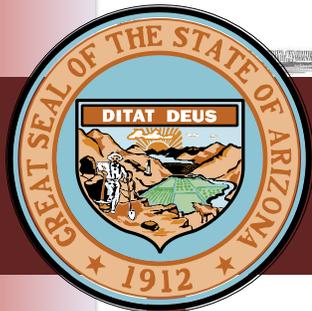


For SOS
Committees
Only

ARIZONA Campaign Finance Guide

State Capitol
Phoenix, Arizona



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**MICHELE
REAGAN**
*Secretary of State
State of Arizona*



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MICHELE REAGAN
Secretary of State
State of Arizona

An Introduction from Secretary of State Michele Reagan

Thank you for your interest in learning more about Arizona's campaign finance system.

Below you will find pertinent information regarding campaign finance laws, contribution limits, reporting dates, and step-by-step instructions to help guide every candidate and committee through our web-based reporting system.

Additional copies of this publication may be obtained by calling the office at (602) 542-8683 or 1-877-THE VOTE. This publication may also be downloaded from our website at www.azsos.gov/elections. If you need further assistance, please contact the Election Services Division.

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Sincerely,

MICHELE REAGAN
Arizona Secretary of State



CAMPAIGN CONTRIBUTION LIMITS PER CYCLE 2015-2016 ELECTION CYCLE

Effective July 3, 2015¹

These limits are subject to change by law and are current as of June 1, 2015.

	Candidate Committees			"PACs" ²		Parties
	Statewide Candidate ³	Legislative Candidate	Local Candidate ⁴	PACs that give to candidates ^{5,6}	PACs that do not give to candidates ^{6,7}	Political Parties / Political Organizations
Individual may give:	\$5,000 ⁸	\$5,000 ⁹	\$6,250 ¹⁰	Unlimited	Unlimited	Unlimited
Partnership may give:	\$5,000 ¹¹	\$5,000 ¹²	\$6,250 ¹³	Unlimited	Unlimited	Unlimited
Corporation, LLC or union may give:	Prohibited ¹⁴	Prohibited ¹³	Prohibited ¹³	Prohibited ¹³	Unlimited ¹⁵	Unlimited ¹⁶
"PAC" may give:	\$5,000 ¹⁷	\$5,000 ¹⁸	\$6,250 ¹⁹	Unlimited ²⁰	Unlimited	Unlimited
Multicandidate²¹ "PAC" may give:	\$10,000 ²²	\$10,000 ²³	\$12,500 ²⁴	Unlimited	Unlimited	Unlimited
Political Party / Party Organization may give:	Unlimited, but party nominee may <i>accept</i> no more than \$80,000 ²⁵	Unlimited, but party nominee may <i>accept</i> no more than \$8,000 ²⁶	Unlimited, but party nominee may <i>accept</i> no more than \$10,000 ²⁷	Unlimited	Unlimited	Unlimited



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*Secretary of State
State of Arizona*



¹ Contribution limits were raised in April 2015 (HB2415). Although the Act is effective July 3, 2015, Section 7 of HB2415 applies the foregoing contribution limits retroactively to November 4, 2014.

² Political committees—other than candidates and political parties—are generically referred to as “PACs” (political action committees) in this Guide.

³ The statewide contribution limit applies over a four-year election cycle for candidates seeking election to a statewide office. *See* A.R.S. § 16-901(8) (effective July 3, 2015). The statewide limit will continue to be biennially-adjusted pursuant to A.R.S. § 16-905(H), therefore the statewide contribution limit in effect when the contribution is made will govern contributions to candidates seeking election to statewide office.

⁴ Local candidates include candidates for county, city, town, and school district offices.

⁵ PACs that give to candidates include: (1) committees organized in support or opposition to one or more candidates and (2) corporate/labor separate segregated funds. *See* A.R.S. § 16-901(20) (effective July 3, 2015); *see also* A.R.S. § 16-901(19) (2014).

⁶ PACs may operate as hybrid committees and therefore perform multiple functions—such as making direct contributions to candidates, making independent expenditures, and supporting/opposing ballot measures. Hybrid committees must be mindful of contribution limits/restrictions for particular activities and file separate reports for each type of activity.

⁷ PACs that do not give to candidates include: (1) independent expenditure committees, (2) ballot measure committees, and (3) recall committees. *See* A.R.S. § 16-901(20) (effective July 3, 2015).

⁸ A.R.S. § 16-905(B)(1). Contribution limit reduced by 20% pursuant to A.R.S. § 16-941(B).

⁹ A.R.S. § 16-905(A)(1). Contribution limit reduced by 20% pursuant to A.R.S. § 16-941(B).

¹⁰ A.R.S. § 16-905(A)(2).

¹¹ A.R.S. § 16-905(B)(4). Contribution limit reduced by 20% pursuant to A.R.S. § 16-941(B).

¹² A.R.S. § 16-905(A)(6). Contribution limit reduced by 20% pursuant to A.R.S. § 16-941(B).

¹³ A.R.S. § 16-905(A)(6).

¹⁴ A.R.S. §§ 16-919(A)-(B).

¹⁵ A.R.S. §§ 16-920(A)(5) (ballot measures) and (A)(6) (independent expenditures). Arizona law does not permit corporations, LLCs, or unions to make direct contributions to recall committees. A.R.S. § 16-920; Op. Atty. Gen. No. I 11-003, 2011 WL 2940576 (2011).

¹⁶ Corporate, LLC and union contributions to political parties cannot be used for purposes of influencing an election. A.R.S. § 16-901(5)(b)(viii); *Arizona State Democratic Party v. State*, 210 Ariz. 527 (2005).

¹⁷ A.R.S. § 16-905(B)(2).

¹⁸ A.R.S. § 16-905(A)(3).

¹⁹ A.R.S. § 16-905(A)(4).

²⁰ A candidate committee or exploratory committee may not contribute to another candidate committee or exploratory committee except under limited conditions. *See* A.R.S. § 16-905(F).

²¹ PACs authorized to give at higher limits pursuant to A.R.S. § 16-905(G), were formally known as “Super PACs.” In light of the fact that independent expenditure-only PACs are now popularly known as “Super PACs” at the federal level, the Secretary of State has determined it is no longer beneficial to refer to A.R.S. § 16-905(G) committees as “Super PACs” under state law. Accordingly, A.R.S. § 16-905(G) committees are referred to as “multicandidate PACs” in order to remain consistent with federal law. *See* 11 C.F.R. 100.5(e)(3).

²² A.R.S. § 16-905(B)(3). Contribution limit reduced by 20% pursuant to A.R.S. § 16-941(B).

²³ A.R.S. § 16-905(A)(5). Contribution limit reduced by 20% pursuant to A.R.S. § 16-941(B).

²⁴ A.R.S. § 16-905(A)(5).

²⁵ *See* A.R.S. §§ 16-905(B)(2)-(3) (exempting political parties from statewide PAC contribution limits); *compare* A.R.S. § 16-905(D) (imposing \$80,000 net limitation on how much a “nominee of a political party” may accept “from all political parties or political organizations combined”); A.R.S. § 16-941(B) (contribution limit reduced by 20%).

²⁶ *See* A.R.S. §§ 16-905(A)(3) & (5) (exempting political parties from legislative PAC contribution limits); *compare* A.R.S. § 16-905(D) (imposing \$8,000 net limitation on how much a “nominee of a political party” may accept “from all political parties or political organizations combined”); A.R.S. § 16-941(B) (contribution limit reduced by 20%).

²⁷ *See* A.R.S. §§ 16-905(A)(2) & (4) (exempting political parties from local PAC contribution limits); *compare* A.R.S. § 16-905(D) (imposing \$10,000 limitation on how much a “nominee of a political party” may accept “from all political parties or political organizations combined”).



CAMPAIGN FINANCE REPORTING DATES 2015-2016 ELECTION CYCLE

These limits are subject to change by law and are current as of June 1, 2015.

Name of Report	Time Period Covered in Report ²⁸	Report Due Between ²⁹
January 31 report	November 25, 2014 through December 31, 2015	January 1, 2016 and February 1, 2016 ³⁰
June 30 report	January 1, 2016 through May 31, 2016	June 1, 2016 and June 30, 2016
Pre-Primary report	June 1, 2016 through August 18, 2016	August 19, 2016 and August 26, 2016
Post-Primary report	August 19, 2016 through September 19, 2016	September 20, 2016 and September 29, 2016
Pre-General report	September 20, 2016 through October 27, 2016	October 28, 2016 and November 4, 2016
Post-General report	October 28, 2016 through November 28, 2016	November 29, 2016 and December 8, 2016



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²⁸ A.R.S. §§ 16-913(B)-(C); 16-916(B).

²⁹ This table does not include additional filing deadlines provided for by the Citizens Clean Elections Act. For additional reporting dates, please review A.R.S. Title 16, Chapter 6, Article 2, along with materials provided by the Citizens Clean Elections Commission at www.azcleaselections.gov. In addition, this table does not include filing deadlines in effect for standing political committees, as required by A.R.S. § 16-913(K). Please visit www.azsos.gov/elections-calendar-upcoming-events or call 602-542-8683 for a specialized table.

