



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

March 23, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

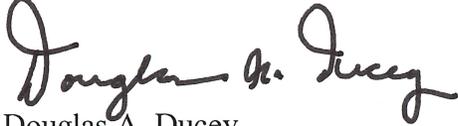
Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2nd Regular Session, which I signed on March 23, 2018:

SB 1022 DHS; homemade food products (Farnsworth, D.)
SB 1045 home inspectors (Kavanagh)
SB 1052 county flood control districts; easements (Griffin)
SB 1063 produce safety rule; state administration (Griffin)
SB 1077 fund solicitations; charities; unlawful acts (Barto)
SB 1097 unclaimed property; notice; publication; claims (Petersen)
SB 1142 private land acquisition; committee; continuation (Griffin)
SB 1144 conservation easements; notice; valuation (Griffin)
SB 1182 conservation districts; additional directors (Griffin)
SB 1198 blind persons' rights; adoption; custody (Barto)
SB 1246 behavioral health board (Barto)
SB 1249 campaign finance violations; appeals (Burgess)
SB 1255 teachers; alternative performance evaluations (Allen, S.)
SB 1256 school bus definition; vans (Allen, S.)
SB 1412 unclaimed property; electric cooperatives; credits (Griffin)
HB 2005 public service corporations; penalties (Leach)
HB 2007 evasion; crime; personal disguises (Lawrence)
HB 2017 state land department; continuation (Mitchell)
HB 2045 acupuncture board; continuation (Carter)
HB 2124 life and disability insurance; insolvencies (Livingston)
HB 2151 joint powers; fire protection services (John)
HB 2167 Arizona commerce authority; continuation; requirements (Weninger)

HB 2180 fire district budget hearings (Coleman)
HB 2185 school districts; tax levy; calculation (Norgaard)
HB 2189 prisoners; dedicated discharge account; use (Boyer)
HB 2215 veterinary medical examining board; continuation (Barton)
HB 2256 podiatrists; examination; repeal (Carter)
HB 2331 state lottery; multijurisdictional games (Weninger)
HB 2385 property tax appeals; court findings (Clodfelter)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive style with a large, prominent initial "D".

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed

FILED

MICHELE REAGAN

SECRETARY OF STATE

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 56

SENATE BILL 1249

AN ACT

AMENDING SECTION 16-938, ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 16-938, Arizona Revised Statutes, is amended to
3 read:

4 16-938. Enforcement authority; investigation; reasonable
5 cause; notice of violation; appeal

6 A. Notwithstanding section 16-1021, on receipt of a complaint from
7 a third party, a filing officer is the sole public officer who is
8 authorized to initiate an investigation into alleged violations of this
9 article and articles 1, 1.1, 1.2, 1.3, 1.4, 1.5 and 1.6 of this chapter,
10 including the alleged failure to register as a committee. A filing
11 officer shall limit an investigation to violations that are within the
12 filing officer's jurisdiction. If the filing officer declares a conflict
13 of interest, the filing officer may refer the investigation to any other
14 filing officer in this state who agrees to accept the referral.

15 B. The secretary of state shall establish guidelines in the
16 instructions and procedures manual adopted pursuant to section 16-452 that
17 outline the procedures, timelines and other processes that apply to
18 investigations by all filing officers in this state.

19 C. If after providing the subject of an investigation a reasonable
20 opportunity to respond, the filing officer has reasonable cause to believe
21 a person violated this article or article 1, 1.1, 1.2, 1.3, 1.4, 1.5 or
22 1.6 of this chapter, the filing officer shall refer the matter to the
23 enforcement officer as follows:

24 1. For matters investigated by the secretary of state, the
25 secretary of state shall notify the attorney general.

26 2. For matters investigated by a county filing officer, the county
27 filing officer shall notify the county attorney.

28 3. For matters investigated by a city or town filing officer, the
29 city or town filing officer shall notify the city or town attorney.

30 D. Before a reasonable cause determination is made as prescribed in
31 subsection C of this section, a filing officer, an enforcement officer and
32 any other public officer or employee may not order a person to register as
33 a committee and ~~does~~ DO not have audit or subpoena powers to compel the
34 production of evidence or the attendance of witnesses concerning a
35 potential campaign finance violation. A filing officer may request the
36 voluntary production of evidence or attendance of witnesses in making a
37 reasonable cause determination.

38 E. Only after receiving a referral from the filing officer, the
39 enforcement officer may:

40 1. Conduct an investigation using the enforcement officer's
41 subpoena powers, except that the enforcement officer shall not compel a
42 person to file campaign finance reports unless the enforcement officer has
43 determined that the person is a committee.

44 2. Serve the alleged violator with a notice of violation. The
45 notice shall state with reasonable particularity the nature of the

1 violation, shall specify the ~~fine or~~ penalty imposed and shall require
2 compliance within twenty days after the date of issuance of the
3 notice. The enforcement officer shall impose a presumptive civil penalty
4 equal to the value or amount of money that has been received, spent or
5 promised in violation of this article and articles 1, 1.1, 1.2, 1.3, 1.4,
6 1.5 and 1.6 of this chapter, except that after a finding of special
7 circumstances, the enforcement officer may impose a penalty of up to three
8 times the amount of the presumptive civil penalty, based on the severity,
9 extent or wilful nature of the alleged violation. If the notice of
10 violation requires a person to file campaign finance reports, the reports
11 are not required to be filed until the enforcement officer's notice of
12 violation has been upheld after any timely appeal.

