DECIDING TO MAKE THE EXPENDITURE OR IN DECIDING THE CONTENT, TIMING OR TARGETING OF THE EXPENDITURE.

(b) THE PERSON MAKING THE EXPENDITURE HAS A WRITTEN POLICY ESTABLISHING THE FIREWALL AND ITS REQUIREMENTS.

(c) THE PERSON MAKING THE EXPENDITURE AND THE PERSON'S AGENT FOLLOWED THE WRITTEN POLICY REGARDING THE FIREWALL.

2. SOLELY BECAUSE AN AGENT OF A PERSON MAKING THE EXPENDITURE SERVES OR HAS SERVED ON A CANDIDATE'S HOST COMMITTEE FOR A FUND-RAISING EVENT.

E. AN EXPENDITURE THAT IS COORDINATED WITH A CANDIDATE, OTHER THAN A COORDINATED PARTY EXPENDITURE, IS DEEMED AN IN-KIND CONTRIBUTION TO THE CANDIDATE.

F. AN ENTITY THAT MAKES AN INDEPENDENT EXPENDITURE, OTHER THAN AN INDIVIDUAL OR A COMMITTEE, SHALL FILE INDEPENDENT EXPENDITURE REPORTS PURSUANT TO SECTION 16-926, SUBSECTION G.

ARTICLE 1.4. REPORTING REQUIREMENTS AND DISCLOSURE STATEMENTS

16-925. Advertising and fund-raising disclosure statements

A. A PERSON THAT MAKES AN EXPENDITURE FOR AN ADVERTISEMENT OR FUND-RAISING SOLICITATION, OTHER THAN AN INDIVIDUAL, SHALL INCLUDE THE FOLLOWING DISCLOSURES IN THE ADVERTISEMENT OR SOLICITATION:

1. THE WORDS "PAID FOR BY", FOLLOWED BY THE NAME OF THE PERSON MAKING THE EXPENDITURE FOR THE ADVERTISEMENT OR FUND-RAISING SOLICITATION.

2. WHETHER THE EXPENDITURE WAS AUTHORIZED BY ANY CANDIDATE, FOLLOWED BY THE IDENTITY OF THE AUTHORIZING CANDIDATE, IF ANY.

B. IN ADDITION TO THE DISCLOSURE REQUIRED BY SUBSECTION A OF THIS SECTION, A POLITICAL ACTION COMMITTEE THAT MAKES AN EXPENDITURE FOR AN ADVERTISEMENT SHALL INCLUDE A DISCLOSURE STATING THE NAMES OF THE THREE POLITICAL ACTION COMMITTEES MAKING THE LARGEST AGGREGATE CONTRIBUTIONS TO THE POLITICAL ACTION COMMITTEE MAKING THE EXPENDITURE AND THAT EXCEED TWENTY THOUSAND DOLLARS DURING THE ELECTION CYCLE, AS CALCULATED AT THE TIME THE ADVERTISEMENT WAS DISTRIBUTED FOR PUBLICATION, DISPLAY, DELIVERY OR BROADCAST.

C. IF A DISCLOSURE CONTAINS ANY ACRONYM OR NICKNAME THAT IS NOT COMMONLY KNOWN, THE DISCLOSURE SHALL ALSO SPELL OUT THE ACRONYM OR PROVIDE THE FULL NAME.

D. IF THE ADVERTISEMENT IS:

1. BROADCAST ON RADIO, THE DISCLOSURE SHALL BE CLEARLY SPOKEN AT THE BEGINNING OR END OF THE ADVERTISEMENT.

2. DELIVERED BY HAND OR MAIL OR ELECTRONICALLY, THE DISCLOSURE SHALL BE CLEARLY READABLE.

3. DISPLAYED ON A SIGN OR BILLBOARD, THE DISCLOSURE SHALL BE DISPLAYED IN A HEIGHT THAT IS AT LEAST FOUR PERCENT OF THE VERTICAL HEIGHT OF THE SIGN OR BILLBOARD.

4. BROADCAST ON TELEVISION OR IN A VIDEO OR FILM, BOTH OF THE FOLLOWING REQUIREMENTS APPLY:

(a) THE DISCLOSURE SHALL BE BOTH WRITTEN AND SPOKEN AT THE BEGINNING OR END OF THE ADVERTISEMENT, EXCEPT THAT IF THE WRITTEN DISCLOSURE STATEMENT IS DISPLAYED FOR THE GREATER OF AT LEAST ONE-SIXTH OF THE BROADCAST DURATION OR FOUR SECONDS, A SPOKEN DISCLOSURE STATEMENT IS NOT REQUIRED.

(b) THE WRITTEN DISCLOSURE STATEMENT SHALL BE PRINTED IN LETTERS THAT ARE DISPLAYED IN A HEIGHT THAT IS AT LEAST FOUR PERCENT OF THE VERTICAL PICTURE HEIGHT.

E. THIS SECTION DOES NOT APPLY TO:

1. SOCIAL MEDIA MESSAGES, TEXT MESSAGES OR MESSAGES SENT BY A SHORT MESSAGE SERVICE.

2. ADVERTISEMENTS THAT ARE PLACED AS A PAID LINK ON A WEBSITE, IF THE MESSAGE IS NOT MORE THAN TWO HUNDRED CHARACTERS IN LENGTH AND THE LINK DIRECTS THE USER TO ANOTHER WEBSITE THAT COMPLIES WITH THIS SECTION.

3. ADVERTISEMENTS THAT ARE PLACED AS A GRAPHIC OR PICTURE LINK, IF THE STATEMENTS REQUIRED IN THIS SECTION CANNOT BE CONVENIENTLY PRINTED DUE TO THE SIZE OF THE GRAPHIC OR PICTURE AND THE LINK DIRECTS THE USER TO ANOTHER WEBSITE THAT COMPLIES WITH THIS SECTION.

4. BUMPER STICKERS, PINS, BUTTONS, PENS AND SIMILAR SMALL ITEMS ON WHICH THE STATEMENTS REQUIRED IN THIS SECTION CANNOT BE CONVENIENTLY PRINTED.

5. A SOLICITATION OF CONTRIBUTIONS BY A SEPARATE SEGREGATED FUND.

6. A COMMUNICATION BY A TAX-EXEMPT ORGANIZATION SOLELY TO ITS MEMBERS.

7. A PUBLISHED BOOK OR A DOCUMENTARY FILM OR VIDEO.

16-926. Campaign finance reports; contents

A. A COMMITTEE SHALL FILE CAMPAIGN FINANCE REPORTS WITH THE FILING OFFICER. THE SECRETARY OF STATE'S INSTRUCTIONS AND PROCEDURES MANUAL ADOPTED PURSUANT TO SECTION 16-452 SHALL PRESCRIBE THE FORMAT FOR ALL REPORTS AND STATEMENTS.

B. A CAMPAIGN FINANCE REPORT SHALL SET FORTH:

1. THE AMOUNT OF CASH ON HAND AT THE BEGINNING OF THE REPORTING PERIOD.

2. TOTAL RECEIPTS DURING THE REPORTING PERIOD, INCLUDING:

(a) AN ITEMIZED LIST OF RECEIPTS IN THE FOLLOWING CATEGORIES, INCLUDING THE SOURCE, AMOUNT AND DATE OF RECEIPT, TOGETHER WITH THE TOTAL OF ALL RECEIPTS IN EACH CATEGORY:

(i) CONTRIBUTIONS FROM INDIVIDUALS WHOSE CONTRIBUTIONS EXCEED FIFTY DOLLARS FOR THAT ELECTION CYCLE, INCLUDING IDENTIFICATION OF THE CONTRIBUTOR'S OCCUPATION AND EMPLOYER.

(ii) CONTRIBUTIONS FROM CANDIDATE COMMITTEES.

(iii) CONTRIBUTIONS FROM POLITICAL ACTION COMMITTEES.

(iv) CONTRIBUTIONS FROM POLITICAL PARTIES.

(v) CONTRIBUTIONS FROM PARTNERSHIPS.

(vi) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS FROM CORPORATIONS AND LIMITED LIABILITY COMPANIES, INCLUDING IDENTIFICATION OF THE CORPORATION'S OR LIMITED LIABILITY COMPANY'S FILE NUMBER ISSUED BY THE CORPORATION COMMISSION.

(vii) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS FROM LABOR ORGANIZATIONS, INCLUDING IDENTIFICATION OF THE LABOR ORGANIZATION'S FILE NUMBER ISSUED BY THE CORPORATION COMMISSION.

(viii) FOR A CANDIDATE COMMITTEE, A CANDIDATE'S CONTRIBUTION OF PERSONAL MONIES.

