THE STATE OF ARIZONA
CITIZENS CLEAN ELECTIONS COMMISSION

REPORTER'S TRANSCRIPT OF PUBLIC MEETING

Phoenix, Arizona
August 21, 2014
9:30 a.m.

Reported By:

Teri Veres, RMR
Certified Reporter 50687
A PUBLIC MEETING, BEFORE THE CITIZENS CLEAN ELECTIONS COMMISSION, convened at 9:30 a.m. on August 21, 2014, at the State of Arizona, Clean Elections Commission, 1616 W. Adams, Conference Room, Phoenix, Arizona, in the presence of the following Board members:

Mr. Timothy Reckart, Chairperson
Mr. Louis Hoffman
Mr. Mitchell C. Laird (teleconference)
Mr. Steve Titla
Mr. Thomas J. Koester

OTHERS PRESENT:
Thomas M. Collins, Executive Director
Paula Thomas, Executive Assistant
Sara Larsen, Campaign Finance Manager
Gina Roberts, Voter Education Manager
Christopher Munns, Solicitor General's Office
Brian Bergin, Legacy Foundation Action Fund
Rachell Chuirazzi, Bergin, Frakes
Steve Clawson, Moses Anshell
Michael Liburdi, Ducey 2014
Evan Wyloge, Arizona Capital Times
Kathy Cline, KFYI AM 550
Mary O'Grady, Osborn Maledon
Joe Roth, Osborn Maledon
Joseph Kanefield, Ballard Spahr
Jason Torchinsky, LFAF
Lee Miller, LaSota & Peters
Howie Fisher, AP
Chad Wilson, Moses Anshell

PROCEEDING

CHAIRPERSON RECKART: I'll call the August 21st, 2014, public meeting of the State of Arizona Citizens Clean Elections Commission to order. As has been our practice, the Commission may vote to go into executive session, which will not be open to the public, for the purposes of obtaining legal advice on any item listed in the agenda pursuant to 38-431.03(A)(3), and we also reserve the right to address matters in an order different from that which is listed in the agenda.

That being said, thank you for everyone being here. My apologies for being a little late. The first -- or the next item after the Call to Order is the Discussion and Possible Action on the Commission Minutes for July 17th, 2014, meeting and the July 31st, 2014, meeting. I'll take those together unless somebody has a particular comment on one of those, but is there any discussion with regard to them or a motion?

COMMISSIONER KOESTER: I move that we approve the minutes.

Jason Torchinsky joined meeting
interpretations of the statutes, and the guidance that has -- is out there from the Secretary of State don't really result -- resolve the confusion there. So when we report back to you, it's going to be important that we look at our rules and ensure that there's an appropriate policy guidance in place.

So I -- I think that -- I just want to say that, you know, we do -- as I say there, we do have to report back to you in subsequent meetings but -- but we need to make sure the scope of that report is broad enough to recognize that there is confusion out there right now in the regulated community about how some of this stuff works.

You also see that we will be getting some -- I will update -- the last item we will be getting some information from the Attorney General's Office regarding the amount of time that attorneys have put in there with respect to the Interagency Service Agreement. So we look forward to having that information and how to continue that -- how to -- how to go forward with that contract, which is up currently.

I'll also just note that Mr. Ellman, Solicitor General, would like to directly address the Commission about the ISA when it is on the agenda.

So that's really the high points of my report at this point, but if there are any questions -- (Commissioner Laird joined the meeting telephonically.)

MR. COLLINS: -- it is noticed for discussion I -- I think, so...

CHAIRPERSON RECKART: Okay. I think, so. . .

COMMISSIONER HOFFMAN: Yeah, I mean, I'm -- I'd be interested in knowing, like, what the -- even if it was just a list of what projects they worked on until to specific time for each project, do you know what I'm saying? But it would be useful to know what we're paying for as -- as -- as well as how much we're paying for it. So just -- just a request.

MR. COLLINS: Sure.

COMMISSIONER HOFFMAN: I appreciate the -- I appreciate your looking into it carefully.

CHAIRPERSON RECKART: Mr. Koester, did you have a question?

COMMISSIONER KOESTER: No, not really. You might tell Mitch Laird, though, what we've covered so far.

CHAIRPERSON RECKART: Okay.

Commissioner Laird?

COMMISSIONER LAIRD: Yes.

CHAIRPERSON RECKART: We've approved the minutes. We are just going through the Executive Director report, and I think you came in on part of that. If you have any questions with regard to items that you may not have heard Mr. Collins report, then I -- I'll just direct you to him so we can move --

COMMISSIONER LAIRD: Very good, thank you for the update. I appreciate it.

CHAIRPERSON RECKART: My -- my pleasure. Thank you, Mr. Koester.

COMMISSIONER TITLA: Mr. Chairman.

CHAIRPERSON RECKART: Yeah, Mr. Titla, please.

COMMISSIONER TITLA: Mr. Collins, thanks for your report. It's a good report; and following up on last month's meeting about, you know, outreach to the voters of Arizona, including the native tribes, we talked about reaching the native tribes through their own language because I think they would understand more information through their native languages as we go into Arizona.

And somebody e-mailed me or contacted me from the office regarding the follow-up on that.
I'm glad you guys are following up on that. They said that they were going to concentrate on Navajo language, and I wonder if you would clarify that?

MR. COLLINS: Sure. In fact, actually, Commissioner Titla, if I may, Chairman Reckart, the substance of our -- of our presentation later in this agenda on the -- updating the voter education for this year includes the language issues, and we'll be talking about that and getting feedback on that on another agenda item. So that is -- that will be later in the meeting.

COMMISSIONER TITLA: Thank you.

MR. COLLINS: Yep.

CHAIRPERSON RECKART: Okay.

Mr. Collins, just quickly. One is kudos to you and the staff on the -- the education efforts, including the debates and the information pamphlet. I've been through mine. I voted early so I -- I've already looked at it and I was -- I thought it was well done, which is nice knowing that my name was on it so anyway.

Sara, thank you for making sure that all candidates participated in their education session. I know that was something you were bird dogging; and then just a quick question, Mr. Collins.

The confusion over independent expenditure reports --

MR. COLLINS: Yes.

CHAIRPERSON RECKART: -- is that -- is that -- so it's a statutory interpretation issue right now, is what it --

MR. COLLINS: Well, I think -- yeah, and I would -- and this is distinct from -- and I --

and I want to make this very clear because we have a different agenda item that relates to a different issue.

What we're talking about here is those entities that are filing reports under -- under -- pursuant to 16-941(D) and 16-914.02 --

CHAIRPERSON RECKART: Uh-huh.

MR. COLLINS: -- not those entities that purport to not have to file anything anywhere.

CHAIRPERSON RECKART: Right.

MR. COLLINS: So -- so that's where we need to kind of look and see we have -- I -- I -- I would -- the Secretary's Office sent out a bunch of letters to entities. They got responses back that demonstrate that different entities have very different views of how those statutes worked specific especially when the obligation under 914.02 becomes a broader obligation --

CHAIRPERSON RECKART: Uh-huh.