13 3. Keep any nonpublic information gathered by the enforcement
14 officer in the course of the committee status investigation confidential
15 until the final disposition of any appeal of the enforcement order.

16 F. The enforcement officer has the sole and exclusive authority to
17 initiate any applicable administrative or judicial proceedings to enforce
18 an alleged violation of this article and articles 1, 1.1, 1.2, 1.3, 1.4,
19 1.5 and 1.6 of this chapter that have been referred by the filing officer.

20 G. If the alleged violator:

21 1. Takes corrective action within twenty days after the date of the
22 issuance of the notice of violation by the enforcement officer, the
23 alleged violator is not subject to any penalty.

24 2. Does not take corrective action within twenty days after the
25 date of issuance of the notice of violation by the enforcement officer,
26 the enforcement officer shall impose the penalty set forth in the notice
27 and shall provide formal notice that the imposition of the penalty ~~is an~~
28 ~~appealable agency action pursuant to sections 41-1092.03 and 41-1092.04~~
29 MAY BE APPEALED TO THE SUPERIOR COURT.

30 H. Within thirty days after receiving the notice of ~~violation~~ THE
31 PENALTY from the enforcement officer, the alleged violator may ~~request a~~
32 ~~hearing pursuant to title 41, chapter 6, article 10~~ FILE A NOTICE OF
33 APPEAL IN THE SUPERIOR COURT. THE ALLEGED VIOLATOR SHALL PROVIDE A COPY
34 OF THE NOTICE OF APPEAL TO THE ENFORCEMENT OFFICER.

35 ~~I. After the conclusion of the administrative appeal process~~
36 ~~prescribed in title 41, chapter 6, article 10, the alleged violator may~~
37 ~~appeal to the superior court pursuant to title 12, chapter 7, article 6~~
38 ~~for judicial review of the final administrative decision.~~

39 I. AT THE HEARING ON AN APPEAL FILED PURSUANT TO SUBSECTION H OF
40 THIS SECTION, THE SUPERIOR COURT SHALL CONDUCT A TRIAL DE NOVO AND THE
41 ENFORCEMENT OFFICER HAS THE BURDEN OF PROVING ANY ALLEGED VIOLATION BY A
42 PREPONDERANCE OF THE EVIDENCE.

43 Sec. 2. Effective date

44 Section 16-938, Arizona Revised Statutes, as amended by this act, is
45 effective from and after December 31, 2018.

Passed the House March 20, 2018,

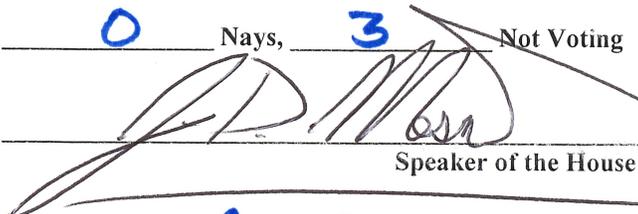
Passed the Senate February 21, 2018,

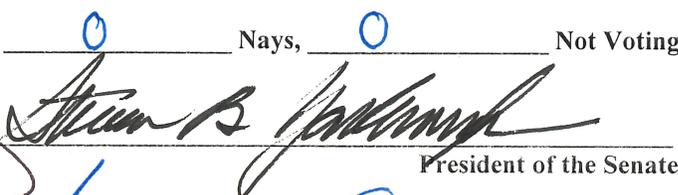
by the following vote: 57 Ayes,

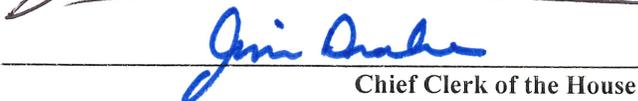
by the following vote: 30 Ayes,

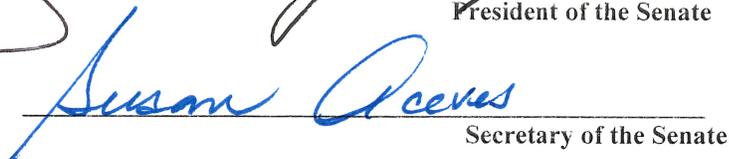
0 Nays, 3 Not Voting

0 Nays, 0 Not Voting


Speaker of the House


President of the Senate


Chief Clerk of the House

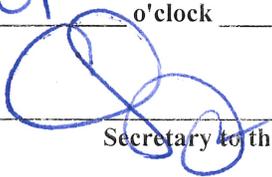

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

21st day of March, 2018

at 2:04 o'clock P. M.


Secretary to the Governor

Approved this 23rd day of

March, 2018,

at 11:39 o'clock A. M.

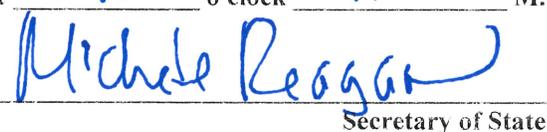

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 23 day of March, 2018,

at 4:43 o'clock P. M.


Secretary of State

S.B. 1249