³⁰ The January 31, 2016 reporting deadline has been adjusted to the next business day, February 1, 2016. A.R.S. § 16-916(D).



CHAPTER 1

BEFORE YOU GET STARTED

When are you required to form a political committee?

A “political committee” is the basic building block of Arizona campaign finance law. Political committees may be candidates for public office, political parties, or “PACs” that conduct a variety of political activities.

Political committees must register with the Secretary of State, maintain certain financial records, and comply with various advertising and reporting requirements. Because political committees are subject to such broad regulation, it is important to understand what triggers “political committee” status under Arizona law.

As a general matter, an individual, entity or group must register as a political committee under three circumstances:

First, Arizona law requires certain obvious political participants to register as a political committee regardless of financial activity level:³¹

Candidate Committees:

- Statewide candidates for public office³²
- Legislative candidates for public office³³

Political Action Committees (“PACs”):

- Groups that circulate petitions to place an initiative, referendum, or recall election on the ballot³⁴
- Corporate, LLC or union PACs (“separate segregated funds”)³⁵

Political Parties:

- State and county political parties³⁶
- District political parties and local party-affiliated groups (“political organizations”)³⁷

These types of political committees must register with the Secretary of State *before* conducting certain political activity.³⁸

Second, an association or group of persons must register as a political committee if they meet *both* of the following criteria:³⁹

- The group is organized, conducted or combined for the primary purpose of influencing the result of any election; and
- The group knowingly receives contributions or makes expenditures of more than \$500 in connection with any election during a calendar year.⁴⁰

Groups that meet these dual criteria are transformed into PACs, whether voluntarily or involuntarily.



Such committees might be organized for a variety of purposes, including contributing directly to candidates, making independent expenditures, or providing outside support/opposition for initiative, referendum or recall efforts.⁴¹

Third, a corporation, LLC or labor union that is organized primarily for the purpose of influencing an election must register as a political committee.⁴²

* * *

In summary, there are three circumstances in which an individual, group or entity may meet the definition of a “political committee” under Arizona law. Triggering political committee status is generally the point at which a political participant becomes subject to significant government regulation. Be mindful of the various avenues through which your obligation to register as a political committee may be triggered.

What type of political committee should I form?

Once you have met the threshold requirement of becoming a political committee, you must select your political committee type and organize.

Political committees generally fall into one of three broad categories: candidate committees, political parties, and “PACs” (a catch-all category). Within each of these categories, political committees are dedicated for specific functions—such as making contributions to candidates, supporting or opposing ballot measures, or making independent expenditures.

Additionally, certain committees may qualify for a special status, such as becoming a “standing committee” or “multicandidate committee.” Other committees may qualify for an exempt status, such as a “\$500 Threshold” committee that need not report its contributions and expenditures.

The Secretary of State’s web-based campaign finance system will guide you through the registration process. Below are your options based on the type of committee you intend to form.

Candidate Committees

If you intend to set up a political committee to run for statewide or legislative office, select one of the following options:

- Candidate (Exploratory)
 - An exploratory committee is formed for the purpose of determining whether an individual will become a candidate.⁴³ One need not register an exploratory committee with the Secretary of State until the committee receives contributions or makes expenditures in excess of \$500.
- Candidate (Non-Participating)
 - Your campaign will be privately funded with contributions.
- Candidate (Participating)
 - Your campaign will be funded with publicly-funded money, dispensed by the Arizona Citizens Clean Elections Commission.⁴⁴



PACs

Most non-candidate political committees will fall in this category. You must select your committee's function when establishing your committee:

- Independent Expenditures
- Support/Oppose (Ballot Measure)
 - You intend to support or oppose an initiative or referendum measure.
- Recall
 - You intend to support or oppose the recall of an elected official.
- Segregated Fund
 - You are a corporate, LLC, or labor union-sponsored PAC.
- Support/Oppose (Candidate)
 - You intend to make direct contributions to candidates.

Independent expenditure committees are formed for the purpose of making independent expenditures that “expressly advocate” the election or defeat of a candidate without any coordination between the independent expenditure committee, candidate and committee officers.⁴⁵ If it qualifies, an independent expenditure committee may be designated as a “standing committee” for reporting purposes.⁴⁶

A ballot measure committee supports or opposes the qualification, passage, or defeat of a ballot measure such as an initiative or referendum.⁴⁷ An initiative is a law proposed by the voters. A referendum is an effort to override (veto) a law recently passed by the Legislature and signed by the Governor.⁴⁸

A recall committee is a non-candidate committee organized to circulate, support or oppose a recall petition or to influence the result of a recall election.⁴⁹

A separate segregated fund is a committee established by a corporation, LLC, or labor union.⁵⁰ Segregated funds typically make direct contributions to candidates. If it qualifies, a segregated fund may be designated as a “standing committee”⁵¹ for reporting purposes and/or a “multicandidate committee”⁵² for contribution purposes.

Finally, a political committee may be organized to support or oppose one or more candidates by making direct contributions to candidates.⁵³ If it qualifies, a candidate support/oppose committee may be designated as a “multicandidate committee” for contribution purposes.⁵⁴

Political Parties

If the committee seeks to register as a political party, select:

- Political Party⁵⁵
- Political Organization⁵⁶
- New Party⁵⁷



Under Arizona law, the term “political party” is technically defined as a state or county-level political party, whereas local parties and party-affiliated groups are considered “political organizations.” However, all such groups are generically considered political parties.

If they meet certain requirements, political parties and political organizations may also qualify as a “standing committee,” which consolidates reporting requirements for parties that are active in more than one Arizona jurisdiction.⁵⁸

³¹ A.R.S. §§ 16-901(20)(a)-(e), (g) (effective July 3, 2015).

³² The only exception is an exploratory committee, which need not register until it receives contributions or makes expenditures in excess of \$500 A.R.S. § 16-901(10); § 16-901(20)(h) (effective July 3, 2015).

³³ The only exception is an exploratory committee, which need not register until it receives contributions or makes expenditures in excess of \$500 A.R.S. § 16-901(10); § 16-901(20)(h) (effective July 3, 2015).

³⁴ A.R.S. § 16-901(20)(c)-(d) (effective July 3, 2015). This will be the political committee that typically drafts the ballot measure text and/or summary, obtains a serial number from the Secretary of State’s office, circulates petitions, and acts as the official spokesman for the initiative, referendum or recall effort.

³⁵ A.R.S. §§ 16-901(20)(b) (effective July 3, 2015); 16-920(A)(3)-(4).

³⁶ A.R.S. § 16-901(22) (effective July 3, 2015).

³⁷ A.R.S. § 901(21) (effective July 3, 2015).

³⁸ Although these committees must register before accepting contributions making expenditures, distributing campaign literature or circulating petitions, such committees may file an exemption statement with the Secretary of State (in lieu of a statement of organization) if the committee intends to accept contributions or make expenditures of \$500 or less. A.R.S. § 16-902.01(A)-(B) (effective July 3, 2015). The committee must disclose basic identifying information in its exemption statement, but is otherwise exempt from filing campaign finance reports as long as it remains below the \$500 threshold.

³⁹ A.R.S. § 16-901(20)(f) (effective July 3, 2015).

⁴⁰ The criteria for PAC registration under A.R.S. § 16-901(20)(f)(ii) is similar to the financial threshold at which an exploratory committee must file a statement of organization. Since exploratory committees are precursors to candidate committees, they are considered under the category of “candidate committees” instead of “PACs.”

⁴¹ Under the technological limitations of the current web-based system, a PAC that performs multiple functions must register separate PACs for each function: direct contributions to candidates, independent expenditures, ballot measures, or recall elections. Thus, once political committee status is triggered under A.R.S. § 16-901(20)(f) (effective July 3, 2015), a political committee must file statements of organization for each function (contributions, independent expenditures, etc.) it performs or intends to perform.

⁴² A.R.S. § 16-914.02(K); Arizona Secretary of State Independent Expenditures Handbook, *available at* www.azsos.gov/elections/arizona-election-laws-publications. Otherwise, corporate, LLC, and labor entities that do not meet the primary purpose test are subject to less rigorous registration and reporting requirements when they make independent expenditures to influence the result of a candidate election. A.R.S. § 16-914.02(A)-(D)

⁴³ A.R.S. § 16-901(10) (effective July 3, 2015). A candidate is defined as an “individual who receives or gives consent for receipt of a contribution for his nomination for an election to any office in this state other than a federal office.” A.R.S. § 16-901(2).

⁴⁴ Whether the candidate intends to fund his or her campaign with privately-raised or publicly-dispersed money will generally determine which campaign finance laws will govern the candidate, subject to various exceptions. If the candidate seeks to become a publicly-funded (“participating”) candidate under the Arizona Citizens Clean Election Act, please visit www.azcleelections.gov for further information.