MR. COLLINS: -- to make other reports and so, you know, it seems to me -- what the Secretary did is they launched a -- a reasonable cause against a -- an entity already.

I'm -- I think that, you know -- and I don't want to get further than this, but next month I think we need to look at this from the perspective of whether or not you want to -- you -- you -- you enforce first and ask questions later or make pol -- you know, because generally you should make policy not as an ad hoc enforcement matter.

CHAIRPERSON RECKART: Uh-huh, agreed.

MR. COLLINS: And -- and so I would like -- I just wanted to signal to you that when we talk about next steps, you know, I don't know what that looks like yet but it -- but -- but -- but I just wanted to make sure that you knew that -- what would be coming is we need to look at it globally.

CHAIRPERSON RECKART: Would -- in terms of the Commission and its understanding or interpretation of the statutes what -- should we be looking for, example, an Attorney General opinion?

MR. COLLINS: Sure.

CHAIRPERSON RECKART: -- we should proceed?

MR. COLLINS: Well, if I can -- I want to make sure I can get -- I don't know if I can go this far into the -- into the substance of that.

Well, let me just say this about that: This agency is charged with making policy and enforcing the statutes and enforcing the Clean Elections Act. So I -- I -- I -- my own view is that we should make policy and not -- and if we get to a place in any given situation where we believe we need official -- an official Attorney General's opinion, that's a different question; but I am not at that point at all, and I believe that this agency has to take its policy role first and then -- and then see if there's anything -- any further needs but that's -- that's ultimately the Commission calling a subsequent meeting that's --

CHAIRPERSON RECKART: Uh-huh, okay --

MR. COLLINS: -- noted for that.

CHAIRPERSON RECKART: -- fair. And I
just wanted to get a sense of where we go with this, so thank you.

Just one note that I meant to do early on is we have a gentleman here to the right and --

MR. COLLINS: Oh, sorry.

CHAIRPERSON RECKART: -- if you wouldn't mind, please introduce yourself.

MR. MUNNS: Christopher Munns with the Solicitor General's Office.

CHAIRPERSON RECKART: Okay. You're sitting as our counsel for --

CHRISTOPHER MUNNS: Yes.

CHAIRPERSON RECKART: -- the meeting?

Thank you, sir.

MR. COLLINS: I thought -- I though you all had met Chris. I apologize if I didn't --

CHAIRPERSON RECKART: I don't think I have, but anyway good to see you. Thank you, welcome; and, Commissioner Hoffman, do you have a point?

COMMISSIONER HOFFMAN: Yes. I just wanted to say that the independent expenditure -- you know, our statute is -- is very clear on --

16-941 says notwithstanding any law to the contrary, any person who makes independent expenditures related to a particular office cumulatively exceeding $500 in an election cycle with certain exceptions shall -- which I'm not going to read -- shall file reports with the Secretary of State in accordance with 16-958 so indicating identifying the office and the candidate or group of candidates whose election or defeat is being advocated and stating whether the person is advocating election or advocating defeat.

So that's all we're doing and, you know, all this stuff about other statutes is us trying to not require excess paperwork from entities that would fall within that statute but are already otherwise reporting.

So I -- I just wanted to -- to make it clear that I don't think we need a whole lot of advice on --

CHAIRPERSON RECKART: On our own.

COMMISSIONER HOFFMAN: -- on, you know, enforcing a statute of that nature which basically says you should be reporting.

MR. COLLINS: Yeah. And, again, I --

I just want to say that the substance of this will be at a -- at a further meeting and the only point was to say, you know -- was to -- was to, you know, basically highlight the point of the report -- my report which is -- which is written that says what the next steps are.

CHAIRPERSON RECKART: Okay. Thank you, Tom. Appreciate that.

Okay, Agenda Item No. IV. This is the Litigation Report. Again, as I mentioned earlier, the Commission may choose to go in executive session on this item for consultation with attorneys regarding pending or contemplated litigation in order to consider its position and instruct its attorneys.

The item before us is the Arizona Secretary of State's Office vs. The Committee for Justice and Fairness, Item A, and I think Mr. Kanefield is here to discuss that. Did you have -- or, Mr. Collins, I'll open the floor to you first and then we'll invite Mr. Kanefield to come.

MR. COLLINS: Sure. And just to put this opinion in context, the State's 2010 expenditure by this entity called The Committee for Justice and Fairness respecting then candidate for Attorney General Tom Horne there was an enforcement action that resulted in a -- in a -- in a Maricopa County Superior Court judge saying that part of the Clean Elections Act, in his view, was -- was not constitutional.

That was challenged on appeal by the Maricopa County Attorney's Office. The result was an opinion that issued that says that, in fact, that statute is constitutional.

Mr. Kanefield represented the Commission for purposes of filing an amicus brief in both the Superior Court and in the Court of Appeals and so he's here and available for any questions about the opinion if you have -- if you have them and whatever the appropriate context he advises in terms of executive session or not but that's the -- that's -- that's the situation.

CHAIRPERSON RECKART: Is there anything for discussion on the Secretary of State vs. CJF that the Commissioners would like? I have none so I -- we could ask Mr. Kanefield to address any questions about the opinion if you have -- if you have them and whatever the appropriate context he advises so...
And then just a note to - to the folks on the phone, we're hearing some paper shuffling and other noise. So you may want to mute until you talk, if you would, thank you.

MR. KANEFIELD: Mr. Chair, Members of the Commission, I don't have anything substantively to add about the Court of Appeals opinion. It was issued on August 7th. There's a 30-day period for The Committee for Justice and Fairness to file a petition for a review with the Supreme Court. So that would put that in early September.

They could also ask for reconsideration, but that period of time may have already passed. It's fifteen days. So we'll -- we'll monitor whether a Petition for Review is filed, and if one is filed then we will, obviously, want to revisit the case with the Commission as to whether or not the Commission would want to file an amicus -- another amicus brief at the Supreme Court.

CHAIRPERSON RECKART: Okay. You might as well just stay up there, please, just because we'll talk now about Horne v. Citizens Clean Elections Commission.

Mr. Collins, you introduce and then we'll give it to Mr. Kanefield again, please.

MR. COLLINS: Sure. Mr. Chairman and Members, this case, as you all probably are familiar with, we have been in a couple -- I think it was a month and a half ago now the Commission authorized an inquiry with respect to Mr. Horne's campaign. Mr. Horne on July 3rd filed a lawsuit seeking to enjoin that inquiry.

We briefed and argued -- or Mr. Kanefield briefed and argued the preliminary injunction. It was argued on the 11th, and we received the minute entry from the Judge, I think, what, two days ago now which we think -- or at least well, in our view thoroughly rebuffed Mr. Horne's claims in efforts to -- to enjoin the Commission's inquiry and -- and so that's -- that's where we are procedurally on that case.

CHAIRPERSON RECKART: Okay. Again, whoever's on the phone, if you could mute, please, because we're hearing background noise, paper shuffling, pen chewing or something like that, I don't know; but, in any event, okay, Mr. Kanefield, please.