(ix) ALL LOANS, INCLUDING IDENTIFICATION OF ANY ENDORSER OR GUARANTOR OTHER THAN A CANDIDATE'S SPOUSE, AND THE CONTRIBUTION AMOUNT ENDORSED OR GUARANTEED BY EACH.

(x) REBATES AND REFUNDS.
(xi) INTEREST ON COMMITTEE MONIES.
(xii) THE FAIR MARKET VALUE OF IN-KIND CONTRIBUTIONS RECEIVED.
(xiii) EXTENSIONS OF CREDIT THAT REMAIN OUTSTANDING, INCLUDING IDENTIFICATION OF THE CREDITOR AND THE PURPOSE OF THE EXTENSION.
(b) THE AGGREGATE AMOUNT OF CONTRIBUTIONS FROM ALL INDIVIDUALS WHOSE CONTRIBUTIONS DO NOT EXCEED FIFTY DOLLARS FOR THE ELECTION CYCLE.
3. AN ITEMIZED LIST OF ALL DISBURSEMENTS IN EXCESS OF TWO HUNDRED FIFTY DOLLARS DURING THE REPORTING PERIOD IN THE FOLLOWING CATEGORIES, INCLUDING THE RECIPIENT, THE RECIPIENT'S ADDRESS, A DESCRIPTION OF THE DISBURSEMENT AND THE AMOUNT AND DATE OF THE DISBURSEMENT, TOGETHER WITH THE TOTAL OF ALL DISBURSEMENTS IN EACH CATEGORY:
(a) DISBURSEMENTS FOR OPERATING EXPENSES.
(b) CONTRIBUTIONS TO CANDIDATE COMMITTEES.
(c) CONTRIBUTIONS TO POLITICAL ACTION COMMITTEES.
(d) CONTRIBUTIONS TO POLITICAL PARTIES.
(e) CONTRIBUTIONS TO PARTNERSHIPS.
(f) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS TO CORPORATIONS AND LIMITED LIABILITY COMPANIES, INCLUDING IDENTIFICATION OF THE CORPORATION'S OR LIMITED LIABILITY COMPANY'S FILE NUMBER ISSUED BY THE CORPORATION COMMISSION.
(g) FOR A POLITICAL ACTION COMMITTEE OR POLITICAL PARTY, CONTRIBUTIONS TO LABOR ORGANIZATIONS, INCLUDING IDENTIFICATION OF THE LABOR ORGANIZATION'S FILE NUMBER ISSUED BY THE CORPORATION COMMISSION.
(h) REPAYMENT OF LOANS.
(i) REFUNDS OF CONTRIBUTIONS.
(j) LOANS MADE.
(k) THE VALUE OF IN-KIND CONTRIBUTIONS PROVIDED.
(l) INDEPENDENT EXPENDITURES THAT ARE MADE TO ADVOCATE THE ELECTION OR DEFEAT OF A CANDIDATE, INCLUDING IDENTIFICATION OF THE CANDIDATE, OFFICE SOUGHT BY THE CANDIDATE, ELECTION DATE, MODE OF ADVERTISING AND DISTRIBUTION OR PUBLICATION DATE.
(m) EXPENDITURES TO ADVOCATE THE PASSAGE OR DEFEAT OF A BALLOT MEASURE, INCLUDING IDENTIFICATION OF THE BALLOT MEASURE, BALLOT MEASURE SERIAL NUMBER, ELECTION DATE, MODE OF ADVERTISING AND DISTRIBUTION OR PUBLICATION DATE.
(n) EXPENDITURES TO ADVOCATE FOR OR AGAINST THE ISSUANCE OF A RECALL ELECTION ORDER OR FOR THE ELECTION OR DEFEAT OF A CANDIDATE IN A RECALL ELECTION, INCLUDING IDENTIFICATION OF THE OFFICER TO BE RECALLED OR CANDIDATE SUPPORTED OR OPPOSED, MODE OF ADVERTISING AND DISTRIBUTION OR PUBLICATION DATE.
(o) ANY OTHER DISBURSEMENTS OR EXPENDITURES.
4. THE TOTAL SUM OF ALL RECEIPTS AND DISBURSEMENTS FOR THE REPORTING PERIOD.

5. A CERTIFICATION BY THE COMMITTEE TREASURER, ISSUED UNDER PENALTY OF PERJURY, THAT THE CONTENTS OF THE REPORT ARE TRUE AND CORRECT.

C. THE AMOUNT OF AN IN-KIND CONTRIBUTION OF SERVICES SHALL BE EQUAL TO THE USUAL AND NORMAL CHARGES FOR THE SERVICES ON THE DATE RECEIVED BY THE COMMITTEE.

D. IF ANY RECEIPT OR DISBURSEMENT IS EARMARKED, THE COMMITTEE SHALL REPORT THE IDENTITY OF THE PERSON TO WHOM THE RECEIPT OR DISBURSEMENT IS EARMARKED.

E. CANDIDATE COMMITTEE REPORTS SHALL BE CUMULATIVE FOR THE ELECTION CYCLE TO WHICH THEY RELATE. POLITICAL ACTION COMMITTEE AND POLITICAL PARTY REPORTS SHALL BE CUMULATIVE FOR A TWO-YEAR ELECTION CYCLE ENDING IN THE YEAR OF A STATEWIDE GENERAL ELECTION. IF THERE HAS BEEN NO CHANGE DURING THE REPORTING PERIOD IN AN ITEM LISTED IN THE IMMEDIATELY PRECEDING REPORT, ONLY THE AMOUNT NEED BE CARRIED FORWARD.

F. FOR A POLITICAL ACTION COMMITTEE THAT RECEIVES INDIVIDUAL CONTRIBUTIONS THROUGH A PAYROLL DEDUCTION PLAN, THAT COMMITTEE IS NOT REQUIRED TO SEPARATELY ITEMIZE EACH CONTRIBUTION RECEIVED FROM THE CONTRIBUTOR DURING THE REPORTING PERIOD. IN LIEU OF ITEMIZATION, THE COMMITTEE MAY REPORT ALL OF THE FOLLOWING:

1. THE AGGREGATE AMOUNT OF CONTRIBUTIONS RECEIVED FROM THE CONTRIBUTOR THROUGH THE PAYROLL DEDUCTION PLAN DURING THE REPORTING PERIOD.

2. THE INDIVIDUAL'S IDENTITY.

3. THE AMOUNT DEDUCTED PER PAY PERIOD.

G. AN ENTITY THAT MAKES INDEPENDENT EXPENDITURES OR BALLOT MEASURE EXPENDITURES IN EXCESS OF ONE THOUSAND DOLLARS DURING A REPORTING PERIOD SHALL FILE AN EXPENDITURE REPORT WITH THE FILING OFFICER FOR THE APPLICABLE REPORTING PERIOD. EXPENDITURE REPORTS SHALL IDENTIFY THE CANDIDATE OR BALLOT MEASURE SUPPORTED OR OPPOSED, OFFICE SOUGHT BY THE CANDIDATE, IF ANY, ELECTION DATE, MODE OF ADVERTISING AND FIRST DATE OF PUBLICATION, DISPLAY, DELIVERY OR BROADCAST OF THE ADVERTISEMENT.

16-927. Campaign finance reporting period

A. A POLITICAL ACTION COMMITTEE AND POLITICAL PARTY SHALL FILE A CAMPAIGN FINANCE REPORT COVERING EACH REPORTING PERIOD AS FOLLOWS:

1. FOR A CALENDAR QUARTER WITHOUT AN ELECTION, THE POLITICAL ACTION COMMITTEE OR POLITICAL PARTY SHALL FILE A QUARTERLY REPORT. THE QUARTERLY REPORT SHALL BE:

(a) FILED NOT LATER THAN THE FIFTEENTH DAY AFTER THE CALENDAR QUARTER.

(b) COMPLETE THROUGH THE LAST DAY OF THE CALENDAR QUARTER.

2. FOR A CALENDAR QUARTER WITH AN ELECTION, THE POLITICAL ACTION COMMITTEE OR POLITICAL PARTY SHALL FILE A PREELECTION AND POSTELECTION REPORT AS FOLLOWS:

(a) A PREELECTION REPORT SHALL BE:

(i) FILED NOT LATER THAN TEN DAYS BEFORE THE ELECTION.

(ii) COMPLETE FROM THE FIRST DAY OF THE APPLICABLE CALENDAR QUARTER THROUGH THE SEVENTEENTH DAY BEFORE THE ELECTION.