⁴⁵ A.R.S. §§ 16-901(15); 16-901.01; 16-911.

⁴⁶ A.R.S. § 16-901(24)(c)(iii) (effective July 3, 2015). A political committee with “standing committee” status must be active in more than one reporting jurisdiction in Arizona for more than one year. *Id.* A standing committee is only required to file campaign finance reports with the Secretary of State and is therefore exempt from the filing requirements of any other Arizona jurisdiction, even if the political party influences elections in those jurisdictions. A.R.S. § 16-902.01(E). Standing Committees pay an annual fee of \$250.00.



If a standing political committee makes a late filing three or more times, it will no longer be eligible to retain standing political committee status. A.R.S. § 16-918(G).

⁴⁷ A.R.S. § 16-901(20)(c); *see also* Ariz. Const. Art. 4, § 1; A.R.S. Title 19, Chapter 1.

⁴⁸ Ariz. Const. Art. 4, Pt. 1, § 1(1)-(3); A.R.S. Title 19, Chapter 1. Referenda also take the form of measures passed by the Legislature (but not signed by the Governor) and referred to the general election ballot for voter approval. Ariz. Const. Art. 4, Pt. 1, § 1(3), (15); Ariz. Const. Art. 21, § 1.

⁴⁹ A.R.S. § 16-901(20)(d) (effective July 3, 2015); *see also* A.R.S. Title 19, Chapter 2.

⁵⁰ A.R.S. § 16-920(A)(3).

⁵¹ A.R.S. § 16-901(24)(c)(i). A political committee with “standing committee” status must be active in more than one reporting jurisdiction in Arizona for more than one year. *Id.* A standing committee is only required to file campaign finance reports with the Secretary of State and is therefore exempt from the filing requirements of any other Arizona jurisdiction, even if the political party influences elections in those jurisdictions. A.R.S. § 16-902.01(E). Standing Committees pay an annual fee of \$250.00. If a standing political committee makes a late filing three or more times, it will no longer be eligible to retain standing political committee status. A.R.S. § 16-918(G).

⁵² Only established “multicandidate” political committees registered with the Secretary of State may give contributions to candidates at a higher contribution limit. To qualify, a multicandidate committee must have received contributions in the amount of \$10.00 or more from 500 contributors in the two year period before requesting multicandidate status. A.R.S. § 16-905(G). A certificate is valid for four years. *Id.*

⁵³ A.R.S. §§ 16-905(A)(3)-(5) & (B)(3).

⁵⁴ Only established “multicandidate” political committees registered with the Secretary of State may give contributions to candidates at a higher contribution limit. To qualify, a multicandidate committee must have received contributions in the amount of \$10.00 or more from 500 contributors in the two year period before requesting multicandidate status. A.R.S. § 16-905(G). A certificate is valid for four years. *Id.*

⁵⁵ A political party is defined as a “state committee as prescribed by A.R.S. § 16-825 or the county committee as prescribed by A.R.S. § 16-821 of an organization that meets the requirements for recognition as a political party pursuant to A.R.S. § 16-801 or § 16-804(A).” A.R.S. 16-901(22) (effective July 3, 2015).

⁵⁶ Political organizations are committees formally affiliated with a recognized political party, including a district political party, which are organized pursuant to A.R.S. § 16-823. A.R.S. § 16-901(21) (effective July 3, 2015).

⁵⁷ If the committee will exist for the purpose of creating a new recognized political party in Arizona, select the New Party committee. New party committees follow the same filing requirements as all other committees. Once a “new” party becomes recognized and achieves permanent ballot status pursuant to A.R.S. § 16-804, the party must amend its statement of organization to become a “political party”.

⁵⁸ A political committee with “standing committee” status must be active in more than one reporting jurisdiction in Arizona for more than one year. A.R.S. § 16-901(24) (effective July 3, 2015). A standing committee is only required to file campaign finance reports with the Secretary of State and is therefore exempt from the filing requirements of any other Arizona jurisdiction, even if the political party influences elections in those jurisdictions. A.R.S. § 16-902.01(E). Standing Committees pay an annual fee of \$250.00. If a standing political committee makes a late filing three or more times, it will no longer be eligible to retain standing political committee status. A.R.S. § 16-918(G).



CHAPTER 2

CAMPAIGN FINANCE WEB-BASED REPORTING SYSTEM GETTING STARTED—THE BASICS

To be registered as a political committee, you will either create: (1) a Statement of Organization, which is generally required for committees that raise or spend more than \$500, or (2) an Exemption Statement, which some committees are eligible to file (in lieu of a Statement of Organization) if they otherwise qualify and keep their financial activity under \$500. To begin the process:

- Go to the Arizona Secretary of State’s website at www.azsos.gov. Using the menu at the top of the webpage, click on:
 - Elections
 - Campaign Finance & Reporting
 - Make An Electronic Campaign Finance Filing



- If you need to create a new political committee, the next few steps will help you establish your committee.
- If you have an existing **User Name** and need to amend your current Statement of Organization, skip to pages 19-20.

Establish Your Political Committee:

The next few screens will guide you through the process of entering your committee information and creating user logins for committee users.

Once your completed Statement of Organization has been filed and accepted, you will receive a confirmation email.

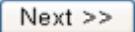
- Begin by selecting “**Create new Committee**”:

The screenshot shows the "Campaign Finance - Log In" page of the Arizona Secretary of State's website. The header includes the name "MICHELE REAGAN, Secretary of State, State of Arizona" and the "az.gov" logo. A navigation bar contains links for "Elections", "Business", "Services", "Rules", "State Library", and "About the Office". The main content area has a "Login" section with two input fields: "Enter User Name:" and "Enter Password:". A "Login" button is positioned to the right of the password field. Below the login fields, the link "Create new Committee" is circled in red. Other links include "Create a new Corporation, LLC, or Labor Organization reporting account" and "Create a new Individual Filer reporting account". A "Forgot User Name or Password" link is also present. The footer contains "Website Policies | Contact Us" and "©2015 Arizona Secretary of State, All Rights Reserved".



- First, you will see a **Welcome screen**:

The screenshot shows the top header for the Arizona Secretary of State, Michele Reagan. It includes her name, title, and a portrait. Navigation links for Elections, Business, Services, Rules, State Library, and About the Office are visible. The main content area is titled "Committee Setup" and contains a "Welcome to the Campaign Finance Reporting System" message. The message explains the next steps: entering committee information, printing the Statement of Organization, and creating user logins. It also provides instructions on how to get help and the requirement to submit a signed Statement of Organization. A "Next >" button is circled in red. The footer contains "Website Policies | Contact Us" and "©2015 Arizona Secretary of State, All Rights Reserved".

- Click on  to continue.



STEP 1: Committee Setup

This screen will allow you to enter the information required to form your committee.

Campaign Finance - Committee Setup

Committee Type

Committee Name

Physical Address

Street

City State Zip

Same as Physical Address

Mailing Address

Street

City State Zip

Phone Number

Fax Number
(Optional)

Email Address

Financial Institutions (Banks)

#1

#2

#3

- Use the pull down menu to select your **Committee Type**. The [Help](#) link in the upper right-hand corner of the screen will give additional information on different committee types.
- Complete the remaining informational fields. Note: various information fields may appear or disappear depending on the type of committee selected.
- Once complete, select to continue.



Campaign Finance - Committee Setup

Committee Type: ----- Select Committee Type -----

Committee Name: \$500 Threshold (Candidate)
\$500 Threshold (Non-Candidate)
Candidate (Exploratory)
Candidate (Non-participating)
Candidate (Participating)
Independent Expenditures
Independent Expenditures (Standing)
New Party
Officeholder Expenses
Political Organization
Political Organization (Standing)
Political Party
Political Party (Standing)

Physical Address: _____

Mailing Address: _____

Phone Number: Recall
Segregated Fund

Fax Number: Segregated Fund (Standing)
Support/Oppose (Ballot Measure)
Support/Oppose (Candidate)

Email Address: _____

Financial Institutions (Banks): #1 _____
#2 _____
#3 _____

Next >> Cancel

- Note: committees that *circulate petitions* for initiatives, referenda, or recall elections are eligible to register as “\$500 Threshold (Non-Candidate)” committees if they plan to raise or spend less than \$500. Otherwise, PACs need not register as “\$500 Threshold (Non-Candidate)” committees before conducting political activity because, under a new law enacted in 2015, no registration whatsoever is required for activities under \$500.⁵⁹

STEP 2: Committee Member Selection

Each committee must have a chairman and treasurer.

- For Candidate Committees, the candidate may serve as both Chairman and Treasurer.
- For ALL other committees, the chairman and treasurer must be different individuals.



The campaign finance database contains names of current and former political committee members to choose from, or you may add a new name to the database. In order to add a new name, you must first click on “Select Chairman,” “Select Treasurer,” etc.

Follow the process below for selecting a Chairman, Treasurer and Candidate. This process will vary according to whether your committee plans to raise or spend more than \$500 (which requires a Statement of Organization to be filed) or less than \$500 (which permits an Exemption Statement to be filed).