MR. KANEFIELD: Mr. Chair, Members of the Commission, as Mr. Collins said, we are pleased with the result in the case. The Court denied Mr. Horne's request for a preliminary injunction to stop the inquiry that's currently under way, but more fundamentally the Court agreed with the Commission's position with respect to its jurisdiction over non-participating candidates in the context of this particular inquiry.

At this point, the Court has asked us to lodge a post form of judgment and -- which we will do shortly. The Court wanted -- actually asked for that judgment to be lodged promptly so we are working to get that done.

Once -- the judgment merely will -- will reflect the Court's minute entry, and then once the Judge signs the judgment then it's final and then the time to appeal that ruling will start to run.

So other than that, unless there's any specific questions about any of the substance of the Court's ruling.

CHAIRPERSON RECKART: If you -- just briefly, and I mean briefly, just review the points considered by the Court in its opinion. I mean, I've read it and I just -- I want to be reminded and see if there's anything that the Commissioners want to address with you in -- in executive section.
Mr. Horne's arguments and -- and pretty clearly held that -- that the provisions in 16-941 do apply to non-participating candidates and the penalties for violating that statute as set forth in 16-942 also apply.

Chairperson Reckart: Do you anticipate an appeal?

Mr. Kanefield: I -- I don't know, Mr. Chair. Just --

Chairperson Reckart: That just don't happen to be relevant at the time?

Mr. Kanefield: Yeah, just -- just -- I mean, it's a pure question of law. As the Court noted. So I don't anticipate any issues with respect to the final judgment, getting that signed, and if -- if the judge once the judgment's signed, if I recollect, they will have 30 days to then file their notice of appeal with the Court of appeals, and then we'll find ourselves briefing this case and appearing back before you with the status at that time.

Chairperson Reckart: Thank you.

Do the Commissioners have any questions for Mr. Kanefield?

Commissioner Hoffman: Not -- not for Mr. Kanefield, but for Mr. Collins, if it's okay. Mr. Kanefield: Okay.

Chairperson Reckart: Sure. Just --

Arizona Secretary of State Office vs. CJF has some -- has some decisions that may affect -- or that may pertain to some of the issues we're dealing with in the LFAF case, I'd like you to hang around. I don't know if you were planning to leave yet --

Mr. Kanefield: Okay.

Chairperson Reckart: -- but just if you could stay through for that because I think we're going to go into executive session -- at least I'm going to ask inasmuch as the AZ --

Chairperson Reckart: -- the kind of stalling for four years shouldn't, you know -- isn't good and I'd like to see us, you know, move forward as promptly as -- as -- as reasonable and -- and prudent.

So I thank you for your efforts and I'll look forward to seeing what happens one way or the other, whether it's to clear Mr. Horne's name or -- or impose penalties it should be -- we should be moving as soon as possible.

Chairperson Reckart: Okay, thank you.

Let's go to Item No. V and, again, this may be a situation in which we'd like to go into executive session for consultation with our attorneys inasmuch as this item deals with some litigation involving the Commission.

Mr. Collins, if you would introduce it for us, please.

Mr. Collins: Sure.

Chairperson Reckart: And this relates, I think, to Item V(A), the MUR 14-007.

Mr. Collins: Yeah. So insofar as we're dealing with V(A), I just would note to recap where we were last month the Commission received a complaint respecting an expenditure by the Legacy Foundation Action Fund.

Chairperson Reckart: Okay, thank you.

Chairperson Reckart: Okay, thank you.
1 order after the complaint itself was filed.
2 That recommendation went through some
3 issues detailing the terms of expressed advocacy and
4 that recommendation did not address the question,
5 which was also in the allegations, of -- of
6 coordination between the Legacy Foundation Action Fund
7 and the Ducey -- and Ducey 2014.
8 To -- Chairman and Commissioners,
9 kind of -- just assuming -- to sort of cut to the
10 chase here for today, the recommendation that is
11 before you on this matter is to now resolve the
12 question of the coordination and say -- my
13 recommendation is that the -- that with respect to
14 Ducey 2014 there is not coordination for the reasons
15 outlined in the memo, which you've received, which
16 Ducey 2014 has received and which, I think, everybody
17 -- every party to the -- to the matter has received.
18 So that's -- that's there.
19 I'm happy to take any questions about
20 that if that's how you want to proceed with that
21 aspect of it before the other one. I think the agenda
22 item is set up to allow that to -- to take place.
23 CHAIRPERSON RECKART: Yeah, and I --
24 I would like to deal with them separately because I
25 think I want to go into executive -- I'm going to ask

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<td>2 I note Mr. Liburdi is here. Did you</td>
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<td>3 have anything that you wanted to say on this item?</td>
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<td>4 MR. LIBURDI: Mr. Chairman,</td>
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<td>5 Commissioners, thank you. You've heard a lot from me,</td>
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<td>6 verbally and in writing. So unless Commissioner</td>
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<td>7 Hoffman has any -- would like me to repeat my points I</td>
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<td>8 will since you weren't here. Sorry, Mr. -- sorry,</td>
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<td>9 Commissioner Hoffman, but you -- you have before you</td>
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<td>10 the Executive Director's recommendation. We agree</td>
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<td>12 correspondence from me.</td>
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<td>13 So unless you have any other</td>
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<td>14 questions, I'd be happy to answer them for you.</td>
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<td>15 CHAIRPERSON RECKART: Thank you. And</td>
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<td>16 I -- I just -- I keep wanting to call you, you know,</td>
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<td>17 Vince Lombardi's son and I apologize, so Liburdi.</td>
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<td>18 MR. LIBURDI: That's okay,</td>
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<td>19 Mr. Chairman.</td>
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<td>20 CHAIRPERSON RECKART: All right,</td>
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<td>21 thank you.</td>
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<td>22 MR. LIBURDI: I'll take it, it's a</td>
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<td>23 compliment.</td>
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<td>24 CHAIRPERSON RECKART: I note that</td>
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<td>25 Mr. Torchinsky's on the phone. I imagine you will</td>
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<td>3 MR. TORCHINSKY: Other than the</td>
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<td>5 additional letter we sent addressing the CJF case, but</td>
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<td>6 it sounds to me like there's no recommendation in</td>
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<td>7 front of the Commission with respect to our case so I</td>
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<td>8 don't really have too much to add --</td>
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<td>9 CHAIRPERSON RECKART: Okay, thank</td>
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<td>10 you.</td>
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<td>11 MR. TORCHINSKY: -- other -- other</td>
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<td>12 than I support the recommendation to dismiss the</td>
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<td>13 coordination allegation.</td>
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<td>14 CHAIRPERSON RECKART: Okay. Thank</td>
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<td>15 you, sir.</td>
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<td>16 COMMISSIONER HOFFMAN: Mr. Chair, is</td>
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<td>17 anybody who -- present who is arguing that there was</td>
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<td>18 coordination?</td>
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<td>19 CHAIRPERSON RECKART: No, my</td>
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<td>20 understanding is there -- there is none that have been</td>
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<td>21 presented, nor is there any factual affidavits or</td>
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<td>22 anything to that effect to -- to --</td>
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<td>23 MR. COLLINS: No, there's -- I mean,</td>
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<td>24 if anyone is here who represents the complainant they</td>
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<td>25 can raise their hand, but I haven't seen them.</td>
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<td>1 CHAIRPERSON RECKART: Yeah, so that's</td>
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<td>2 my understanding.</td>
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<td>3 MR. COLLINS: I -- I -- I want to</td>
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<td>4 make one thing clear with respect to the -- I mean,</td>
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<td>5 with respect to the agenda item. I mean, if -- if --</td>
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<td>6 if you want to talk about LFAF itself, Mr. Torchinsky</td>
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<td>7 is absolutely correct that there is -- that I have not</td>
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<td>8 made a further written recommendation respecting his</td>
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<td>12 sub -- sub part (2) of (A), I guess it would be under,</td>
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<td>13 the -- under the V(A), you know. I just want to make</td>
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<td>14 sure you understand that.</td>
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<td>15 CHAIRPERSON RECKART: To -- to my</td>
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<td>16 recollection, Mr. Collins, that -- the LFAF portion</td>
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<td>17 would still be open with regard to the original</td>
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<td>18 complaint. We -- we are just dealing with the</td>
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<td>19 coordination issue at this point.</td>
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<td>20 MR. COLLINS: That -- that is -- I --</td>
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<td>21 I -- I -- yes, that's exactly right. I just want to</td>
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<td>22 make that clear then.</td>
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<td>23 CHAIRPERSON RECKART: Yeah, moving</td>
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<td>24 the Ducey campaign along, getting them out of the</td>
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<td>25 picture, now we're gonna -- to the extent there --</td>
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anything remains it's with regard to whether or not there was express advocacy within the actions of LFAF, and that's what remains in that complaint --