(b) A POSTELECTION REPORT SHALL BE:

(i) FILED NOT LATER THAN THE FIFTEENTH DAY AFTER THE APPLICABLE CALENDAR QUARTER.

(ii) COMPLETE FROM THE SIXTEENTH DAY BEFORE THE ELECTION THROUGH THE LAST DAY OF THE APPLICABLE CALENDAR QUARTER.

B. A CANDIDATE COMMITTEE SHALL FILE A CAMPAIGN FINANCE REPORT ONLY DURING THE FOUR CALENDAR QUARTERS COMPRISING THE TWELVE-MONTH PERIOD PRECEDING THE GENERAL ELECTION FOR THE OFFICE FOR WHICH THE CANDIDATE IS SEEKING ELECTION, OR FOR CITIES AND TOWNS, THE CITY'S OR TOWN'S SECOND, RUNOFF OR GENERAL ELECTION, HOWEVER DESIGNATED BY THE CITY OR TOWN.

C. A COMMITTEE SHALL FILE CAMPAIGN FINANCE REPORTS UNTIL TERMINATED.

16-928. Filing officer; statements and reports

A. A PERSON WHO IS REQUIRED TO FILE ANY STATEMENTS AND REPORTS REQUIRED BY THIS ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.5, 1.6 AND 1.7 OF THIS CHAPTER SHALL FILE WITH THE FILING OFFICER IN CHARGE OF THAT ELECTION, AS FOLLOWS:

1. THE SECRETARY OF STATE IS THE FILING OFFICER FOR STATEWIDE AND LEGISLATIVE ELECTIONS, INCLUDING RETENTION ELECTIONS FOR SUPREME COURT JUSTICES AND COURT OF APPEALS JUDGES. THE SECRETARY OF STATE IS ALSO THE FILING OFFICER FOR COMMITTEES THAT SUPPORT OR OPPOSE A RECALL ELECTION OR THE CIRCULATION OF A PETITION FOR A RECALL ELECTION FOR A STATEWIDE OR LEGISLATIVE OFFICEHOLDER, FOR COMMITTEES THAT SUPPORT OR OPPOSE A STATEWIDE INITIATIVE OR REFERENDUM OR OTHER STATEWIDE BALLOT MEASURE, QUESTION OR PROPOSITION OR THE CIRCULATION OF A PETITION FOR A STATEWIDE INITIATIVE OR REFERENDUM OR OTHER STATEWIDE BALLOT MEASURE, QUESTION OR PROPOSITION.

2. THE COUNTY OFFICER IN CHARGE OF ELECTIONS IS THE FILING OFFICER FOR COUNTY, SCHOOL DISTRICT, COMMUNITY COLLEGE DISTRICT AND SPECIAL TAXING DISTRICT ELECTIONS, INCLUDING RETENTION ELECTIONS FOR SUPERIOR COURT JUDGES. THE COUNTY OFFICER IN CHARGE OF ELECTIONS IS ALSO THE FILING OFFICER FOR COMMITTEES THAT SUPPORT OR OPPOSE A RECALL ELECTION OR THE CIRCULATION OF A PETITION FOR A RECALL ELECTION FOR AN OFFICEHOLDER OF A COUNTY OFFICE, A SCHOOL DISTRICT GOVERNING BOARD OFFICE, A COMMUNITY COLLEGE DISTRICT GOVERNING BOARD OFFICE OR A SPECIAL TAXING DISTRICT GOVERNING BOARD OFFICE, FOR COMMITTEES THAT SUPPORT OR OPPOSE A COUNTY, SCHOOL DISTRICT, COMMUNITY COLLEGE DISTRICT OR SPECIAL TAXING DISTRICT INITIATIVE OR REFERENDUM OR OTHER BALLOT MEASURE, QUESTION OR PROPOSITION, INCLUDING BOND, TAX, BUDGET AND BUDGET OVERRIDE MEASURES OR THAT OPPOSE OR SUPPORT THE CIRCULATION OF A PETITION FOR A COUNTY, SCHOOL DISTRICT, COMMUNITY COLLEGE DISTRICT OR SPECIAL TAXING DISTRICT INITIATIVE OR REFERENDUM OR OTHER COUNTY, SCHOOL DISTRICT, COMMUNITY COLLEGE DISTRICT OR SPECIAL TAXING DISTRICT BALLOT MEASURE, QUESTION OR PROPOSITION.

3. THE CITY OR TOWN CLERK IS THE FILING OFFICER FOR CITY AND TOWN ELECTIONS. THE CITY OR TOWN OFFICER IN CHARGE OF ELECTIONS IS ALSO THE FILING OFFICER FOR COMMITTEES THAT SUPPORT OR OPPOSE A RECALL ELECTION OR THE CIRCULATION OF A PETITION FOR A RECALL ELECTION FOR A CITY OR TOWN

OFFICEHOLDER, FOR COMMITTEES THAT SUPPORT OR OPPOSE A CITY OR TOWN INITIATIVE OR REFERENDUM OR OTHER CITY OR TOWN BALLOT MEASURE, QUESTION OR PROPOSITION OR THE CIRCULATION OF A PETITION FOR A CITY OR TOWN INITIATIVE OR REFERENDUM OR OTHER CITY BALLOT MEASURE, QUESTION OR PROPOSITION.

B. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, A STANDING COMMITTEE SHALL ONLY FILE REPORTS WITH THE SECRETARY OF STATE.

C. A FILING OFFICER SHALL PROVIDE THE OPTION FOR ELECTRONIC FILING AND SHALL MAKE ALL STATEMENTS AND REPORTS PUBLICLY AVAILABLE ON THE INTERNET. A FILING OFFICER MAY COMPLY WITH THIS SECTION BY OPTING INTO THE SECRETARY OF STATE'S ELECTRONIC FILING SYSTEM AND PAYING A FEE AS DETERMINED BY THE SECRETARY OF STATE.

ARTICLE 1.5. INFLATIONARY ADJUSTMENTS

16-931. Inflationary adjustments; committee registration; contribution limits

A. IN JANUARY OF EACH ODD-NUMBERED YEAR, THE SECRETARY OF STATE SHALL INCREASE:

1. THE COMMITTEE REGISTRATION THRESHOLDS SPECIFIED IN SECTION 16-905 BY ONE HUNDRED DOLLARS.

2. THE CONTRIBUTION LIMITS SPECIFIED IN ARTICLE 1.2 OF THIS CHAPTER BY ONE HUNDRED DOLLARS.

B. THE SECRETARY OF STATE SHALL PUBLISH THE REVISED AMOUNTS AND MAKE THE AMOUNTS AVAILABLE TO ELECTION OFFICIALS, CANDIDATES, COMMITTEES AND THE PUBLIC.

ARTICLE 1.6. COMMITTEE TERMINATION

16-933. Transfer and disposal of committee monies; limitations

A. A COMMITTEE THAT INTENDS TO TERMINATE SHALL DISPOSE OF SURPLUS MONIES AS FOLLOWS:

1. RETURN SURPLUS MONIES TO THE CONTRIBUTOR.

2. CONTRIBUTE SURPLUS MONIES WITHIN THE LIMITS PRESCRIBED IN ARTICLE 1.2 OF THIS CHAPTER.

3. DONATE SURPLUS MONIES TO A NONPROFIT ORGANIZATION THAT HAS TAX EXEMPT STATUS UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE.

4. IN THE CASE OF A STATEWIDE OR LEGISLATIVE CANDIDATE COMMITTEE AND SUBJECT TO SECTION 41-133, TRANSFER SURPLUS MONIES TO THE CANDIDATE'S OFFICEHOLDER EXPENSE ACCOUNT.

B. SURPLUS MONIES SHALL NOT BE USED FOR OR CONVERTED TO PERSONAL USE.

C. ANY TRANSFER OF SURPLUS MONIES SHALL COMPLY WITH SECTION 16-913.

D. THIS SECTION DOES NOT PRECLUDE THE REPAYMENT OF A LOAN TO A COMMITTEE.

16-934. Termination statement; filing; contents

A. A COMMITTEE MAY TERMINATE ONLY WHEN THE COMMITTEE TREASURER FILES A TERMINATION STATEMENT WITH THE FILING OFFICER WITH WHOM THE COMMITTEE'S STATEMENT OF ORGANIZATION WAS FILED.

B. IN THE TERMINATION STATEMENT, THE COMMITTEE TREASURER SHALL CERTIFY UNDER PENALTY OF PERJURY THAT ALL OF THE FOLLOWING APPLY:

1. THE COMMITTEE WILL NO LONGER RECEIVE ANY CONTRIBUTIONS OR MAKE ANY DISBURSEMENTS.

2. THE COMMITTEE EITHER:

(a) HAS NO OUTSTANDING DEBTS OR OBLIGATIONS.