Committee Member Setup Example: Statement of Organization for Candidate Committee

The system already contains names and contact information for current and former political committee members.

- First, search for your Committee Members (Chairman, Treasurer, and Candidate).
- Click on the buttons as applicable:



- After selecting one, continue to the **Search for a Name** instruction (page 17).

Committee Member Setup Example: Statement of Organization for PAC

- First, search for your Committee Members (Chairman, Treasurer, and, if applicable, Sponsoring Organization).

- Click on the buttons as applicable:



- After selecting one, continue to the **Search for a Name** instruction (page 17).



Committee Member Setup Example: Exemption Statement

Example below for Candidate Exemption Statement

Campaign Finance - Committee Member Setup

Candidate *

Sponsoring Organization (Optional) *

Example below for Non-candidate Exemption Statement

Campaign Finance - Committee Member Setup

Sponsoring Organization (Optional) *

- Note: only non-candidate committees can be sponsored. A “sponsoring organization” is any organization that establishes, administers or contributes financial support to the administration of a PAC, or that has common or overlapping membership or officers with a PAC. This typically occurs when a corporation or labor union establishes a separate segregated fund, or an out-of-state PAC or corporation establishes an Arizona-affiliated PAC.

Search for a Name

Last Name: *

Zip Code: *

- Once you select a committee member type, the **Search for a Name** screen will appear.
- Type in the **Last Name** and **Zip Code** of either the Candidate, Treasurer or Chairman and click .

Search for a Name

Last Name: *

Zip Code: *

Select	SMITH, ROBERT C		1811 FAIRMCREST DR SW	Phoenix AZ 85007	Edit
Select	SMITH, SANDRA	ATTORNEY	TAYLOR & ASSOCIATES	814 W Roosevelt St	Edit
Select	Smith, Steve	talent agent	Arizona State Senate	1700 W Washington St	Edit
Select	smith, steve	Arizona State Senator	Arizona State Senate	1700 W Washington St	Edit
Select	Smith, William	Occupation	Employer	1700 W Washington St	Edit
Select	Smith, William	Occupation	Employer	1700 W Washington St	Edit
Select	Smith, William	Occupation	Employer	1700 W Washington St	Edit
Select	Smith, William	Occupation	Employer	1700 W Washington St	Edit

Can't find your name in the list? [Click here to add a new name.](#)

- If the name is found, the name will appear on the screen.
- If found, **Select** the name (Chairman, Treasurer, or, if applicable, Candidate/Sponsor).
- If name is not found, click on “**Click here to add a new name**” (link appears in blue).



- The **Add a Name** window appears. To add a name, complete the required information, pressing the TAB key between fields.
- Click on **Add Name**.
- Note: The individual’s information will now be added to the SOS Campaign Finance database.
- All required fields must be completed before a name will be added.

- Complete the same process for Treasurer and Candidate.
- Click **User Setup >>** to continue.

STEP 3: User Setup

This step enables users to access a political committee’s records. Once added, committee users are able to login to the website and perform committee functions allowed by their privilege level.

As you begin **User Setup**, please remember there must be at least one user with **administrative** privileges. A warning message will appear if none are chosen. **The creator of the account will automatically have administrative privileges.** Beyond the administrator, you may create as many additional users as you like.



Use the **Help** for information on selecting a Privilege Level.

Click on **Add New User**.

- Choose the privilege level from the pull down menu (**REMEMBER – THERE MUST BE AT LEAST ONE ADMINISTRATOR**).
- Enter the required information and select **OK**.

- The **Search for a Name** window will appear for selecting the new user.
- Use the same methodology from Step 2 on pp. 17-18 on how to **Search for a Name**.

- After selecting an existing user or adding a new user, the **User Setup** screen will be displayed with the user's information.
- In the **Password** field, enter a password that is at least six characters long.
- In **Confirm Password**, re-type your password correctly.
- Select **OK**.



Campaign Finance - User Selection

Name	Email	Privilege Level	
Smith, William	noreply@azsos.gov	Administrator	<input type="button" value="Change"/> <input type="button" value="Delete"/>

<< Back Next >

After making the necessary changes, you will have to click on the Finished button in order for the changes to be applied.

- The screen with added users will appear.
- To add additional users to the committee, repeat the above steps.
- If done, select **Next** to continue to the next step.

STEP 4: Statement of Organization or Exemption Statement

 You have now finished creating your committee:

Correspondence Confirmation

Your new political committee requires you to file a Statement of Organization. State law requires that any changes to your committee require a completed Amended Statement of Organization be filed with the Secretary of State within five (5) business days.

Mail or otherwise deliver your Statement of Organization to:

Arizona Secretary of State
 1700 W Washington Street
 Floor 7 Attn: Campaign Finance
 Phoenix, AZ 85007

The process of organizing or amending is not complete until the Secretary of State receives your completed Statement of Organization. You will be notified via email when the Statement of Organization is received.

 You must print the Statement of Organization or Exemption Statement. Click on to view and print the form. You may close the PDF window after printing your form and the campaign finance system will revert to the main Campaign Finance Login web page. If you close the PDF window before printing your form, you will have to complete the process again.

 Obtain signatures of the Chairman, Treasurer, and Candidate (for candidate committees) or designating individual (for exploratory committees) on page 2. Signers for standing committee must have their signatures notarized. Your committee is not active until the Secretary of State's office receives the original Statement of Organization or Exemption Statement, which may be mailed or delivered in person, to:

Arizona Secretary of State
 Election Services Division
 1700 West Washington, Fl. 7
 Phoenix, AZ 85007-2808

Our office will review your Statement of Organization or Exemption Statement, and if accepted, your committee will receive a confirmation email (at the committee email address you provided) informing your committee that the Statement has been accepted.



Example of Statement of Organization (Page 1 of 2)



STATE OF ARIZONA
POLITICAL COMMITTEE
STATEMENT OF ORGANIZATION

- Initial Registration
- Amended Statement
- Out of State Committee
- Standing Political Committee

Titles 16 & 19, Arizona Revised Statutes
Definitions, statutory references and important information on page 2.

COMMITTEE ID NUMBER
201600160

NAME OF POLITICAL COMMITTEE (For ballot measure committee, name shall include official petition serial number) COMMITTEE TO ELECT WILLIAM SMITH		DATE 05/24/2015	
TYPE OF COMMITTEE CANDIDATE (NON-PARTICIPATING)		BALLOT MEASURE <input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE	
COMMITTEE ADDRESS 111 MAIN		CITY PHOENIX	STATE AZ
		ZIP 85007	
COMMITTEE MAILING ADDRESS (if different from above) 111 MAIN		CITY PHOENIX	STATE AZ
		ZIP 85007	
COMMITTEE TELEPHONE # (000) 000-0000	COMMITTEE FAX #	COMMITTEE EMAIL ADDRESS NAME@NAME.COM	
NAME OF SPONSORING ORGANIZATION (if applicable)		TYPE OF ORGANIZATION	
ADDRESS OF SPONSORING ORGANIZATION		RELATIONSHIP TO POLITICAL COMMITTEE	
EACH POLITICAL COMMITTEE SHALL HAVE A CHAIRMAN AND TREASURER. THE POSITION OF CHAIRMAN AND TREASURER OF A SINGLE POLITICAL COMMITTEE MAY NOT BE HELD BY THE SAME INDIVIDUAL, EXCEPT THAT A CANDIDATE MAY BE CHAIRMAN AND TREASURER OF HIS OR HER OWN CAMPAIGN COMMITTEE. A.R.S. § 16-902(A).			
NAME OF COMMITTEE CHAIRMAN WILLIAM SMITH		CHAIRMAN'S TELEPHONE # (602) 555-5555	CHAIRMAN'S FAX #
CHAIRMAN'S ADDRESS 1700 W WASHINGTON ST		CITY PHOENIX	STATE AZ
		ZIP 85007	
CHAIRMAN'S OCCUPATION OCCUPATION	CHAIRMAN'S EMPLOYER EMPLOYER	CHAIRMAN'S EMAIL ADDRESS EMAIL@EMAIL.COM	
NAME OF COMMITTEE TREASURER WILLIAM SMITH		TREASURER'S TELEPHONE #	TREASURER'S FAX #
TREASURER'S ADDRESS 1700 W WASHINGTON ST		CITY PHOENIX	STATE AZ
		ZIP 85007	
TREASURER'S OCCUPATION OCCUPATION	TREASURER'S EMPLOYER EMPLOYER	TREASURER'S EMAIL ADDRESS EMAIL@EMAIL.COM	
BEFORE A COMMITTEE ACCEPTS A CONTRIBUTION OR MAKES AN EXPENDITURE IT SHALL DESIGNATE AT LEAST ONE ACCOUNT AT A QUALIFIED FINANCIAL INSTITUTION. A.R.S. § 16-902(C). LIST THE NAMES OF ALL FINANCIAL INSTITUTIONS WITH WHICH THE COMMITTEE MAINTAINS ACCOUNTS OR SAFETY DEPOSIT BOXES. (Do not list account numbers.)			
1. BANK	2.	3.	
FOR A CANDIDATE'S CAMPAIGN COMMITTEE OR AN EXPLORATORY COMMITTEE, PROVIDE THE FOLLOWING INFORMATION: (For Exploratory Committees party affiliation and office sought are optional.)			
NAME OF CANDIDATE OR DESIGNATING INDIVIDUAL ("DI") WILLIAM SMITH		ELECTION CYCLE 2016	
CANDIDATE OR DI'S TELEPHONE # (000) 000-0000	CANDIDATE OR DI'S FAX #	COUNTY OF RESIDENCE MARICOPA	
CANDIDATE OR DI'S ADDRESS 1700 W WASHINGTON ST		CITY PHOENIX	STATE AZ
		ZIP 85007	
CANDIDATE OR DI'S EMAIL ADDRESS EMAIL@EMAIL.COM	PARTY AFFILIATION AMERICANS ELECT	OFFICE SOUGHT STATE MINE INSPECTOR	