MR. COLLINS: Agreed.

CHAIRPERSON RECKART: -- based on -- on your recommendation if we were to adopt that.

MR. COLLINS: Correct, and I just want to make sure --

COMMISSIONER HOFFMAN: I'm sorry, I didn't understand any of that.

MR. COLLINS: Okay, so let -- if I may --

CHAIRPERSON RECKART: Please.

MR. COLLINS: The way that this agenda item is set up and the way that the complaint is framed, it alleges two things: It alleges that the Legacy Foundation Action Fund made independent expenditure that triggered reporting requirements and that though -- or, essentially, alternatively, that those independent expenditures were coordinated with the Ducey campaign and triggered requirements on the Ducey campaign.

CHAIRPERSON RECKART: Okay. And as I understand, Mr. Hoffman, to the express advocacy issue.

MR. COLLINS: Yes, if I may,

Mr. Chairman.

CHAIRPERSON RECKART: Please.

MR. COLLINS: The way that this question with respect to the Ducey campaign is whether or not there's coordination. The -- the recommendation is on -- is on that to -- to -- to essentially terminate that part of the complaint, but that does leave the leading part of the complaint whether or not the LFAF expenditure was an independent expenditure that triggered reporting requirements open and in -- in front of the Commission.

CHAIRPERSON RECKART: Okay. And --

MR. COLLINS: Correct.

CHAIRPERSON RECKART: Okay.

MR. COLLINS: That is correct.

CHAIRPERSON RECKART: Yeah, and that -- that was why I made reference to the --

Mr. Hoffman, to the express advocacy issue.

COMMISSIONER HOFFMAN: Okay, so I understand that. Could you remind me what -- what is the complainant alleging the coordination was?

MR. COLLINS: Sure. So the -- the coordination alleged is -- effectively what the -- what I think the complaint alleges is something about whether or not there is a -- a legal coordination.

In other words, because of -- the upshot is that -- to the extent that there is a shared agent employee or officer between a -- a candidate campaign and an independent expenditure entity, does that constitute coordination?

MR. COLLINS: Correct.

CHAIRPERSON RECKART: Please.

MR. COLLINS: That's the allegation.

COMMISSIONER HOFFMAN: Okay, so --

MR. COLLINS: That's the allegation.

COMMISSIONER HOFFMAN: "They" meaning the independent expenditure company LFAF --

MR. COLLINS: The independent expenditure --

COMMISSIONER HOFFMAN: -- agent --

MR. COLLINS: -- independent expenditure company LFAF --

MR. COLLINS: Yes.

COMMISSIONER HOFFMAN: -- used the same advertising company as the Ducey campaign?

MR. COLLINS: Correct, yes.

COMMISSIONER HOFFMAN: Okay. And the thought is that perhaps the -- that advertising agent knows exactly what Ducey wants and, therefore, communicates that to the outside -- supposedly independent expenditure company. Is that the concept?

MR. COLLINS: Well, I don't know what the --

COMMISSIONER HOFFMAN: I mean, that's the concern?

MR. COLLINS: That is a concern.

COMMISSIONER HOFFMAN: Okay. All right, so -- and you're saying that the -- your -- the basis of your recommendation is not that, you know, this Nebraska thing or anything that -- you don't agree with what they're arguing there. What you're -- you're saying -- your recommendation is simply that just because they hired the same company, that doesn't constitute coordination under --
1 CHAIRPERSON RECKART: Per se.
2 COMMISSIONER HOFFMAN: 14(C) because
3 there's -- because the advertising agency is not a
4 officer, director, employee of the Ducey campaign and
5 he's also not an agent, and the reason he's not an
6 agent is because he doesn't have authority to make
7 expenditures.
8 MR. COLLINS: In this state.
9 COMMISSIONER HOFFMAN: In this state.
10 MR. COLLINS: For candidates in this
11 state.
12 COMMISSIONER HOFFMAN: Okay. So
13 meaning to make expenditures for Ducey's --
14 CHAIRPERSON RECKART: Ducey.
15 COMMISSIONER HOFFMAN: -- campaign in
16 the state?
17 MR. COLLINS: Or -- or -- yeah,
18 right, that's right.
19 COMMISSIONER HOFFMAN: Okay. And so
20 -- and -- and there's no evidence that we -- brought
21 to our attention by complainant that the -- that there
22 was actual communication of facts through
23 Mr. McCarthy?
24 MR. COLLINS: Correct.
25 COMMISSIONER HOFFMAN: Okay.

