

State of Arizona
Senate
Fifty-second Legislature
First Regular Session
2015

SENATE BILL 1171

AN ACT

AMENDING SECTION 16-918, 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 16-918, Arizona Revised Statutes, is amended to
3 read:

4 16-918. Campaign finance reports; notice; civil penalty;
5 prohibition on candidacy

6 A. If a political committee fails to file a report in a timely manner
7 as required by this chapter, the filing officer shall send written notice of
8 the delinquency of the report to the political committee and the candidate,
9 in the case of the candidate's campaign committee, or to the designating
10 individual, in the case of an individual's exploratory committee. The notice
11 shall be sent by certified mail within fifteen days after the filing officer
12 determines there may be a failure to file a campaign finance report. The
13 notice shall provide with reasonable particularity the nature of the failure
14 and a statement of the penalties provided in this section, **INCLUDING NOTICE**
15 **OF THE SPECIFIC AMOUNT OF ANY DAILY LATE PENALTY AND NOTICE OF HOW AND WHEN**
16 **THE DAILY LATE PENALTY STARTS AND STOPS ACCRUING.**

17 B. A political committee, or in the case of a candidate's campaign
18 committee, the candidate, or in the case of an exploratory committee, the
19 designating individual, is liable for a late penalty of ten dollars for each
20 business day after failure to make or file a campaign finance report that is
21 required pursuant to this chapter up to a maximum of four hundred fifty
22 dollars. For filings for an officeholder expense account pursuant to section
23 41-133, the late penalty is five dollars for each day after failure to make
24 or file the campaign finance report, and the late penalty shall not accrue on
25 days during which the office of the secretary of state is not open for
26 business. The filing officer shall not accept a campaign report unless any
27 penalties owed as a result of this section or any penalties imposed pursuant
28 to section 16-924 are paid with the report.

29 C. A political committee, or in the case of a candidate's campaign
30 committee, the candidate, or in the case of an exploratory committee, the
31 designating individual, that has failed to file within fifteen days after
32 receiving a notice of delinquency pursuant to subsection A of this section is
33 liable for a civil penalty of twenty-five dollars for each subsequent day
34 that the filing is late. This penalty shall be assessed pursuant to section
35 16-924.

36 D. For the purposes of this section, there is a failure to make and
37 file a campaign finance report by the treasurer, the designating individual,
38 in the case of an exploratory committee, the candidate, in the case of a
39 candidate's campaign committee, and for all other political committees, the
40 chairman, if any of the following occurs:

41 1. The report is not filed in a timely manner as prescribed by section
42 16-913.

1 2. The report is not signed in accordance with section 16-913.

2 3. A good faith effort is not made to substantially complete the
3 report as prescribed by section 16-915.

4 E. It is a defense to an enforcement action brought pursuant to this
5 section if good cause is shown by the treasurer, the designating individual,
6 in the case of an exploratory committee, or the candidate, in the case of a
7 candidate's campaign committee, for the failure to make and file a campaign
8 finance report. For the purposes of this subsection, "good cause" includes
9 an illness or absence from this state at the time the campaign finance report
10 was due or the written notice of delinquency was delivered if the illness or
11 absence reasonably prevented the treasurer, designating individual or
12 candidate from filing the report or receiving the written notice.

13 F. In addition to the enforcement actions prescribed by this section,
14 a person who was a candidate for nomination or election to any local or state
15 office and who after written notice pursuant to this section failed to make
16 and file a campaign finance report as required by this chapter is not
17 eligible to be a candidate for nomination or election to any local or state
18 office for five years after the last failure to make and file a campaign
19 finance report occurred. This penalty shall be imposed as follows:

20 1. A candidate's failure to make and file a campaign finance report
21 with a filing officer for a jurisdiction is grounds for that filing officer
22 to refuse the candidate's nomination paper for any public office in that
23 jurisdiction as described in this subsection.

24 2. A candidate's failure to make and file a campaign finance report
25 with any filing officer is grounds for a filing officer from another
26 jurisdiction to refuse the candidate's nomination paper for any public office
27 on presentation of a certified copy of a final order issued pursuant to
28 section 16-924.

29 G. For a standing political committee, in addition to any late penalty
30 and civil penalty assessed pursuant to this section, if the standing
31 political committee makes a late filing three or more times, the standing
32 political committee is no longer eligible for consolidated filing status
33 pursuant to section 16-913, subsection K and shall make all of its filings in
34 each reporting jurisdiction in which it is active.

35 H. For any political committee that has failed to file three
36 consecutive campaign finance reports with the filing officer as prescribed by
37 section 16-913, the filing officer shall send the committee chairman and
38 treasurer a written notice of intent to suspend the political committee. The
39 notice of intent to suspend shall state that failure of the political
40 committee to fully comply with all filing requirements for that committee,
41 including any required payments, within thirty days of the date of the notice
42 shall result in suspension of the political committee's authority to operate
43 in that jurisdiction. On suspension of the political committee's authority
44 to operate, the filing officer is no longer required to provide any further
45 notice of delinquency to the political committee. This subsection does not

1 reduce or eliminate the political committee's continuing obligation to make
2 campaign finance filings and pay any fines, penalties, civil penalties or
3 other sanctions that may continue to accrue as otherwise provided by law.
4 This subsection does not apply to reports required pursuant to article 2 of
5 this chapter or to a candidate's campaign committee designated by that
6 candidate pursuant to section 16-903 during that election cycle.