Example of "Statement of Organization" (Page 2 of 2)

Committee ID: 201600160
 Date: 05/24/2015
 Form ID: 0000330961



STATE OF ARIZONA
 POLITICAL COMMITTEE
 STATEMENT OF ORGANIZATION

YOUR APPLICATION IS NOT COMPLETE WITHOUT THE REQUIRED SIGNATURES BELOW:

BOX 1 All committees require the signature of both the chairman and treasurer. Standing Committees, see BOX 3 below.

CHAIRMAN'S AND TREASURER'S STATEMENT: We, the undersigned chairman and treasurer, have read all of the applicable laws relating to campaign finance and reporting and have examined the information contained in this statement of organization and, to the best of our knowledge and belief, it is true, correct and complete.

Date: _____ Chairman's signature: _____
 Date: _____ Treasurer's signature: _____

BOX 2 Complete and sign this additional box only if the committee is a candidate's campaign committee or exploratory committee.

DESIGNATING INDIVIDUAL OR CANDIDATE'S STATEMENT: I authorize the above -named political committee as my political committee to receive contributions and make expenditures on my behalf.

Date: _____ D/I's or Candidate's signature: _____

BOX 3 Complete and notarize this box only if the committee has been in existence for more than one year and is filing for Standing Committee status.

STANDING POLITICAL COMMITTEE'S STATEMENT (if applicable) (A.R.S. §16 -902.1): I/we hereby declare the status of this political committee as a standing political committee.

Date: _____ Chairman's signature: _____
 Date: _____ Treasurer's signature: _____

State of Arizona)
) ss. State of Arizona)
 County of _____) County of _____)

SUBSCRIBED AND SWORN TO before me this _____
 _____ My Commission Expires: _____
 Notary Public

DEFINITION OF POLITICAL COMMITTEE: A.R.S. § 16 -901(19)
 "Political committee" means a candidate or any association or combination of persons that is organized, conducted or combined for the purpose of influencing the result of any election or to determine whether an individual will become a candidate for election in this state or in any county, city, town, district or precinct in this state, that engages in political activity in behalf of or against a candidate for election or retention or in support of or opposition to an initiative, referendum or recall or any other measure or proposition and that applies for a serial number and circulates petitions and, in the case of a candidate for public office except those exempt pursuant to section 16 -903, that receives contributions or makes expenditures in connection therewith, notwithstanding that the association or combination of persons may be a part of a larger association, combination of persons or sponsoring organization not primarily organized, conducted or combined for the purpose of influencing the result of any election in this state or in any county, city, town or precinct in this state.

NOTE FOR INDIVIDUALS INVOLVED IN POLITICAL ACTIVITIES:
 An individual, acting alone, is not a political committee under Arizona law and need not file a statement of organization. If any additional person or persons join the effort (as defined above in A.R.S. § 16 -901(19)) begun by an individual, the association of persons has become a "political committee" under Arizona law, and must file a statement of organization before accepting contributions, making expenditures, distributing literature or circulating petitions. A.R.S. § 16 -902.01(A).

NOTE FOR THOSE INVOLVED IN INITIATIVE, REFERENDUM AND RECALL EFFORTS:
 Before circulating initiative, referendum or recall petitions, a political committee must file its statement of organization with the appropriate filing office. Signatures obtained on petitions prior to the filing of the statement of organization are void and shall not be counted in determining the legal sufficiency of the petition. A.R.S. §§ 19 -114(B) and 19-202(C). Even though an individual, acting alone, may begin the initiative, referendum or recall effort, as soon as other persons join the effort, the association of persons must register as a political committee. The statement of organization must be filed regardless of whether the committee intends to accept contributions or make expenditures.



Citizens Clean Elections Commission: Publicly Funded Candidates ONLY

PUBLICLY FUNDED CANDIDATES (“participating candidates”) will initially see a notice to print an Application for Certification before printing a Statement of Organization.

- Click on to view and print the form. After printing the form, close the PDF window and the system will return to the campaign finance screen.
- Click to view and print the Statement of Organization.
- Click on to view and print the form. After printing the form, close the PDF window and the campaign finance system will log out.

IN ORDER TO BECOME A PUBLICLY FUNDED CANDIDATE, a candidate must sign and have notarized the Application for Certification, then submit the application to the Citizen’s Clean Elections Commission (CCEC). The CCEC will review a copy of your application and accept or deny your application within seven days after submittal.

Contact the CCEC for additional information on running as a publicly funded candidate.

Citizens Clean Elections Commission
1616 W. Adams, Suite 110
Phoenix, AZ 85007
(602) 364-3477
www.azcleanelections.gov

IMPORTANT: Your committee will initially be created as a privately funded candidate committee, and the Statement of Organization printed in the previous step will reflect that. Once the CCEC accepts your original Application for Certification, your committee type will automatically change to publicly funded. However, publicly funded candidates do not receive CCEC funding until they qualify through the CCEC by submitting a minimum amount of nominating signatures and \$5.00 qualifying contributions.



Example of “Application for Certification” (Page 1 of 2)



- Initial Application
- Amended Application



STATE OF ARIZONA
APPLICATION FOR CERTIFICATION
AS A PARTICIPATING CANDIDATE

Pursuant to Arizona Revised Statutes §§16 -947 and 948 and AAC R2-20-104 (D)

COMMITTEE ID NUMBER
201600160

NAME OF CANDIDATE WILLIAM SMITH		DATE 05/25/2015	
OFFICE SOUGHT STATE MINE INSPECTOR	PARTY AFFILIATION AMERICANS ELECT	ELECTION CYCLE 2016	
CANDIDATE'S ADDRESS 1700 W WASHINGTON ST		CITY PHOENIX	STATE ZIP AZ 85007
CANDIDATE'S TELEPHONE # (000) 000-0000	CANDIDATE'S FAX #	CANDIDATE'S EMAIL ADDRESS EMAIL@EMAIL.COM	
NAME OF POLITICAL COMMITTEE COMMITTEE TO ELECT WILLIAM SMITH			
COMMITTEE ADDRESS 111 MAIN		CITY PHOENIX	STATE ZIP AZ 85007
COMMITTEE MAILING ADDRESS (if different from above) 111 MAIN		CITY PHOENIX	STATE ZIP AZ 85007
COMMITTEE TELEPHONE # (000) 000-0000	COMMITTEE FAX #	COMMITTEE EMAIL ADDRESS NAME@NAME.COM	
NAME OF DESIGNATED INDIVIDUAL WITH AUTHORITY TO WITHDRAW FUNDS (IF APPLICABLE) (A.R.S. §16 -948)			
DESIGNATED INDIVIDUAL'S ADDRESS		CITY	STATE ZIP
DESIGNATED INDIVIDUAL'S TELEPHONE #	DESIGNATED INDIVIDUAL'S FAX #	DESIGNATED INDIVIDUAL'S EMAIL	
LIST THE NAME OF THE FINANCIAL INSTITUTION FROM WHICH THE CANDIDATE AND THE DESIGNATED INDIVIDUAL WILL CONDUCT ALL FINANCIAL ACTIVITY FOR THE CANDIDATE'S CAMPAIGN COMMITTEE (Do not list account numbers). (A.R.S. §16-948(A))			
NAME OF FINANCIAL INSTITUTION BANK			

DESIGNATED CANDIDATE'S STATEMENT (if applicable) (A.R.S. §16-948(B)): I hereby designate _____ as my duly authorized Designated Individual, with the authority to withdraw funds and make expenditures from my campaign account on my behalf.