1 CHAIRPERSON RECKART: All righty.
2 COMMISSIONER HOFFMAN: I understand
3 now, thank you.
4 CHAIRPERSON RECKART: Thank you.
5 Good we have it understood, because we're going to
6 vote on it here.
7 COMMISSIONER HOFFMAN: That's always
8 -- it's always good to know what I'm voting on.
9 CHAIRPERSON RECKART: Yeah, we
10 advocate voter education so best that we follow it.
11 Ms. O'Grady, did you have anything
12 that you wanted to comment on this?
13 MS. O'GRADY: No.
14 CHAIRPERSON RECKART: "No," okay,
15 thank you. Well, that being said, then I'll entertain
16 motion -- a motion to adopt the recommendation of the
17 Executive Directer with regard to MUR 14-007.
18 Do I have such a motion?
19 COMMISSIONER LAIRD: Second.
20 CHAIRPERSON RECKART: Okay, all
21 righty. Is there any discussion?
22 COMMISSIONER HOFFMAN: Yeah, I'd just
23 briefly like to comment that if -- if a independent
24 expenditure agency and a campaign hired the same
25 person, there is a risk that information can be used
26 by one to the other, and if evidence of that comes to
27 the attention of the Commission we might have a
28 different case; but we don't have that here so -- but
29 it -- it sure is something that is fraught with peril.
30 So, you know, I don't want this to be
31 seen as some sort of pass that you always can do this
32 because, you know, if, in fact, information is passed
33 through a conduit like that it would be quite
34 disturbing.
35 CHAIRPERSON RECKART: Well, and I
36 also note from Mr. Collins’ analysis that if LFAF is
37 -- is deemed to be a political act -- a political
38 committee, we may have a different view -- conclusion,
39 but for the time being we haven't reached that. So
40 that being said, any further discussion?
41 There being none, all those in favor
42 of the motion please say "aye."
43 (Chorus of ayes.)
44
45 CHAIRPERSON RECKART: Okay, I don't
46 -- all those opposed?
47 Mr. Laird, I didn't hear your -- your
48 vote, I'm sorry.
49 COMMISSIONER LAIRD: Yeah, I was on
50 mute. I said "aye," but the "aye" didn't do me any
51 good.
52 CHAIRPERSON RECKART: Okay.
53 COMMISSIONER LAIRD: Aye.
54 CHAIRPERSON RECKART: Yeah, thank
55 you, sir. All right, the motion passes unanimously.
56 Move on to item -- Agenda Item V(B),
57 the Procedural Status, Commission Interests and
58 Related Legal Actions in LFAF vs. Citizens Clean
59 Elections Commission. We'll start with Mr. Collins
60 and, Ms. O'Grady, I'll ask you to please come up and
61 comment.
62 MR. COLLINS: Yeah, just real
63 briefly, you know, we -- we had a -- a status
64 conference essentially with the Court. I can't
65 remember what day it was on anymore, and there is a
66 briefing schedule in place on the underlying lawsuit.
67 The lawsuit -- I'll let Mary describe
68 it. I think the lawsuit effectively says this is that
69 the Commission lacks authority to do -- to -- to be
70 regulating independent expenditures I -- I think, or
71 something like that. I don't -- I'm just -- I'll let
72 Mary characterize it and, obviously, Mr. Torchinsky's
1 on the phone.
2 You know, Mary can review the
3 procedural status with you and then I think to the
4 extent that there's any guidance you want to give her,
5 I probably should recommend we go into executive
6 session.
7 CHAIRPERSON RECKART: Okay.
8 Okay, please, Mary.
9 MS. O'GRADY: Good morning. Thank
10 you, Mr. Chair, Commissioners. As Tom mentioned,
11 there was a scheduling conference. So we do have a
12 briefing schedule for our motion to -- our planned
13 Motion to Dismiss based on failure to exhaust
14 administrative remedies, and so we'll file that motion
15 September 5th. The response is due the 10th.
16 Briefing will close the 17th, and then we have oral
17 arguments set on that for September 23rd, and then
18 where it goes from there depends on, obviously,
19 whether our motion is granted.
20 In terms of the nature of the
21 lawsuit, it challenges this Commission's jurisdiction
22 over the complaint and also the constitutionality of
23 901.01, the statute described defining express
24 advocacy. So that's the nature of the lawsuit, and
25 then anything beyond that I'll probably reserve for

1 executive session.
2 CHAIRPERSON RECKART: Okay. All
3 righty, thank you very much.
4 MR. O'GRADY: Sure.
5 CHAIRPERSON RECKART: Mr. Torchinsky,
6 you have the mic.
7 MR. TORCHINSKY: I don't have
8 anything to add to what anybody said at this point.
9 CHAIRPERSON RECKART: Okay. Great,
10 thank you, appreciate that.
11 All righty. I would like to have us
12 consider going into executive session, if we would,
13 please. Do I have a motion in support of that?
14 COMMISSIONER HOFFMAN: I move to go
15 into executive session to discuss legal Commission
16 interests -- procedural status, Commission interests
17 and related legal actions in LFAF vs. Citizens Clean
18 Elections Commission in the Maricopa County Superior
19 Court.
20 CHAIRPERSON RECKART: Okay. Is there
21 a second?
22 COMMISSION KEOSTER: I second.
23 CHAIRPERSON RECKART: Okay, move and
24 seconded. All those in favor?
25 (Chorus of ayes.)
We provided an opportunity for Mr. Justin Pierce and Gary Pierce to respond per the terms of how the complaints are handled. They did that.

The recommendation recognizes that, in fact, there's no evidence that the complainant actually signed this form or that the form was included in anything that was used to obtain the Clean Elections funding and so it's -- we -- I would just recommend that we conclude the complaint.

I don't know if the complainant is here. I rather doubt it, and Mr. Lee Miller, who is an attorney who represents Mr. Pierce's campaign, is here if you have any questions for him; but my recommendation would simply be that you take -- that this complaint be resolved and no action be taken.

CHAIRPERSON RECKART: Okay. In light of that, do you have any comments, sir?

MR. MILLER: Thank you, Mr. Chairman, Members, Lee Miller on behalf of Justin Pierce for Arizona. I simply -- I simply wanted to note that Gary Pierce very much wanted to be with you this morning to address any questions you might have.

Unfortunately, Commissioner Pierce is next door and the Corporation Commission is likewise in session this morning so he's unable to be here.

That being said, we stand by the response we provided and I'm available for any questions.

CHAIRPERSON RECKART: Are there any questions for Mr. Miller?

COMMISSIONER HOFFMAN: I -- I think it's a good excuse if you're a Commissioner and attending a Commission meeting.

CHAIRPERSON RECKART: Mitch, we're hearing some of that background noise. If you could mute again, I'm sorry to do that to you.

COMMISSIONER LAIRD: Sure.

CHAIRPERSON RECKART: Thank you.

All righty, I don't hear that there are any questions, so thank you.

MR. MILLER: Thank you.

CHAIRPERSON RECKART: All righty.

Are there any motions in regard to the recommendation of the Executive Director? All right, guys, let's move it. I'll move that we adopt the Executive Director's recommendation to take no action with respect to MUR 14-009. Is there a second?

COMMISSIONER HOFFMAN: I second.

CHAIRPERSON RECKART: Okay, thank you. All those in favor please indicate by saying "aye."

(Chorus of ayes.)
CHAIRPERSON RECKART: It carries unanimously, thank you.

Now I move to Item No. VIII, Discussion and Possible Action on MUR 14-011 Scott Smith and Candidate Committee(s).

Mr. Collins, please introduce it, please.