(b) HAS OUTSTANDING DEBTS OR OBLIGATIONS, OR BOTH, THAT ARE ALL MORE THAN FIVE YEARS OLD, AND THAT THE COMMITTEE'S CREDITORS HAVE AGREED TO DISCHARGE THE DEBTS AND OBLIGATIONS AND HAVE AGREED TO THE TERMINATION OF THE COMMITTEE.

3. ANY SURPLUS MONIES HAVE BEEN DISPOSED OF AND THAT THE COMMITTEE HAS NO CASH ON HAND.

4. ALL CONTRIBUTIONS AND EXPENDITURES HAVE BEEN REPORTED, INCLUDING ANY DISPOSAL OF SURPLUS MONIES.

C. A FILING OFFICER MAY REJECT THE TERMINATION STATEMENT IF IT APPEARS TO THE FILING OFFICER THAT THE REQUIREMENTS IN SUBSECTION B OF THIS SECTION HAVE NOT BEEN SATISFIED.

D. AFTER A TERMINATION STATEMENT IS FILED, A COMMITTEE:

1. IS NOT REQUIRED TO FILE ANY SUBSEQUENT CAMPAIGN FINANCE REPORTS.

2. SHALL HAVE NO FURTHER RECEIPTS OR DISBURSEMENTS WITHOUT FILING A NEW STATEMENT OF ORGANIZATION.

E. A STANDING COMMITTEE MAY TERMINATE ITS ACTIVITIES IN A PARTICULAR REPORTING JURISDICTION, AND REMAIN ACTIVE IN OTHER REPORTING JURISDICTIONS, BY FILING A STATEMENT OF THAT INTENT WITH THE FILING OFFICER IN EACH REPORTING JURISDICTION.

ARTICLE 1.7. ENFORCEMENT

16-937. Failure to file; penalties; notice; suspension

A. IF A COMMITTEE FAILS TO TIMELY FILE A COMPLETE REPORT AS PRESCRIBED BY ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER, THE FILING OFFICER SHALL SEND A WRITTEN NOTICE BY E-MAIL TO THE COMMITTEE WITHIN FIVE DAYS AFTER THE FILING DEADLINE THAT IDENTIFIES THE LATE REPORT, DESCRIBES HOW FINES ACCRUE AND IDENTIFIES METHODS OF PAYMENT.

B. A COMMITTEE THAT FAILS TO TIMELY FILE A REPORT SHALL PAY THE FILING OFFICER A PENALTY OF TEN DOLLARS FOR EACH DAY THAT THE FILING IS LATE DURING THE FIRST FIFTEEN DAYS AFTER THE FILING DEADLINE AND TWENTY-FIVE DOLLARS FOR EACH SUBSEQUENT DAY THAT THE FILING IS LATE. PENALTIES ACCRUE UNTIL THE LATE REPORT IS FILED.

C. IF A COMMITTEE FAILS TO FILE A COMPLETE REPORT WITHIN THIRTY DAYS AFTER THE FILING DEADLINE AND AFTER PROVIDING NOTICE PURSUANT TO SUBSECTION A OF THIS SECTION, THE FILING OFFICER MAY NOTIFY THE APPROPRIATE ENFORCEMENT OFFICER PRESCRIBED IN THIS ARTICLE.

D. FOR ANY POLITICAL ACTION COMMITTEE OR POLITICAL PARTY THAT FAILS TO FILE THREE CONSECUTIVE COMPLETE REPORTS, THE FILING OFFICER SHALL SEND BY E-MAIL TO THE COMMITTEE A NOTICE OF TEMPORARY SUSPENSION AND THE FOLLOWING APPLY:

1. ON RECEIPT, THE COMMITTEE'S AUTHORITY TO OPERATE IN THE JURISDICTION IS TEMPORARILY SUSPENDED.

2. THE NOTICE SHALL STATE THAT FAILURE TO COMPLY WITH ALL FILING AND PAYMENT REQUIREMENTS WITHIN THIRTY DAYS AFTER THE DATE OF THE NOTICE SHALL RESULT IN PERMANENT SUSPENSION OF THE COMMITTEE'S AUTHORITY TO OPERATE IN THAT JURISDICTION.

E. AFTER COMPLIANCE WITH SUBSECTION D OF THIS SECTION, THE FILING OFFICER MAY PERMANENTLY SUSPEND THE COMMITTEE AND SHALL NOTIFY THE COMMITTEE BY E-MAIL AND IS NOT REQUIRED TO PROVIDE ANY FURTHER NOTICE. PERMANENT OR TEMPORARY SUSPENSION DOES NOT ELIMINATE A COMMITTEE'S CONTINUING OBLIGATION TO FILE REPORTS AND PAY ANY OUTSTANDING AND ACCRUING PENALTIES PROVIDED BY LAW.

16-938. Enforcement authority; investigation; reasonable cause; notice of violation; administrative appeal

A. ON RECEIPT OF A COMPLAINT FROM A THIRD PARTY, A FILING OFFICER IS THE SOLE PUBLIC OFFICER WHO IS AUTHORIZED TO INITIATE AN INVESTIGATION INTO ALLEGED VIOLATIONS OF THIS ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER, INCLUDING THE ALLEGED FAILURE TO REGISTER AS A COMMITTEE. A FILING OFFICER SHALL LIMIT AN INVESTIGATION TO VIOLATIONS THAT ARE WITHIN THE FILING OFFICER'S JURISDICTION. IF THE FILING OFFICER DECLARES A CONFLICT OF INTEREST, THE FILING OFFICER MAY REFER THE INVESTIGATION TO ANY OTHER FILING OFFICER IN THIS STATE WHO AGREES TO ACCEPT THE REFERRAL.

B. THE SECRETARY OF STATE SHALL ESTABLISH GUIDELINES IN THE INSTRUCTIONS AND PROCEDURES MANUAL ADOPTED PURSUANT TO SECTION 16-452 THAT OUTLINE THE PROCEDURES, TIMELINES AND OTHER PROCESSES THAT APPLY TO INVESTIGATIONS BY ALL FILING OFFICERS IN THIS STATE.

C. IF AFTER PROVIDING THE SUBJECT OF AN INVESTIGATION A REASONABLE OPPORTUNITY TO RESPOND, THE FILING OFFICER HAS REASONABLE CAUSE TO BELIEVE A PERSON VIOLATED THIS ARTICLE OR ARTICLE 1, 1.1, 1.2, 1.3, 1.4, 1.5 OR 1.6 OF THIS CHAPTER, THE FILING OFFICER SHALL REFER THE MATTER TO THE ENFORCEMENT OFFICER AS FOLLOWS:

1. FOR MATTERS INVESTIGATED BY THE SECRETARY OF STATE, THE SECRETARY OF STATE SHALL NOTIFY THE ATTORNEY GENERAL.

2. FOR MATTERS INVESTIGATED BY A COUNTY FILING OFFICER, THE COUNTY FILING OFFICER SHALL NOTIFY THE COUNTY ATTORNEY.

3. FOR MATTERS INVESTIGATED BY A CITY OR TOWN FILING OFFICER, THE CITY OR TOWN FILING OFFICER SHALL NOTIFY THE CITY OR TOWN ATTORNEY.

D. BEFORE A REASONABLE CAUSE DETERMINATION IS MADE AS PRESCRIBED IN SUBSECTION C OF THIS SECTION, A FILING OFFICER, AN ENFORCEMENT OFFICER AND ANY OTHER PUBLIC OFFICER OR EMPLOYEE MAY NOT ORDER A PERSON TO REGISTER AS A COMMITTEE AND DOES NOT HAVE AUDIT OR SUBPOENA POWERS TO COMPEL THE PRODUCTION OF EVIDENCE OR THE ATTENDANCE OF WITNESSES CONCERNING A POTENTIAL CAMPAIGN FINANCE VIOLATION. A FILING OFFICER MAY REQUEST THE VOLUNTARY PRODUCTION OF EVIDENCE OR ATTENDANCE OF WITNESSES IN MAKING A REASONABLE CAUSE DETERMINATION.

E. ONLY AFTER RECEIVING A REFERRAL FROM THE FILING OFFICER, THE ENFORCEMENT OFFICER MAY:

1. CONDUCT AN INVESTIGATION USING THE ENFORCEMENT OFFICER'S SUBPOENA POWERS, EXCEPT THAT THE ENFORCEMENT OFFICER SHALL NOT COMPEL A PERSON TO FILE CAMPAIGN FINANCE REPORTS UNLESS THE ENFORCEMENT OFFICER HAS DETERMINED THAT THE PERSON IS A COMMITTEE.