 Candidate's Signature Date



Example of “Application for Certification” (Page 2 of 2)

Committee ID: 201600160
 Date: 05/25/2015
 Form ID: 0000330974

Application for Certification – Part II

CANDIDATE AND DESIGNATED INDIVIDUAL'S STATEMENT (A.R.S. §16-947):

I, the undersigned, upon my oath and under penalty of perjury, certify that the following statements are true and accurate to the best of my knowledge and belief:

1. I have complied with the restrictions of A.R.S. §16-941 (A) during the election cycle to date, which are as following:
 - a) Not accepted contributions other than early contributions as specified in A.R.S. §16-945;
 - b) Not made expenditures that exceed the candidate's personal money limit; and
 - c) Conducted all financial activity through a single campaign account.
2. I will continue to comply with the restrictions in paragraph 1 during the remainder of the election cycle and will:
 - a) Not make expenditures in the primary election period in excess of the adjusted primary election spending limit;
 - b) Not make expenditures in the general election period in excess of the adjusted general election spending limit; and
 - c) Return unused monies to the fund in accordance with A.R.S. § 16-953.
3. I have filed all campaign finance reports required under Title 16, Chapter 6, Article I, during the election cycle to date, and the reports are complete and accurate.
4. I agree to use all Clean Election funding for direct campaign purposes only.
5. I will file, with this application, a campaign finance report showing all campaign activity to date in the current election cycle.
6. I will comply with all requirements of the Act and Commission rules.
7. I am subject to all enforcement actions by the Commission as authorized by the Act and Commission rules.
8. I have the burden of proving that expenditures made by or on behalf of the candidate were for direct campaign purposes.
9. I will keep and furnish to the Commission all documentation relating to expenditures, receipts, funding, books, records (including bank records for all accounts), and supporting documentation and other information that the Commission may request in accordance with Commission rules.
10. I will permit an audit and examination of all receipts and expenditures including those made by the candidate, the candidate's authorized committee, or any agent or person authorized to make expenditures on behalf of the candidate or committee. The candidate and the candidate's authorized committee shall also provide any material required in connection with an audit, investigation, or examination conducted by the Commission. The candidate and authorized committee shall facilitate the audit and examination and shall pay any amounts required to be repaid.
11. I will submit the name and mailing address of the person who is entitled to receive equalizing fund payments on behalf of the candidate and the name and address of the campaign depository designated by the candidate. Changes in the information required by this paragraph shall not be effective until submitted to the Commission in a letter signed by the candidate or the committee treasurer.
12. I will pay any civil penalties included in a conciliation agreement or otherwise imposed against the candidate.
13. I will file all campaign finance reports with the Secretary of State in an electronic format in a timely manner.

State of Arizona)) ss. County of _____)	State of Arizona)) ss. County of _____)
_____ Candidate's Signature	_____ Designated Individual's Signature
SUBSCRIBED AND SWORN TO before me this ____ day of _____, 20____.	SUBSCRIBED AND SWORN TO before me this ____ day of _____, 20____.
_____ Notary Public	_____ Notary Public



CHAPTER 3

INTRODUCTION TO THE TRANSACTION SCREENS

As you begin to use the web-based reporting system, please remember that an on-screen **Help** assistance button is available. The detailed **HELP** feature is located on each screen in the upper right hand corner and will provide “what to do next” as you become familiar with the campaign finance reporting program.

To report your committee’s campaign contributions and expenditures, the committee will utilize the following transaction screens displayed below:

- INCOME** – To record contributions, refunds and interest.
- EXPENSES** – For entering your committee’s expenses paid.
- LOANS** – For receiving or paying off loans to the committee.
- ACCOUNTS & TRANSACTIONS** – View current account balances and search for transactions
- REPORTS** – To view or file campaign finance reports.
- FILER ACCOUNT MANAGEMENT** – For maintenance to your committee information.

INCOME- Entering Committee’s Income

Income	Expenses	Loans	Accts & Transactions	Reports	Acct Mgmt
Contribution Date:	<input type="text"/>		*		
Contributor Name:	<input type="text" value="Select Name"/>		*		
Contribution Amount:	<input type="text"/>		*		
Check #:	<input type="text"/>				
Receipt #:	<input type="text"/>				
Deposit batch #:	<input type="text"/>				
Event:	<input type="text"/>				
Event Date:	<input type="text"/>				
Memo:	<input type="text"/>				
<input type="button" value="Submit"/> <input type="button" value="Submit & Enter Another"/> <input type="button" value="Reset"/> <input type="button" value="Cancel"/>					

INCOME MENU INCLUDES:

- Contributions (“Individual Contributions” shown here)
- Refunds, Credits, and Rebates
- Interest and Dividends
- Shared Expense Payment from a Committee
- Other Income



EXPENSES - Entering Committee's Expenses

Expenditure Date:  *

Paid To: *

Amount: *

Expense Categories: Category: *
Subcategory: *

Check #:

Memo:

EXPENSES MENU INCLUDES:

- Immediate Cash/Check Expenditure (“Operating Expenses” shown here)
- Purchase on Terms/Credit
- Pay on Terms/Credit
- Add Sub-Vendor to Transaction
- Expend In-Kind Contribution
- Contribute to Another Committee
- Submit \$5 Qualifying Contribution to SOS
- Pay Another Committee for Shared Expense
- Give a Refund

LOANS

Date of Loan:  *

Lender Name: *

Loan Amount: *

Check #:

Receipt #:

Deposit batch #:

Memo:

LOANS MENU INCLUDES:

- Create New Loan (“Loan from Candidate/Family” shown here)
- Receive or Pay on Existing Loan
- Accrue Interest



ACCOUNTS & TRANSACTIONS

INCOME	Activity Since Last Report			Total To Date
	Cash	Other	Total	
Personal and Family Contributions	\$0.00	\$0.00	\$0.00	\$0.00
Individual Contributions	\$0.00	\$0.00	\$0.00	\$0.00
Contributions from Political Committees	\$0.00	\$0.00	\$0.00	\$0.00
Business Contributions	\$0.00	\$0.00	\$0.00	\$0.00
Small Contributions (less than \$25)	\$0.00	\$0.00	\$0.00	\$0.00
CCEC Funding and Matching	\$0.00	\$0.00	\$0.00	\$0.00
Qualifying Contributions	\$0.00	\$0.00	\$0.00	\$0.00
Loans Made To This Committee	\$0.00	\$0.00	\$0.00	\$0.00
Other Receipts Including Interest and Dividends	\$0.00	\$0.00	\$0.00	\$0.00
Transfers From Other Committees	\$0.00	\$0.00	\$0.00	\$0.00
Cash Surplus from Previous Committee	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INCOME	\$0.00	\$0.00	\$0.00	\$0.00

EXPENDITURES	Activity Since Last Report			Total To Date
	Cash	Other	Total	
Operating Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Independent Expenditures	\$0.00	\$0.00	\$0.00	\$0.00
Contributions to Other Committees	\$0.00	\$0.00	\$0.00	\$0.00
Other Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Transfers To Other Committees	\$0.00	\$0.00	\$0.00	\$0.00
Loans Made by This Committee	\$0.00	\$0.00	\$0.00	\$0.00
Expenditure of In-Kind Contributions	\$0.00	\$0.00	\$0.00	\$0.00
Disposal of Surplus Cash	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL EXPENDITURES	\$0.00	\$0.00	\$0.00	\$0.00

Bill Payments (for previous expenditures)	\$0.00			\$0.00
TOTAL CASH DISBURSED	\$0.00			
CURRENT CASH BALANCE				

ACCOUNTS & TRANSACTIONS MENU

INCLUDES:

- Current Account Balances (shown here)
- Search Transactions

REPORTING - Filing Campaign Finance Reports

Reports Currently Due				
Report Due Date	Action	Report Name	Status	
10/02/2008	File Preview	Period Report - Post-Primary Election Report	10 Days Late	
10/23/2008	File Preview	Period Report - Pre-General Election Report	Due By 10/23/2008	

Upcoming Reports				
Earliest Day to File	Last Day to File	Report Name	Status	
11/25/2008	12/04/2008	Period Report - Post-General Election Report	Upcoming	

Reports Filed This Cycle				
Report Due Date	Date Filed	Report Name	Status	
01/31/2008	01/28/2008	Period Report - January 31st Report	On Time	
06/30/2008	06/29/2008	Period Report - June 30th Report	On Time	
07/01/2008	07/02/2008	Trigger Report - July #1	1 Day Late	
09/01/2008	09/01/2008	Trigger Report - September #1	On Time	
08/21/2008	08/21/2008	Period Report - Pre-Primary Election Report	On Time	

REPORTS MENU INCLUDES:

- File or View a Report (shown here)
- On Demand Trigger Report
- Amend Previous Report
- \$5 Qualifying Contribution Summary
- All Transactions Report
- Export



ACCOUNT MANAGEMENT – Maintaining and Amending Committee Information

ACCT MGMT MENU INCLUDES:

- Filer Account Management (shown here)
- User Management
- Become a Participating (Public Funded) Candidate/Apply for Funds
- Terminate Filer Account
- My User Information
- E-Qual
- County Voter Notification
- Transfer Out Primary to General
- Transfer Out General to Primary
- Transfer In Previous Filer Account's Surplus
- Transfer In Previous Filer Account's Debt
- Transfer Out Remaining Filer Account Debt
- Dispose of Remaining Filer Account Surplus

Click on “Reprint-Statement of Organization” to view and print the Amended Statement of Organization or Exemption Statement. Print the form and close the PDF window. The campaign finance system will log out.