MR. COLLINS: Yes. Mr. Chairman, Commissioners, this is an allegation -- I'm going to try to summarize it really briefly. It's in the recommendation. However, you had an advertisement that was done by a group called The Business -- I think either Better Leaders or Business Leaders of Arizona that discussed another candidate, Doug Ducey, and involved a gentleman who has -- says he has a complaint against the -- how he was as a franchisee with a company Mr. Ducey used to run.

That same person then appears in a press release put forward by Mr. Smith's campaign. The allegation was that under the test -- under the test, similar to the -- the things we discussed in -- in the -- with respect to the earlier complaint that there was either actual coordination or legal coordination. We have, you know, no evidence of actual coordination and -- and, similarly, an -- an absence of evidence of legal coordination and so, therefore, I -- you know, the recommendation is that we dismiss the complaint there as well.

CHAIRPERSON RECKART: Okay. Anyone here for the complainant or --

MR. COLLINS: Not -- to my -- surveying the room, neither the complainant nor the respondent are here.

CHAIRPERSON RECKART: Okay, thank you. All righty, any discussion from the Commission or I'll entertain a motion?

COMMISSIONER HOFFMAN: Mr. Chair, Mr. Collins, is -- your investigation seem to suggest that the candidate contacted -- the candidate's representative contacted Mr. Red only after seeing the independent expenditure?

MR. COLLINS: That's what -- that's what -- yes, that's correct.

COMMISSIONER HOFFMAN: The independent expenditure ad, right?

MR. COLLINS: Correct.

COMMISSIONER HOFFMAN: Okay.

CHAIRPERSON RECKART: Yeah.

COMMISSIONER HOFFMAN: So in that -- in that case, I move that -- if a motion's appropriate, I move that we take no further action on MUR 14-011.

CHAIRPERSON RECKART: Do we have a second?

COMMISSIONER KOESTER: I second.

CHAIRPERSON RECKART: Okay, it's been moved and seconded. All those in favor please indicate by saying "aye."

(Chorus of ayes.)

CHAIRPERSON RECKART: Okay, and it carries unanimously. All right, thank you.

Item No. IX, Discussion and Possible Action on Report on Voter and Public Education Activities in the Primary Election and Planning for the General Election.

Mr. Collins.

MR. COLLINS: Yes. Commissioners, if you -- if you would, we wanted to do this on the 28th, but with the Commission meeting adjustment we wanted to -- we do want to get this in front of you. This is -- Gina's been working very hard on putting together a -- a look at some of the issues that the Chairman and Mr. Titla have raised and -- around language and generally looking at a recap of where we've been.

I like to think of this as the good news part of the -- of the -- of the agenda and I think that as everybody understands that the voter education and public education purposes of the Act are -- are very important to the Commission and we need to -- and so we will -- we do have some time we want to spend on that. I think that -- well, I'll just turn to it over to Gina and then we'll go -- go from there.

COMMISSIONER HOFFMAN: You're not suggesting the previous part was the bad news part, right?

CHAIRPERSON RECKART: This is the good part. This is the feel good part.

MR. COLLINS: The feel feel good. I don't know, whatever you want to call it.

MS. ROBERTS: Okay, I'm happy I could suggesting the previous part was the bad news part, right?

COMMISSIONER RECKART: This is the good part. This is the feel good part.

MR. COLLINS: The feel feel good. I don't know, whatever you want to call it.

MS. ROBERTS: Okay, I'm happy I could be the feel good portion.

Mr. Chairman, Commissioners, thank you for allowing me to present today. For the record, my name is Gina Roberts. I'm the Voter Education Manager, and I joined the staff about two and a half months ago so I'm excited for my first presentation before you; and, Commissioner Titla, I was the one that e-mailed you earlier.
So what we'll get started on today is a brief recap of what we've done with our voter education efforts to date, and then we'll transition into our responses to the Commission's request for information on Native American language and usage and some of the ideas that we have.

So, a few reminders as we get started. All of this is centered around the fact that low information voting can be detrimental to the voter, and our goal is to put the facts within the reach of the voter; and with all of the information that's out there, most of it is biased, it's coming from the candidates themselves. It can be very difficult to feel like an educated voter and to have confidence when you're filling out your ballot.

So, in 2012 it became really evident that there was a greater need for voter education and we saw this through issues that happened in the general election. There were a record number of provisional ballots. There was a low understanding from independent voters that they can actually vote in the primary election, and it just seemed really difficult for voters to be able to separate fact from partisanship; but thankfully we feel that there are solutions that we can provide to the voters and that includes encouraging voters to complete their early ballots correctly and on time and that independents do have the constitutional right to vote in the primary election, and we'd also like to direct voters to our web site so they can obtain the facts.

This approach, it's -- it's an umbrella effort and, basically, we want to position Clean Elections as the non-partisan resource, as the trusted resource of voters, and we did this in conjunction with two time specific tactical spots that we created. One was focused on the early voting issue, and the second was on primaries and independent voters.

In your packets you have a media grid that I won't spend too much time on discussing; but, basically, this shows you what the campaigns are that we have going and the outlets that we have them aired on from TV to print to on-line.

So going back to the creative, the platforms that we discussed with the early ballots and the independent voters, again, in 2012 there was a high increase of provisional ballots and this was because voters -- they were on the permanent early voting list. They received their early ballot, but they chose to not vote that early ballot and instead go to the polls. That would result in a provisional ballot and most people -- we heard from voters that they didn't even realize they were on the permanent early voting list so we saw a problem here. We wanted to educate voters about how the early ballot process works.

The other issue was there's a low turnout of independents in primary elections and in -- this year, in 2014, independents actually became the highest voting block in the State; and so to help encourage and inform voters of their rights, these independent voters, we also developed a tactical spot to educate them on their right that they can vote in the primary and these direct voters to the Clean Election web site so they can get additional information.

So I'd like to play those spots that we have. The first one is for early voting.

(Video played.)

MS. ROBERTS: The next spot that we have is targeting the independent voters.

(Video played.)

MS. ROBERTS: So these are really alert-style messaging and it's -- it captures the voters' attention and ultimately it says, "Hey, this is the information. This is what you're entitled to do. Go to Clean Elections web site to get more information on this subject," and to -- I kind of think of it as a trifecta.

We have our "Cut Through It" campaign that we also created and this corresponds to our Voter Education Guide, and it's really about cutting through all of the information, all of the bias, the partisan information, the negative information that is out there, cutting straight through that and getting the facts, going -- hearing directly from the candidates in our Voter Education Guide so you can feel confident and informed as a voter.

You know, unfortunately, as I just mentioned, a lot of the messaging that we see out there from candidates and political committees, unfortunately it's negative; and so this really can result in voter apathy, distrust. Voters want the information, but they want it on their own time as well. Voters don't like to be interrupted during dinner with their families when they get a phone call from a candidate committee.

So what we have is the Cut Through It campaign, and that just encourages voters to basically skip through all of that messaging that you're
getting, the biased information, and use your Voter Education Guide, go to Clean Elections and get the facts; and so we have our Cut Through It campaign right here. This is a 60 second spot that we have that is airing in theaters and TV. (Video played.)

MS. ROBERTS: I've seen that several times, and I still think it's funny; and the dog, I'd like to mention, actually belongs to Tom that was in the beginning, very cute dog.