2. SERVE THE ALLEGED VIOLATOR WITH A NOTICE OF VIOLATION. THE NOTICE SHALL STATE WITH REASONABLE PARTICULARITY THE NATURE OF THE VIOLATION, SHALL SPECIFY THE FINE OR PENALTY IMPOSED AND SHALL REQUIRE COMPLIANCE WITHIN TWENTY DAYS AFTER THE DATE OF ISSUANCE OF THE NOTICE. THE ENFORCEMENT OFFICER SHALL IMPOSE A PRESUMPTIVE CIVIL PENALTY EQUAL TO THE VALUE OR AMOUNT OF MONEY THAT HAS BEEN RECEIVED, SPENT OR PROMISED IN VIOLATION OF THIS ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER, EXCEPT THAT AFTER A FINDING OF SPECIAL CIRCUMSTANCES, THE ENFORCEMENT OFFICER MAY IMPOSE A PENALTY OF UP TO THREE TIMES THE AMOUNT OF THE PRESUMPTIVE CIVIL PENALTY, BASED ON THE SEVERITY, EXTENT OR WILFUL NATURE OF THE ALLEGED VIOLATION. IF THE NOTICE OF VIOLATION REQUIRES A PERSON TO FILE CAMPAIGN FINANCE REPORTS, THE REPORTS ARE NOT REQUIRED TO BE FILED UNTIL THE ENFORCEMENT OFFICER'S NOTICE OF VIOLATION HAS BEEN UPHELD AFTER ANY TIMELY APPEAL.

3. KEEP ANY NONPUBLIC INFORMATION GATHERED BY THE ENFORCEMENT OFFICER IN THE COURSE OF THE COMMITTEE STATUS INVESTIGATION CONFIDENTIAL UNTIL THE FINAL DISPOSITION OF ANY APPEAL OF THE ENFORCEMENT ORDER.

F. THE ENFORCEMENT OFFICER HAS THE SOLE AND EXCLUSIVE AUTHORITY TO INITIATE ANY APPLICABLE ADMINISTRATIVE OR JUDICIAL PROCEEDINGS TO ENFORCE AN ALLEGED VIOLATION OF THIS ARTICLE AND ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5 AND 1.6 OF THIS CHAPTER THAT HAVE BEEN REFERRED BY THE FILING OFFICER.

G. IF THE ALLEGED VIOLATOR:

1. TAKES CORRECTIVE ACTION WITHIN TWENTY DAYS AFTER THE DATE OF THE ISSUANCE OF THE NOTICE OF VIOLATION BY THE ENFORCEMENT OFFICER, THE ALLEGED VIOLATOR IS NOT SUBJECT TO ANY PENALTY.

2. DOES NOT TAKE CORRECTIVE ACTION WITHIN TWENTY DAYS AFTER THE DATE OF ISSUANCE OF THE NOTICE OF VIOLATION BY THE ENFORCEMENT OFFICER, THE ENFORCEMENT OFFICER SHALL IMPOSE THE PENALTY SET FORTH IN THE NOTICE AND SHALL PROVIDE FORMAL NOTICE THAT THE IMPOSITION OF THE PENALTY IS AN APPEALABLE AGENCY ACTION PURSUANT TO SECTIONS 41-1092.03 AND 41-1092.04.

H. WITHIN THIRTY DAYS AFTER RECEIVING THE NOTICE OF VIOLATION FROM THE ENFORCEMENT OFFICER THE ALLEGED VIOLATOR MAY REQUEST A HEARING PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10.

I. AFTER THE CONCLUSION OF THE ADMINISTRATIVE APPEAL PROCESS PRESCRIBED IN TITLE 41, CHAPTER 6, ARTICLE 10, THE ALLEGED VIOLATOR MAY APPEAL TO THE SUPERIOR COURT PURSUANT TO TITLE 12, CHAPTER 7, ARTICLE 6 FOR JUDICIAL REVIEW OF THE FINAL ADMINISTRATIVE DECISION.

Sec. 13. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-941, Arizona Revised Statutes, is amended to read:

16-941. Limits on spending and contributions for political campaigns

A. Notwithstanding any law to the contrary, a participating candidate:

1. Shall not accept any contributions, other than a limited number of five-dollar qualifying contributions as specified in section 16-946 and early contributions as specified in section 16-945, except in the emergency situation specified in section 16-954, subsection ~~F~~ D.

2. Shall not make expenditures of more than a total of five hundred dollars of the candidate's personal monies for a candidate for the legislature or more than one thousand dollars for a candidate for statewide office.

3. Shall not make expenditures in the primary election period in excess of the adjusted primary election spending limit.

4. Shall not make expenditures in the general election period in excess of the adjusted general election spending limit.

5. Shall comply with section 16-948 regarding campaign accounts and section 16-953 regarding returning unused monies to the citizens clean elections fund described in this article.

B. Notwithstanding any law to the contrary, a nonparticipating candidate shall not accept contributions in excess of an amount that is twenty ~~per cent~~ PERCENT less than the limits specified in ~~section 16-905, subsections A through E~~ ARTICLE 1.2 OF THIS CHAPTER, as adjusted by the secretary of state pursuant to section ~~16-905, subsection H~~ 16-931. Any violation of this subsection shall be subject to the civil penalties and procedures set forth in ~~section 16-905, subsections J through M and section 16-924~~ ARTICLE 1.7 OF THIS CHAPTER.

C. Notwithstanding any law to the contrary, a candidate, whether participating or nonparticipating:

1. If specified in a written agreement signed by the candidate and one or more opposing candidates and filed with the citizens clean elections commission, shall not make any expenditure in the primary or general election period exceeding an agreed-upon amount lower than spending limits otherwise applicable by statute.

2. Shall continue to be bound by all other applicable election and campaign finance statutes and rules, with the exception of those provisions in express or clear conflict with this article.

D. Notwithstanding any law to the contrary, any person who makes independent expenditures related to a particular office cumulatively exceeding five hundred dollars in an election cycle, with the exception of any expenditure ~~listed in section 16-920~~ EXEMPTED FROM THE DEFINITION OF EXPENDITURE PURSUANT TO SECTION 16-921 and any independent expenditure by an organization arising from a communication directly to the organization's

members, shareholders, employees, affiliated persons and subscribers, shall file reports with the secretary of state in accordance with section 16-958 so indicating, identifying the office and the candidate or group of candidates whose election or defeat is being advocated and stating whether the person is advocating election or advocating defeat.

Sec. 14. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-946, Arizona Revised Statutes, is amended to read:

16-946. Qualifying contributions

A. During the qualifying period, a participating candidate may collect qualifying contributions, which shall be paid to the fund.

B. To qualify as a qualifying contribution, a contribution must be:

1. Made by a qualified elector as defined in section 16-121, who at the time of the contribution is registered in the electoral district of the office the candidate is seeking and who has not given another qualifying contribution to that candidate during that election cycle.

2. Made by a person who is not given anything of value in exchange for the qualifying contribution.

3. In the sum of five dollars, exactly.

4. Received unsolicited during the qualifying period or solicited during the qualifying period by a person who is not employed or retained by the candidate and who is not compensated to collect contributions by the candidate or on behalf of the candidate.

5. If made by check or money order, made payable to the candidate's campaign committee, or if in cash, deposited in the candidate's campaign committee's account.

6. Accompanied by a three-part reporting slip that includes the printed name, registration address and signature of the contributor, the name of the candidate for whom the contribution is made, the date and the printed name and signature of the solicitor. An electronic signature as defined in section 41-351 is deemed to comply with this paragraph.

C. A copy of the reporting slip shall be given as a receipt to the contributor, and another copy shall be retained by the candidate's campaign committee. Delivery of an original reporting slip to the secretary of state shall excuse the candidate from disclosure of these contributions on campaign finance reports filed under article ~~1~~ 1.4 of this chapter.

Sec. 15. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-947, Arizona Revised Statutes, is amended to read:

16-947. Certification as a participating candidate

A. A candidate who wishes to be certified as a participating candidate shall file, before the end of the qualifying period, an application with the secretary of state, in a form specified by the citizens clean elections commission.

B. The application shall identify the candidate, the office that the candidate plans to seek and the candidate's party, if any, and shall contain the candidate's signature, under oath, certifying that:

1. The candidate has complied with the restrictions of section 16-941, subsection A during the election cycle to date.

2. The candidate's campaign committee and exploratory committee have filed all campaign finance reports required under article ~~1~~ 1.4 of this chapter during the election cycle to date and that they are complete and accurate.