Obtain the signatures of Chairman, Treasurer and Candidate (for candidate committees) or designating individual (for exploratory committees) on page two of the Statement of Organization. Standing committee signatures must be notarized. For an exemption statement, the Candidate or committee officer must sign page one. Your committee is not active until the Secretary of State's office receives the original Amended Statement of Organization or Exemption Statement, which may be mailed or delivered in person, to:

Arizona Secretary of State
 Election Services Division
 1700 West Washington, Fl. 7
 Phoenix, AZ 85007-2808



CHAPTER 4

QUESTIONS & ANSWERS

1. Where else must my committee register?

All committees must register with each jurisdiction in which they are active. For example, if the committee plans to influence the results of a Maricopa County election, the committee must file a Statement of Organization or Exemption Statement with the Maricopa County Elections Department.

Regardless of the jurisdiction, however, the test for *when* a person, entity or group becomes a “political committee” remains the same, as these criteria are controlled by Arizona law and apply uniformly across all jurisdictions.⁶⁰

2. When must a committee amend its statement?

If you filed an Exemption Statement, you do not need to file any campaign finance reports unless and until you receive or spend more than \$500. If you do receive or spend more than \$500 (for example, the committee raises \$300 and spends \$201), you must file a Statement of Organization within five business days of the day you reach the \$500 threshold. Thereafter, the committee must file campaign finance reports in accordance with the reporting dates specified under Arizona law.⁶¹

If any information reported on the Statement of Organization changes, the political committee must file an amended Statement of Organization, reporting the change within five business days.⁶²

3. What is a standing political committee?

Committees active in more than one jurisdiction in Arizona (for more than one year) may file a Statement of Organization with the Secretary of State and apply for status as a standing political committee. This designation allows a committee to centrally file campaign finance reports with the Secretary of State’s office rather than with every jurisdiction in which they are active.

Only PACs that make independent expenditures, corporate/union PACs (separate segregated funds), and political parties (state/county parties and political organizations) are eligible for standing committee status.⁶³

A standing political committee must file a Statement of Organization with the Secretary of State and in each jurisdiction in which the committee is active, but only the Secretary of State issues a committee identification number for the committee. The Statement of Organization must include a \$250 annual administrative fee, and the statement must be notarized by the chairman or treasurer of the standing political committee.⁶⁴

4. What is a contribution?

In general, a “contribution” is anything of value that your committee receives.⁶⁵ When you report contributions, they principally fall in the following categories:



- **Monetary:** This category includes cash, checks, money orders, and payroll deduction contributions. The money can be given under any circumstance, including as part of a fundraising event, such as a pancake breakfast, ice cream social, or cocktail party, or in return for a campaign memento, such as a tee shirt or coffee mug.
- **Loans:** This category includes loans of money, credit or advances that are contributed to your committee, which your committee has agreed to pay back to the contributor. Only the unpaid balance of a loan is considered a contribution, so as you pay the loans back, make sure you report the payments made.
- **In-kind goods and services:** This category includes such things as wood for signs, printing, paper products, mailing lists, or designing your campaign logo. In-kind contributions must be reported at their fair market value—the price it would cost someone else (like your opponent) to purchase the same thing. If, instead of paying the retail price, you get a special discount (a discount no one else gets), the amount you saved is an in-kind contribution.

The Secretary of State cannot assist in determining the fair market value of an in-kind contribution. A committee should ascribe what it believes is the fair market value for purposes of reporting. There is no minimum threshold for reporting. A committee must report all contributions and expenditures.

5. May a candidate accept contributions from foreign nationals?

No. The Federal Election Campaign Act (FECA) prohibits any foreign national from contributing, donating or spending funds in connection with any federal, state, or local election in the United States—either directly or indirectly.⁶⁶

6. May a candidate accept contributions from a corporation or labor organization?

It is unlawful for a corporation, LLC, or a labor union to make any contribution of money or anything of value to a candidate’s campaign committee or exploratory committee. In addition, candidate committees and exploratory committees are likewise prohibited from accepting money from corporations, LLC or labor unions.⁶⁷

However, corporations, LLC and labor unions may make independent expenditures to support or oppose candidates (as long as such expenditures are not coordinated with the candidate), or make contributions to PACs that conduct independent expenditures or support/oppose ballot measures.⁶⁸

7. How can partnerships make contributions?

Partnerships may contribute to candidates, but these contributions are subject to unique restrictions.⁶⁹

First, each partnership contribution must be “allocated to the individual partners who are contributing, as designated by the partnership.”⁷⁰ For example, suppose a partnership with ten partners makes a \$1,000 contribution to a statewide candidate, but only five of the partners support the candidate in question. Therefore, the partnership “allocates” the \$1,000 contribution to those five partners. An accompanying letter identifies the participating partners, including their addresses, occupations and employer information.

Since “partnership contributions from designated partners shall be combined with other contributions by that individual partner to the same recipient,” the partnership must ensure that each participating partner has



not previously (and will not by virtue of the forthcoming partnership contribution) exceed his or her personal contribution limit to the candidate in question.⁷¹ In the above example, each participating partner is deemed to have contributed \$200 to the candidate ($\$1,000 \div 5$). Thus, no partner could have previously contributed more than \$4,800 to that candidate in the election cycle to date—otherwise the partner’s own \$5,000 contribution limit will have been exceeded.

Note, previous contributions in the partners’ personal capacities *do not* count against the partnership’s limit. For example, if the five participating partners had previously contributed \$1,000 each to the statewide candidate in question, that collective \$5,000 contribution does not preclude the partnership from making a contribution in its own name. In other words, while partnership contributions are attributed to their participating partners, individual partners’ contributions are not attributed to the partnership.⁷²

8. Is everything my committee receives considered a contribution?

No. If you are a candidate’s campaign committee or an exploratory committee, some of the money, loans, or in-kind goods and services you receive are not considered contributions, and do not have to be reported.⁷³ The following are the most common examples:

- The professional services of an accountant or lawyer that are donated to a political committee are exempt from reporting only if the services are paid for by the regular employer of the individual rendering the services (*i.e.* the law firm or accounting firm; a client is not an “employer”) and the services are given solely for the purpose of compliance with Arizona election law (all of Title 16 “Elections and Electors,” not just campaign finance).⁷⁴
- The time your volunteers spend working on your campaign – stuffing envelopes, knocking on doors, calling voters, etc.⁷⁵
- The use of meeting places that are usually used for free, such as church recreation halls.⁷⁶
- Up to \$100 of expenses for invitations, food and beverages, spent by an individual having a fundraiser for you only if the fundraiser is held at the person’s home or in a church or community room. If two adults who live in the same house host a fundraiser, each can spend up to \$100 for invitations, food and beverages.⁷⁷
- Bank loans made in the ordinary course of business, such as overdrafts or credit reserve on your committee account.⁷⁸

9. How do I know if contribution limits apply to my committee?

Limits on the contributions your committee may receive only apply to candidate committees and exploratory committees.⁷⁹ The law sets one amount for local offices, which includes municipal, county, school district and special district, and a different amount for statewide offices and legislative offices.⁸⁰ The limits are adjusted by the Secretary of State every two years, usually early in the odd-numbered years.⁸¹ The current Election Cycle Campaign Contribution Limits chart is included at the beginning of this guide.

10. Who has access to campaign finance reports?

All filings are public records and are open to examination once they are filed.



11. May I contribute my own or my family's money?

If you are a privately-funded candidate, or a member of the candidate's family, there is no limit on the contributions of money, loans or in-kind goods and services that you can make to your campaign committee.⁸² The same is true for an exploratory committee.

If you are going to contribute your own or your family's money, beware of two considerations. First, the law limits which family members can give contributions without limit. For campaign finance purposes, the law considers your "family members" to be your parents, grandparents, spouse, children, siblings, and the parents and spouses of those people.⁸³

Second, your committee must report the total amount of the contributions that come from you and the specified family members. (Remember – a loan is a contribution.)

12. Does a candidate or political committee have to report contributions and expenditures? If so, when are they due?

Page 5 of this Guide outlines the campaign finance reporting dates during the election cycle.

If a special or recall election is called, the Secretary of State will publish the applicable reporting dates on its website.⁸⁴

Political committees file the required campaign finance reports using the Secretary of State's campaign finance reporting system.⁸⁵

13. What if a candidate or political committee does not receive or spend very much money?

Arizona law has long provided an exemption from reporting requirements for committees with little financial activity—so-called "\$500 Threshold" committees. However, until recently, the ability to invoke this exemption was conditional upon having each and every small group pre-register with the Secretary of State (by filing an Exemption Statement) before conducting any political activity.