But, really, that focuses on our hero voter and he goes throughout his day and he hears all of this information coming at him regarding the election. It's overwhelming and the actors are speaking gibberish; but, really, at the end of the day when he's at the polls and he's voting he's got all of this information he's trying to sift through in his head, but then you have that confident voter next to him who has her Voter Education Guide and she's smiling, she's sure of herself, she's sure of her vote; and so that was really the focus of this Cut Through It campaign, and we have those in 30 second spots as well that will specifically target the Navajo Americans across the state, but we do have some ideas on how we can increase our outreach to, one, Native languages that are spoken, and we have some ideas on how we can increase our outreach to, one, Native American languages that are spoken.

In particular, Apache County, Coconino and Navajo County, they are and have agreed directly to the voters. Recorder's Office and the chapter houses to reach out and we would also use our contacts with the County Recorder's Office and the chapter houses to reach out.

So these are the ones that were identified in the survey as the top Native American languages that are spoken. And so the American Community Survey, which was released by the US Census Bureau in April of 2010, it identifies Naajvo as the top Native American language that is spoken with 88,251 speakers. We also have Apache, Pima and Hopi.

And what we've done so far with our paid media is we have print and radio ads that are currently out there and so we're -- those are the newspapers that we're hitting and the tribes that they're effecting, the outreach, and the stations as well; but I just want to point out that what we've done so far, these print and radio ads, they've been in English.

So one of the options that we want to explore is actually having them spoken in the native tongue. So we would like to explore translating them into Navajo to target that large group of speakers, and we would also use our contacts with the County Recorder's Office and the chapter houses to reach out directly to the voters. In particular, Apache County, Coconino and Navajo County, they are and have agreed to be great partners with us to help get this information out -- get the Navajo translation out to voters, and on these radio stations they actually have translators on site. So they will take our information and translate it and it will be broadcast in the Navajo language.

On the PR side of things, when we do our press releases we do target Native American communities, and so this is just a listing of who we include. To increase our efforts, we are actually

So at the July Commission meeting...
One of the ideas that we have from this from attending that work session is we would like to translate the statewide and LD 6 and 7 portions of the candidate's statement pamphlet into Navajo. Those legislative districts would be the districts that have the highest speakers in Navajo.

CHAIRPERSON RECKART: That's sort of where I was going with my question. I was going to ask, because it seemed to be best rather than expend resources for districts where it has no relevance at all to the Navajo communities.

MS. ROBERTS: Exactly, that's exactly correct and that is the sentiment that we heard from the translator herself as well. It would not be cost-effective, and it is very time-consuming to actually translate into Navajo as well. So in order for us to provide this service for the general election, we just want to focus on the applicable districts and the statewide contest as well; and, in addition, we just want to provide general information on Clean Elections as well to these folks. So it was a great meeting, and I was really happy to work one on one with these folks and develop this partnership. With that, I am happy to answer any questions and I welcome your feedback on.
1 directions you'd like the staff to take further.
2 CHAIRPERSON RECKART: Okay. Any
3 questions for Mr. Roberts?
4 MR. COLLINS: Mr. Titla, you had a
5 question around the question of how we're
6 triaging between -- how we're making decisions around
7 different -- different tribal communities -- different
8 communities. Did you want --
9 COMMISSIONER TITLA: Chairman, thank
10 you, Ms. Roberts, for all the good work you've been
11 doing. This is a very impressive presentation that
12 you've done.
13 With regard to the translation
14 efforts that you're working on, I think that that's a
15 positive development for Clean Elections because I've
16 been reading the statute here, the statute that we're
17 working under, and the effort is -- it says that we
18 have an effort to reach all communities in the State
19 of Arizona, and I think that you mention in your
20 outreach efforts that you're gonna have the
21 translation into Navajo language.
22 Would there be other translation to
23 other tribes?
24 MS. ROBERTS: We can certainly
25 explore that. As of right now through the contacts
1 that I have from the Secretary of State's work session
2 that was focused on Navajo, we felt that in time for
3 the general election, since we're on such a short time
4 frame, we felt that translating the pamphlet into
5 Navajo language, and especially since that is the
6 highest number of speakers, we thought that was a
7 measure that we could put into place immediately.
8 We are not looking to be exclusive by
9 any means. We can certainly see what other
10 translating options we have on State contracts and we
11 can get quotes on those, but with our budget right now
12 and with the time frame from the general election we
13 felt that it would be best to focus on the Navajo
14 language for now, but we are certainly open to
15 exploring future languages.
16 COMMISSIONER TITLA: Yeah, there are
17 other tribes in Arizona besides the Navajo. So I
18 think that it would be important to reach to other
19 tribes also because the other tribes will say that,
20 "We are not Navajo and that we are our own tribes with
21 our own distinctive language."
22 So I would encourage Mr. Collins and
23 all the staff at Clean Elections to look at the other
24 languages. For example, you have the Apache tribes,
25 the Hopi tribes, and if you look at the map you had up
1 there, the Arizona map --
2 MS. ROBERTS: Uh-huh.
3 COMMISSIONER TITLA: -- you had
4 the -- the large reservations: Navajo and Hopi and
5 White Mountain Apache, San Carlos Apache, Tohono
6 O'odham down there in Sells, Gila River south of here,
7 Phoenix, and some of those larger tribes. I think it
8 would be good to have some translation. Not to the
9 extent that you translate all the pamphlets or
10 anything, but I think it would be important to
11 translate the -- that the Clean Elections exists and
12 that the purpose and the message that Clean Elections
13 is doing, I think would be important to put that in
14 the -- in the radio at least for these distinctive
15 tribes.
16 In Apache, for example, you could
17 have announcements in Apache radio saying what Clean
18 Election does and what the purpose of it is because I
19 haven't heard it -- I haven't heard Clean Elections on
20 any radio yet, on any Apache radio, or on any Navajo
21 radio because I listen to that sometimes when I go
22 up -- go up to a meeting up there. I put the Navajo
23 radio on.
24 And I don't know if you know that,
25 but Apache tribes and Navajo tribes have the same
1 linguistic base, which is Athabaskan, Athabaskan
2 linguistic base for Navajo, Apaches and Athabaskans in
3 Alaska and Athabaskans in northwest territories of
4 Canada. All they -- they have the same linguistic
5 base so I can kind of follow along what the Navajos
6 are talking about on the radio, but not everything,
7 just a little bit; but with regard to the Hopis and
8 the Pima tribes and the others, they sound like
9 Russian to me. I don't understand anything with those
10 tribes.
11 So I would encourage that for this
12 election that you put some -- put some messages on the
13 radio in the Apache language and the Hopi language and
14 the Pima languages with regard to Clean Elections. It
15 doesn't have to be an extensive pamphlet-wise
16 translation, but can just message Clean Elections
17 saying Clean Elections is about this, this is what
18 they do, because I think that that's what we do in the
19 English language and you do that to the Spanish
20 language, too. I think it's on the radio.
21 MS. ROBERTS: Uh-huh.
22 COMMISSIONER TITLA: So I think it's
23 very important, very critical that we do that so that
24 we can follow up on all the -- the goals and
25 objectives of the Clean Elections law and act that was
1 Commissioner Titla and Mr. Collins are going to be doing those kinds of outreach efforts; and if there's any need for -- for me to help, I'd be happy to do that as well.