3. The candidate will comply with the requirements of section 16-941, subsection A during the remainder of the election cycle and, specifically, will not accept private contributions.

C. The commission shall act on the application within one week. Unless, within that time, the commission denies an application and provides written reasons that all or part of a certification in subsection B of this section is incomplete or untrue, the candidate shall be certified as a participating candidate. If the commission denies an application for failure to file all complete and accurate campaign finance reports or failure to make the certification in subsection B, paragraph 3 of this section, the candidate may reapply within two weeks of the commission's decision by filing complete and accurate campaign finance reports and another sworn certification.

D. A candidate shall be denied certification if that candidate was removed from office by the commission or if the candidate is delinquent in payment of a debt to the commission. If the debt is paid in full or if the candidate is current on a payment agreement with the commission, the candidate may apply for certification as a participating candidate and is eligible to be certified if otherwise qualified by law.

Sec. 16. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-948, Arizona Revised Statutes, is amended to read:

16-948. Controls on participating candidates' campaign accounts

A. A participating candidate shall conduct all financial activity through a single campaign account of the candidate's campaign committee. A participating candidate shall not make any deposits into the campaign account other than those permitted under section 16-945 or 16-946.

B. A candidate may designate other persons with authority to withdraw funds from the candidate's campaign account. The candidate and any person so designated shall sign a joint statement under oath promising to comply with the requirements of this title.

C. The candidate or a person authorized under subsection B of this section shall pay monies from a participating candidate's campaign account directly to the person providing goods or services to the campaign and shall identify, on a report filed pursuant to article ~~1~~ 1.4 of this chapter, the full name and street address of the person and the nature of the goods and services and compensation for which payment has been made. Notwithstanding

the previous sentence, a campaign committee may establish one or more petty cash accounts, which in aggregate shall not exceed one thousand dollars at any time. No single expenditure shall be made from a petty cash account exceeding one hundred dollars.

D. Monies in a participating candidate's campaign account shall not be used to pay fines or civil penalties, for costs or legal fees related to representation before the commission, or for defense of any enforcement action under this chapter. Nothing in this subsection shall prevent a participating candidate from having a legal defense fund.

E. A participating candidate shall not use clean elections monies to purchase goods or services that bear a distinctive trade name, trademark or trade dress item, including a logo, that is owned by a business or other entity that is owned by that participating candidate or in which the candidate has a controlling interest. The use of goods or services that are prohibited by this subsection is deemed to be an unlawful in-kind contribution to the participating candidate.

Sec. 17. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-958, Arizona Revised Statutes, is amended to read:

16-958. Manner of filing reports

A. Any person who has previously reached the dollar amount specified in section 16-941, subsection D for filing an original report shall file a supplemental report each time previously unreported independent expenditures specified by that subsection exceeds one thousand dollars. Such reports shall be filed at the times specified in subsection B of this section and shall identify the dollar amount being reported, the candidate and the date, and no other detail is required in reports made pursuant to this section.

B. Any person who must file an original report pursuant to section 16-941, subsection D or who must file a supplemental report for previously unreported amounts pursuant to subsection A of this section shall file as follows:

1. Before the beginning of the primary election period, the person shall file a report on the first of each month, unless the person has not reached the dollar amount for filing an original or supplemental report on that date.

2. Thereafter, except as stated in paragraph 3 of this subsection, the person shall file a report on any Tuesday by which the person has reached the dollar amount for filing an original or supplemental report.

3. During the last two weeks before the primary election and the last two weeks before the general election, the person shall file a report within one business day of reaching the dollar amount for filing an original or supplemental report.

C. Any filing under this article on behalf of a candidate may be made by the candidate's campaign committee. All candidates shall deposit any check received by and intended for the campaign and made payable to the

candidate or the candidate's campaign committee, and all cash received by and intended for the campaign, in the candidate's campaign account before the due date of the next report specified in subsection B of this section. No candidate or person acting on behalf of a candidate shall conspire with a donor to postpone delivery of a donation to the campaign for the purpose of postponing the reporting of the donation in any subsequent report.

D. The secretary of state shall immediately notify the commission of the filing of each report under this section and deliver a copy of the report to the commission, and the commission shall promptly mail or otherwise deliver a copy of each report filed pursuant to this section to all participating candidates opposing the candidate identified in section 16-941, subsection D.

E. Any report THAT IS filed pursuant to this section or ~~section 16-916, subsection A, paragraph 1 or subsection B~~ THAT IS REQUIRED TO BE FILED WITH THE SECRETARY OF STATE shall be filed in electronic format. The secretary of state shall distribute computer software to political committees to accommodate such electronic filing.

F. During the primary election period and the general election period, all candidates shall make available for public inspection all bank accounts, campaign finance reports and financial records relating to the candidate's campaign, either by immediate disclosure through electronic means or at the candidate's campaign headquarters, in accordance with rules adopted by the commission.

Sec. 18. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-959, Arizona Revised Statutes, is amended to read:

16-959. Inflationary and other adjustments of dollar values

A. Every two years, the secretary of state shall modify the dollar values specified in the following parts of this article, in the manner specified by section ~~16-905, subsection H~~ 16-931, to account for inflation: section 16-941, subsection A, paragraph 2 or subsection D; section 16-942, subsection B; section 16-945, subsection A, paragraphs 1 and 2; section 16-948, subsection C; section 16-955, subsection G; and section 16-961, subsections G and H. In addition, the secretary of state shall make a similar inflation adjustment by modifying the dollar values in section 16-949, subsection A to reflect cumulative inflation since the enactment of this article. In addition, every two years, the secretary of state shall change the dollar values in section 16-961, subsections G and H in proportion to the change in the number of Arizona resident personal income tax returns filed during the previous calendar year.

B. Based on the results of the elections in any quadrennial election after 2002, and within six months after such election, the commission may adopt rules in a public meeting reallocating funds available to all candidates between the primary and general elections by selecting a fraction for primary election spending limits that is between one-third and one-half

of the spending limits for the election as a whole. For each office, the primary election spending limit shall be modified to be the sum of the primary and general spending limits times the selected fraction, and the general election spending limit shall be modified to be the same sum times one less the selected fraction.

Sec. 19. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 16-961, Arizona Revised Statutes, is amended to read:

16-961. Definitions

A. The terms ~~"candidate's campaign committee,"~~ "contribution," "expenditures," ~~"exploratory committee,"~~ "independent expenditure," "personal monies~~,~~" ~~"political committee"~~ and "statewide office" are defined in section 16-901.

B. 1. "Election cycle" means the period between successive general elections for a particular office.

2. "Exploratory period" means the period beginning on the day after a general election and ending the day before the start of the qualifying period.

3. "Qualifying period" means the period beginning on the first day of August in a year preceding an election and ending one week before the primary election.

4. "Primary election period" means the nine-week period ending on the day of the primary election.

5. "General election period" means the period beginning on the day after the primary election and ending on the day of the general election.

6. For any recall election, the qualifying period shall begin when the election is called and last for thirty days, there shall be no primary election period and the general election period shall extend from the day after the end of the qualifying period to the day of the recall election. For recall elections, any reference to "general election" in this article shall be treated as if referring to the recall election.

C. 1. "Participating candidate" means a candidate who becomes certified as a participating candidate pursuant to section 16-947.

2. "Nonparticipating candidate" means a candidate who does not become certified as a participating candidate pursuant to section 16-947.

3. Any limitation of this article that is applicable to a participating candidate or a nonparticipating candidate shall also apply to that candidate's campaign committee or exploratory committee.

D. "Commission" means the citizens clean elections commission established pursuant to section 16-955.

E. "Fund" means the citizens clean elections fund defined by this article.

F. 1. "Party nominee" means a person who has been nominated by a political party pursuant to section 16-301 or 16-343.

2. "Independent candidate" means a candidate who has properly filed nominating papers and nominating petitions with signatures pursuant to section 16-341.

3. "Unopposed" means with reference to an election for:

(a) A member of the house of representatives, opposed by no more than one other candidate who has qualified for the ballot and who is running in the same district.

(b) A member of the corporation commission, opposed by a number of candidates who have qualified for the ballot that is fewer than the number of corporation commission seats open at that election and for which the term of office ends on the same date.

(c) All other offices, opposed by no other candidate who has qualified for the ballot and who is running in that district or running for that same office and term.

G. "Primary election spending limits" means:

1. For a candidate for the legislature, twelve thousand nine hundred twenty-one dollars.

2. For a candidate for mine inspector, forty-one thousand three hundred forty-nine dollars.

3. For a candidate for treasurer, superintendent of public instruction or the corporation commission, eighty-two thousand six hundred eighty dollars.