The Arizona Legislature amended this law in 2015. Under the new law, certain known political participants may continue to file an Exemption Statement if they intend to raise or spend less than \$500. This includes candidate committees, political parties, and corporate/union PACs (known as separate segregated funds). It also includes PACs that apply for official serial numbers and circulate petitions for initiatives, referenda or recall elections to be placed on the ballot.⁸⁶ The benefit of filing an Exemption Statement (in lieu of a Statement of Organization) is the exemption from regular reporting requirements.

Otherwise, no other group or association of persons is required to register or file any statement with the Secretary of State *until* they receive contributions or make expenditures of more than \$500.⁸⁷ This includes any group that spends money to influence an election by contributing directly to candidates, making independent expenditures, or spending money to support/oppose an initiative, referendum, or recall election.⁸⁸ In other words, grassroots citizens groups may conduct political activity under the \$500 threshold without the necessity of pre-registering with the Secretary of State, rendering an Exemption Statement unnecessary. Once they reach the \$500 threshold, just like any other group, a Statement of Organization must be filed within five business days.



14. Who has to fill out a campaign finance report? Who can sign it?

Any authorized user can fill out a campaign finance report, but the treasurer is legally responsible for ensuring the report is filled out correctly.⁸⁹

15. When must I start filing campaign finance reports? When can I stop?

Your first campaign finance report will be the required report for the reporting period during which you filed your Statement of Organization. Even if your committee was only in existence for a few days in a reporting period, you still must file the next report.

When you can stop filing campaign finance reports depends on the date you file your Termination Statement. You must file campaign finance reports that cover every day between the date your Statement of Organization was filed and the date your Termination Statement is filed. Your committee is not terminated by filing a report with a zero balance, or by losing an election.⁹⁰

Note, any committee that filed an Exemption Statement **MUST** terminate at the end of the election cycle. If such a committee fails to terminate, that committee may be subject to civil penalties.⁹¹

16. What if I have nothing to report for a particular reporting period?

If you filed a Statement of Organization for your political committee, but you did not receive any contributions and did not spend any money during the reporting period, you may file a condensed campaign finance report called a “no activity” report. The report will state **no activity** on the front page.⁹²

17. What if a candidate or political committee is not involved in a particular primary or general election?

All reports must be filed by each active (not terminated) committee, even if the committee is not involved in the particular primary or general election.

18. What if a candidate or political committee fails to file a required report?

Certain penalties will apply if there is a failure to file a required report.⁹³

The Secretary of State will send a notice to the political committee, candidate, or designating individual (on behalf of an exploratory committee) by certified mail within 15 days after the due date, stating with “reasonable particularity” the nature of the failure and a statement of the penalties.⁹⁴

Penalties include, but are not limited to, a mandatory penalty for late filing of \$10 for each business day the report is late (not including weekends and holidays) up to a maximum of \$450. Penalties accrue through the date of filing the report.⁹⁵



19. What happens if a candidate or political committee doesn't file after receiving the notice from the Secretary of State?

If the report is not filed within 15 days after receiving the notice, the penalty increases to \$25 per day, up to a maximum of \$1,000.⁹⁶ This penalty is assessed by the Attorney General, for which you are entitled to notice and a hearing.

In addition, a candidate who fails to file a campaign finance report (after written notice) is not eligible for any elective office for five years following the last failure to file.⁹⁷

20. What if circumstances prevent a candidate or political committee from filing a report when it was due or after the written notice of delinquency was delivered?

During an enforcement action, a candidate or committee who files late may present a “good cause” defense in writing to the Attorney General. “Good cause” is defined to include illness or absence from the State.⁹⁸ If the Attorney General determines that “good cause” exists, any penalties paid when the report was filed may be returned.

21. When may a committee file a Termination Statement?

A political committee may terminate only when the committee chairman and treasurer file a Termination Statement with the Secretary of State certifying under penalty of perjury that (1) it will no longer receive any contributions or make any disbursements, (2) the committee has no outstanding debts or obligations, and (3) that any surplus monies have been disposed of in accordance with Arizona law.⁹⁹

After filing an appropriate Termination Statement, a political committee is not required to file any subsequent reports. However, the committee is no longer eligible to accept contributions or make expenditures without filing a new Statement of Organization.

A political committee, including a standing political committee, may terminate its activities in one jurisdiction and remain active in other jurisdictions by attaching a statement to the committee's Termination Statement that (1) is signed by the committee's chairman and treasurer, (2) attests to the intent to remain active in other jurisdictions, and (3) contains a statement that the committee's remaining monies shall be used for activities in other jurisdictions.¹⁰⁰

Additionally, if a candidate's political committee has open documents in E-Qual—the Secretary of State's online Nomination Petition and \$5 Qualifying Contribution system—the candidate's political committee must “close” those E-Qual documents prior to submitting the Termination Statement. Please refer to the E-Qual User Manual for instructions on closing documents in E-Qual.¹⁰¹

22. Where is there more information about campaign finance reporting?

For additional information, please refer to A.R.S. Title 16, Chapter 6.

Please note, materials provided by the Secretary of State are intended to assist in meeting the requirements of Arizona campaign finance law. However, it is the candidate's or committee's responsibility to ensure that all legal requirements have been met.



- ⁵⁹ Compare A.R.S. § 16-901(20)(c)-(d) with § 16-901(20)(f) (effective July 3, 2015); A.R.S. § 16-902.01(A)-(B) (effective July 3, 2015).
- ⁶⁰ See Chapter 1.
- ⁶¹ A.R.S. § 16-902.01(B) (effective July 3, 2015). For political reporting dates, see page 5 of this Guide.
- ⁶² A.R.S. § 16-902.01(E) (effective July 3, 2015).
- ⁶³ A.R.S. § 16-901(24) (effective July 3, 2015).
- ⁶⁴ A.R.S. § 16-902.01(F) (effective July 3, 2015).
- ⁶⁵ A.R.S. § 16-901(5).
- ⁶⁶ 52 U.S.C. § 30121(a)
- ⁶⁷ A.R.S. § 16-919.
- ⁶⁸ A.R.S. §§ 16-920(A)(5)-(6); Arizona Secretary of State Independent Expenditures Handbook.
- ⁶⁹ A.R.S. §§ 16-905(A)(6), (B)(4) (effective July 3, 2015).
- ⁷⁰ A.R.S. §§ 16-905(A)(6), (B)(4) (effective July 3, 2015).
- ⁷¹ A.R.S. §§ 16-905(A)(6), (B)(4) (effective July 3, 2015).
- ⁷² With respect to partnership issues not addressed by Arizona statute, the Secretary of State will rely on analogous guidance from the Federal Election Commission. See Partnerships, available at <http://www.fec.gov/pages/brochures/partner.shtml>.
- ⁷³ A.R.S. § 16-901(5)(b).
- ⁷⁴ A.R.S. § 16-901(5)(b)(ix).
- ⁷⁵ A.R.S. §§ 16-901(5)(b)(i), (iv).
- ⁷⁶ A.R.S. § 16-901(5)(b)(iii).
- ⁷⁷ A.R.S. § 16-901(5)(b)(iii).
- ⁷⁸ A.R.S. § 16-901(5)(b)(vi).
- ⁷⁹ A.R.S. § 16-905.
- ⁸⁰ Contribution limits are higher for local candidates because the 20% reduction mandated by the Citizens Cleans Elections Act only applies to statewide and legislative candidates. A.R.S. § 16-941(B).
- ⁸¹ A.R.S. § 16-905(H).
- ⁸² A.R.S. § 16-905(N).
- ⁸³ A.R.S. § 16-901(11) (effective July 3, 2015).
- ⁸⁴ A.R.S. § 16-913(G).
- ⁸⁵ See <https://apps.azsos.gov/apps/election/cfs/filing/Login.aspx>.
- ⁸⁶ A.R.S. §§ 16-901(20) (a)-(e), (g)-(h); § 16-902.01(B) (effective July 3, 2015).
- ⁸⁷ Registration is not triggered unless the group knowingly receives or spends more than \$500. A.R.S. § 16-901(20)(f) (effective July 3, 2015).
- ⁸⁸ A.R.S. § 16-901(20)(f) (effective July 3, 2015).
- ⁸⁹ A.R.S. §§ 16-902(C); 16-913(I).
- ⁹⁰ A.R.S. § 16-914(B).
- ⁹¹ A.R.S. § 16-904(F).
- ⁹² A.R.S. § 16-913(D).
- ⁹³ A.R.S. § 16-918. A “failure to file” exists if: (1) the report is not filed by the due date; or (2) a good faith effort is not made to substantially complete the report. A.R.S. § 16-918(D).
- ⁹⁴ A.R.S. § 16-918(A).
- ⁹⁵ A.R.S. § 16-918(B).
- ⁹⁶ A.R.S. §§ 16-918(B); 16-924(B).
- ⁹⁷ A.R.S. § 16-918(F).
- ⁹⁸ A.R.S. § 16-918(E).
- ⁹⁹ A.R.S. §§ 16-904(F), 16-914(A), 16-915.01.
- ¹⁰⁰ A.R.S. § 16-914(C).
- ¹⁰¹ See <http://apps.azsos.gov/equal/>.