4. For a candidate for secretary of state or attorney general, one hundred sixty-five thousand three hundred seventy-eight dollars.

5. For a candidate for governor, six hundred thirty-eight thousand two hundred twenty-two dollars.

H. "General election spending limits" means amounts fifty ~~per cent~~ PERCENT greater than the amounts specified in subsection G of this section.

I. 1. "Original" spending limit means a limit specified in subsections G and H of this section, as adjusted pursuant to section 16-959, or a special amount expressly set for a particular candidate by a provision of this title.

2. "Adjusted" spending limit means an original spending limit as further adjusted pursuant to section 16-952.

Sec. 20. Section 19-111, Arizona Revised Statutes, is amended to read:

19-111. Number for petition; training materials

A. A person or organization intending to propose a law or constitutional amendment by initiative petition or to file a referendum petition against a measure, item, section or part of a measure, before causing the petition to be printed and circulated, shall file with the secretary of state an application, on a form to be provided by the secretary of state, setting forth the person's name or, if an organization, its name and the names and titles of its officers, the person's or organization's address, the person's or organization's intention to circulate and file a petition, a description of no more than one hundred words of the principal

provisions of the proposed law, constitutional amendment or measure and the text of the proposed law, constitutional amendment or measure to be initiated or referred in no less than eight point type, and applying for issuance of an official serial number. At the same time as the person or organization files its application, the person or organization shall file with the secretary of state its statement of organization ~~or its signed exemption statement as prescribed by section 16-902.01~~. The secretary of state shall not accept an application for initiative or referendum without an accompanying statement of organization ~~or signed exemption statement~~ as prescribed by this subsection.

B. On receipt of the application, the secretary of state shall assign an official serial number to the petition, which number shall appear in the lower right-hand corner of each side of each copy thereof, and issue that number to the applicant. The secretary of state shall assign numbers to petitions in numerical sequence, and a record shall be maintained in the secretary of state's office of each application received and of the numbers assigned and issued to the applicant.

C. The secretary of state shall make available to each applicant by electronic means a copy of the text of this article governing the initiative and referendum and all rules adopted by the secretary of state pursuant to this title. ~~In addition, the secretary of state shall provide the applicant by electronic means the ability to file a statement of organization or five hundred dollar threshold exemption statement and a notice stating: "This statement must be filed before valid signatures can be collected."~~ The secretary of state shall make available by electronic means a copy of the text of this article governing the initiative and referendum and all rules adopted by the secretary of state pursuant to this title to the county, city and town clerks who shall similarly furnish a copy to each applicant by electronic means. If a member of the public so requests, the secretary of state and the county, city and town clerks shall provide a copy in pamphlet form.

D. The secretary of state shall make available to each person or organization circulating a statewide initiative, referendum or recall petition a copy of circulator training materials created by the secretary of state. Circulator training materials may be provided on paper or in electronic format and shall also be available on the secretary of state's website. A person or organization circulating a statewide petition shall provide each circulator with the secretary of state's circulator training materials and shall collect and submit to the secretary of state each of its circulators' training materials receipts before the filing of completed petitions. Each person who is a statewide circulator shall acknowledge in writing receipt of the training materials before circulating a petition for signatures. Failure to provide circulator training materials or failure to submit circulators' training materials receipts is not grounds for removal of signatures or signature sheets. Notwithstanding section 19-141, this

subsection does not apply to initiative, referendum or recall petitions for cities, towns and counties.

E. The eight point type required by subsection A of this section shall not apply to maps, charts or other graphics.

Sec. 21. Section 19-111.01, Arizona Revised Statutes, is amended to read:

19-111.01. Text review; legislative council; recommendations

A. At any time before filing an application for initiative petition or referendum petition and after filing a statement of organization pursuant to section ~~16-902.01~~ 16-906, a political committee that intends to submit an application for initiative petition or referendum petition for a proposed law or constitutional amendment may submit a copy of the text of the proposed law, referral or constitutional amendment to the director of the legislative council.

B. No later than thirty days after receipt of the text of the measure, the legislative council staff shall review the proposed measure. The legislative council staff shall limit its consideration to errors in the drafting of the measure, confusing, conflicting or inconsistent provisions within the measure and conflicts with other state laws and federal law and shall consider and may prepare recommendations to improve the text of the proposed measure.

C. The person or organization proposing the law or constitutional amendment may accept, modify or reject any recommendations made by the legislative council staff regarding the text of the measure solely in its discretion.

Sec. 22. Section 19-114, Arizona Revised Statutes, is amended to read:

19-114. Prohibition on circulating petitions by certain persons; statement of organization

A. No county recorder or justice of the peace and no person other than a person who is qualified to register to vote pursuant to section 16-101 may circulate an initiative or referendum petition and all signatures verified by any such person shall be void and shall not be counted in determining the legal sufficiency of the petition.

B. Signatures obtained on initiative and referendum petitions by a political committee proposing the initiative or referendum or any of its officers, agents, employees or members prior to the filing of the committee's statement of organization ~~or prior to the filing of the five hundred dollar threshold exemption statement pursuant to section 16-902.01~~ are void and shall not be counted in determining the legal sufficiency of the petition.

Sec. 23. Section 19-121.01, Arizona Revised Statutes, is amended to read:

19-121.01. Secretary of state; removal of petition and ineligible signatures; facsimile sheets; random sample; presumption

A. Within twenty days, excluding Saturdays, Sundays and other legal holidays, ~~of~~ AFTER 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 complete title and text of the measure as prescribed in this chapter.

(b) The copy of the title and text from the remaining petition sheets.

(c) Those sheets not bearing the correct 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 or that has been modified.

(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.

(h) Those sheets on which the circulator is required to be registered with the secretary of state pursuant to section 19-118 and the circulator is not properly registered at the time the petitions were circulated.

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, if the date on which the petitioner signed the petition is before the date that the ~~statement of organization was filed for~~ SERIAL NUMBER WAS ASSIGNED TO the political committee that is filing the petition or if the date on which the petitioner signed the petition is after the date on which the affidavit was completed by the circulator and notarized.

(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.

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, THE SECRETARY OF STATE shall select, at random, five percent 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 that county and whose signature was selected for verification as part of the random sample.

D. The secretary of state shall presume that the date noted on the petition for a petitioner's signature is the date on which the petitioner signed the petition, and any person seeking to establish a different date for the signature bears the burden of proof in overcoming the presumption.

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

Sec. 24. Section 19-202, Arizona Revised Statutes, is amended to read:

19-202. Recall petition; limitations; subsequent petition

A. A recall petition shall not be circulated against any officer until ~~he~~ THE OFFICER has held office for six months, except that a petition may be filed against a member of the legislature at any time after five days from the beginning of the first session after ~~his~~ THE MEMBER'S election. The commencement of a subsequent term in the same office does not renew the six month period delaying the circulation of a recall petition.

B. After one recall petition and election, no further recall petition shall be filed against the same officer during the term for which ~~he~~ THE OFFICER was elected unless the petitioners signing the petition first, at the time of application for the subsequent recall petition, pay into the public

treasury from which such election expenses were paid all expenses of the preceding election.

~~C. Signatures obtained on recall petitions by a committee or any of its officers, agents, employees or members before the filing of the committee's statement of organization are void and shall not be counted in determining the legal sufficiency of the petition.~~

Sec. 25. Section 23-361.02, Arizona Revised Statutes, is amended to read:

23-361.02. Paycheck deductions; authorization; civil penalty; definition

A. For deductions after October 1, 2011, a public or private employer in this state shall not deduct any payment from an employee's paycheck for political purposes unless the employee annually provides written or electronic authorization to the employer for the deduction.

B. If a deduction is made from an employee's paycheck for multiple purposes after October 1, 2011, the employer shall obtain a statement from each entity to which the deductions are paid that indicates the payment is not used for political purposes or a statement that indicates the maximum percentage of the payment that is used for political purposes. The employer shall not deduct any payment beyond that specified for nonpolitical purposes without the annual written or electronic permission of the employee.

C. ~~Within ninety days after the effective date of this section,~~ The attorney general shall adopt rules that describe the acceptable forms of employee authorization and entity statements under this section.

D. If an employer knowingly deducts payments in violation of subsection A of this section or an entity provides an inaccurate statement under this section, the respective employer or entity is subject to a civil penalty of at least ten thousand dollars for each violation. The attorney general shall impose and collect the civil penalties under this subsection and shall deposit, pursuant to sections 35-146 and 35-147, all civil penalties collected pursuant to this section in the state general fund.

E. This section does not apply to any of the following:

1. A single deduction for nonpolitical purposes.

2. Deductions for savings or charitable contributions.

3. Deductions for employee health care, retiree or welfare benefits.

4. Deductions for state, local or federal taxes.

5. Deductions for contributions to a separate segregated fund pursuant to 2 United States Code section 441b(b) or section ~~16-920, subsection A, paragraph 3~~ 16-916.

6. Any deduction otherwise required by law.

F. If an employee has authorized a deduction from the employee's paycheck under this section and the employee resigns membership in the association or organization for which the deduction was authorized, the employee's authorization for the deduction is rescinded upon the employer's

receipt from the employee of written notice of the resignation. The employer shall have one pay period to process the rescission.

G. This section does not preempt any federal law.

H. For the purposes of this section, employee does not include any public safety employee, including a peace officer, firefighter, corrections officer, probation officer or surveillance officer, who is employed by this state or a political subdivision of this state.

I. For the purposes of this section, "political purposes" means supporting or opposing any candidate for public office, political party, referendum, initiative, political issue advocacy, political action committee or other similar group.

Sec. 26. Section 38-296.01, Arizona Revised Statutes, is amended to read:

38-296.01. Limitation on running for multiple offices

A. A person is not eligible to be a candidate for nomination or election to more than one public office if the elections for those offices are held on the same day and if the person would be prohibited from serving in the offices simultaneously.

B. A PERSON IS NOT ELIGIBLE TO BE A CANDIDATE FOR NOMINATION OR ELECTION TO AND IS NOT ELIGIBLE TO SERVE SIMULTANEOUSLY IN MORE THAN ONE STATEWIDE OFFICE.

C. A PERSON IS NOT ELIGIBLE TO BE A CANDIDATE FOR NOMINATION OR ELECTION TO AND IS NOT ELIGIBLE TO SERVE SIMULTANEOUSLY IN MORE THAN ONE LEGISLATIVE OFFICE.

D. A PERSON IS NOT ELIGIBLE TO BE A CANDIDATE FOR NOMINATION OR ELECTION TO AND IS NOT ELIGIBLE TO SERVE SIMULTANEOUSLY IN BOTH A LEGISLATIVE OFFICE AND A STATEWIDE OFFICE.

~~B.~~ E. A person is not eligible to be a candidate for nomination or election to and is not eligible to serve simultaneously on more than one school district governing board, except that a member of a governing board may be a candidate for nomination or election for any other governing board if the member is serving in the last year of a term of office.

Sec. 27. Section 38-544, Arizona Revised Statutes, is amended to read:

38-544. Violation; classification

A. Any public officer, local public officer or candidate who knowingly fails to file a financial disclosure statement required pursuant to section 38-542, 38-543 or 38-545, who knowingly files an incomplete financial disclosure statement or who knowingly files a false financial disclosure statement is guilty of a class 1 misdemeanor.

B. Any public officer, local public officer or candidate who violates this chapter is subject to a civil penalty of fifty dollars for each day of noncompliance but not more than five hundred dollars that may be imposed as prescribed in ~~section 16-924~~ SECTIONS 16-937 AND 16-938.

Sec. 28. Section 41-128, Arizona Revised Statutes, is amended to read:

41-128. Standing political committee administrative fund; purpose

The standing political committee administrative fund is established consisting of monies from filing fees that are paid by standing political committees ~~pursuant to section 16-902.01~~. The secretary of state shall administer the fund. Monies in the fund are continuously appropriated. The state treasurer shall invest and divest monies in the fund as provided by section 35-313, and monies earned from investment shall be credited to the fund. Monies in the fund shall be used for the costs of administering and enforcing the campaign finance laws relating to standing political committees.

Sec. 29. Section 41-133, Arizona Revised Statutes, is amended to read:

41-133. Officeholder expenses; account; reporting; limitations; civil penalty; definition

A. Any person who holds elected statewide public office or a legislative office in this state, whether by election or appointment, may receive or spend monies to defray the costs of performing officeholder duties as follows:

1. An officeholder may receive contributions pursuant to this section only from individuals, and the maximum amount that may be received from an individual during an election cycle is one hundred fifty dollars.

2. The total amount that an officeholder may receive or spend pursuant to this section during an election cycle is ninety-eight thousand three hundred sixty dollars for the governor, fifty-one thousand six hundred eighty dollars for the secretary of state and the attorney general, twenty-five thousand eight hundred forty dollars for all other statewide officeholders and nine thousand eight hundred dollars for a legislator, which may include personal monies as prescribed by paragraph 3 of this subsection. The secretary of state shall adjust this amount biennially as prescribed in section ~~16-905, subsection H~~ 16-931.

3. An officeholder may contribute up to thirty ~~per cent~~ PERCENT of the limits as prescribed by paragraph 2 of this subsection of the officeholder's personal monies to the officeholder's expense account.

B. For an officeholder's future campaign monies received do not constitute a contribution as defined in section 16-901 if the monies are received, expended and reported as prescribed in this section.

C. An officeholder shall establish a separate account for officeholder expenses, which shall be separate from any candidate campaign account. The officeholder shall file a statement of organization for the account designated as an officeholder expense account. Monies raised or spent for officeholder expenses shall be reported under campaign finance reporting requirements pursuant to title 16, chapter 6, ~~article~~ ARTICLES 1, 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 AND 1.7.

D. An officeholder shall not use monies in the officeholder account for campaign purposes. Permissible uses of monies in an officeholder account include the following:

1. Office equipment and supplies.

2. Travel related to the officeholder's duties.

3. Meeting or communicating with constituents.

4. Expenses for informational and educational purposes, including subscriptions to newspapers, magazines or other periodicals or websites or other informational services, membership or participation in community, professional or fraternal organizations and participation in conferences and seminars.

E. An officeholder shall not receive or spend monies from the officeholder account during the period beginning April 30 in an election year, shall complete the purchase or otherwise use the item before April 30 in an election year and shall not spend those monies until after the day of the general election. Any monies remaining in the officeholder expense account beginning April 30 in an election year may not be used except as follows:

1. Paid to the state general fund.

2. For a person who continues to hold office as prescribed in this section, carried forward to an officeholder expense account for another office or term of office, subject to the limitations prescribed by this section.

3. Donated to a political committee other than a person's exploratory committee or a candidate's campaign committee, unless the officeholder continues to hold office as prescribed in this section or the officeholder holds any other elected office immediately following completion of the officeholder's term.

4. Donated to an organization that qualifies under section 501(c)(4) of the United States internal revenue code, unless the officeholder continues to hold office as prescribed in this section or the officeholder holds any other elected office immediately following completion of the officeholder's term.

F. Except as prescribed in subsection E of this section, an officeholder shall not transfer officeholder account monies to any other account or committee except for another officeholder account for that same officeholder.

G. Section 41-1234.01 applies to contributions to an officeholder account for legislators.

H. A person who violates this section is subject to a civil penalty of three times any amount improperly received, spent or reported.

I. ~~Section 16-924 applies~~ SECTIONS 16-937 AND 16-938 APPLY for the implementation and enforcement of this section.

J. Any monies held by an officeholder pursuant to the officeholder expense account rules established by the citizens clean elections commission

are subject to this section, and the citizens clean elections commission has no further authority with respect to those monies.

K. For the purposes of this section, "officeholder" means a person who holds an elected statewide public office or a legislative office in this state, whether by election or appointment.

Sec. 30. Effective date

This act is effective from and after December 31, 2016.

Sec. 31. Requirements for enactment; three-fourths vote

Pursuant to article IV, part 1, section 1, Constitution of Arizona, sections 16-941, 16-946, 16-947, 16-948, 16-958, 16-959 and 16-961, Arizona Revised Statutes, as amended by this act, are effective only on the affirmative vote of at least three-fourths of the members of each house of the legislature.

NOT ENACTED

APPROVED BY THE GOVERNOR MARCH 30, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 31, 2016.

Passed the House March 29, 2016,

by the following vote: 31 Ayes,

27 Nays, 2 Not Voting

Speaker of the House

Chief Clerk of the House

Passed the Senate March 8, 2016,

by the following vote: 18 Ayes,

10 Nays, 2 Not Voting

Secs. 13, 14, 15, 16, 17, 18, 19 failed pursuant to Art. IV, part 1, Section 1

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

30th day of March, 2016,

at 1:58 o'clock P. M.

Secretary to the Governor

Approved this 30th day of

March, 2016,

at 2:59 o'clock P M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 31 day of March, 2016,

at 5:04 o'clock P M.

Secretary of State

S.B. 1516