5 With regard to the translation issue, particularly of the pamphlet or any other stuff, I know we have limited budget and I commend your decision to go after the Navajo language because the data that is sitting in the back of our binder indicates that there are over 88,000 Navajo speakers and looks like about a quarter of those, 21,000 are -- speak English less than very well, which means that there's a large opportunity to reach people who are not going to otherwise be hearing the message in English.

16 And those are significant numbers. They're not quite as high as Spanish where there's over a million and a quarter speakers and 600,000 that don't speak very well but -- don't speak English very well, at least according to what they think, but -- but it's still a significant sector of the State.

22 With regard to other Indian languages -- Native American languages, however, it looks like the next highest one on your data is -- is Apache, which has got 11,500 speakers and only 346 don't speak English very well, though, and I -- just in taking a quick look through it looks like there are more French speakers, more German speakers, more Chinese speakers, more Vietnamese speakers and more Arabic speakers than there are Apache speakers and there are probably -- maybe ten other languages, you know, including such obscurities as Lithuanian where people -- where there are more people who don't speak English very well than there are Apache or others; and so if it's a question of budget and where we spend money and whether -- you know, whether we should devote additional resources, you know, I -- I -- I think we might want to, you know, sort of go in order of the languages in frequency, particularly on those that -- that don't speak English very well.

16 If it turns out that some of the tribes are interested and willing to help with their own resources, I certainly think we ought to cooperate; but in terms of spending extra money by the State money on the Commission, I think we ought to do it where it has the most impact and I just wanted to, you know, add that comment.

23 MS. ROBERTS: Thank you, Mr. Chairman and Commissioners. Yes, absolutely. We feel that we will have those partnerships where those grass root efforts will be there. So when we provide information on Clean Elections, when we educate our partners, they will in turn -- so the County Recorders, the County Election staffs, the chapter houses, the Navajo Election Administration, the Native American tribal leaders that we're going to reach out to, aside from just Navajo, we're going to hit all of them across the State, we're hoping that they can also take our information and, in turn, translate that to their community members.

11 So that is one option; and some of these radio stations, they do have their own internal translators that hopefully it will be part of our media buy when we purchase that air time. So the translation costs will be covered there as well.

16 So we do have some options; and, of course, if we ever were to get one request from our office for a translation service, whether that is in Russian or -- or Chinese, we would do our best to accommodate that specific request if an individual were to contact us directly.

22 COMMISSIONER HOFFMAN: Does that make sense? That makes sense and -- and I thank you for the response. 1 -- I -- I think you're right -- in short, right on target and I -- I appreciate your --
your efforts.
Thank you, Mr. Chair.
CHAIRPERSON RECKART: Okay.
Mr. Collins, do you need any formal
direction from us or is this something, I think --
MR. COLLINS: No, I -- I --
CHAIRPERSON RECKART: This is next
year's planning. We can do what we can right now but
maybe --
MR. COLLINS: Right, I think -- yeah,
I think it was mostly -- mostly an update, what
direction we're moving. I think we'll take the
guidance we've gotten here and integrate it into
our -- into our -- into our planning forward and we'll
update you as -- as -- as appropriate.
CHAIRPERSON RECKART: Okay, great.
Thank you, Ms. Roberts.
MS. ROBERTS: Thank you.
CHAIRPERSON RECKART: All righty.
That being it -- the case, Item No. X, Public Comment.
This is the time for consideration of comments and
suggestions from the public.
MR. COLLINS: Can --
CHAIRPERSON RECKART: Action taken --
MR. COLLINS: Sorry, sorry. No, I'm

MR. LIBURDI: Mr. Chairman, Members,
I wanted to address one thing that Mr. Collins said
during his Executive Director's report, and that has
to do with the Secretary of State inquiries into the
independent expenditure organizations, and I thought I
would just stick around and do this to give you a
little bit of my experience with it.
I represent the Arizona Free
Enterprise Club, and the Secretary of State last week
had decided to send the matter over to the Attorney
General's Office. So we'll be working with the
Attorney General's Office on that, but in -- in
specific response to Mr. Collins' comment about there
being confusion out there among different groups about
there not being any guidance or policies from which
these groups to follow, he's absolutely correct.
The statute that is in play at
§16-914.02 subsection (K), I believe it is, says that
if -- if an entity is organized for the primary
purpose of influencing elections, then it needs to
file as a political committee.
Now, when we first got the audit
letter from the Secretary State, I had sent a
letter to the Secretary State's Office asking if we
could have a meeting to talk about what they mean by
organized primarily for the purpose, what time period
do they take into account, what kind of expenditure
ratios or calibrations do they take into account, what
kind of other social welfare activity do they want to
take into account.
They refused my meeting. So we sent
them a letter. Our letter was about eight pages,
substantially longer than any letter that was sent by
any other organization. We provided them with detail
on the types of activity that the organization has
been doing over the past election cycle as we defined
it and still we were the recipient of that decision.
So I don't want to talk, you know,
any -- any more about that unless you have any
specific questions that I might be able to answer
given this pending investigation, but I did want to
share that with you and second Mr. Collins' comment
about why it's important to give regulated entities
some guidance going forward on what the government
expects so that the regulated entities can comply,
because I will tell you as somebody who works with
regulated entities we do want to comply.
We want to over comply with the law
so that there's no question whether something's being
done legally or not and so we -- we ask that you take
that into consideration as you move forward with
that -- with that particular item.
CHAIRPERSON RECKART: Okay, thank you
very much. Very good comment, thank you.
MR. COLLINS: I have one other -- I
have one other point. We -- I just -- I needed to go
back to -- on LFAF, and I don't know if we could -- if
we would need to say that we're going back up or if I
can just do this in public comment, Chris, if you --
if it doesn't matter. I'm not asking for a response
or a discussion.
MR. MUNNS: Well, you could just
basically go back up to it so -- since it's on the
agenda.
MR. COLLINS: We have a real quick
thing I have to close out there.
CHAIRPERSON RECKART: Sure, please.
MR. COLLINS: Okay. Just that, you know, I intend to present to the Commission an updated recommendation based on the case that was decided, the CJF case.

CHAIRPERSON RECKART: Yes, and I don't know if a motion's required for that, but I think that is the instruction. The sentiment of the Commission is that "yes" we'd like a -- in light of the case that was recently issued by the Arizona Appellate, Division I, I think, we'd like to have the recommendation -- the analysis that you provided earlier updated to include the decision and then, you know, make a recommendation based on the updated analysis.

MR. COLLINS: Yeah, I just wanted to make that -- put that out there.

CHAIRPERSON RECKART: Sure, yes, and that is something we would like so... Okay. That being it, I'll call for a motion to adjourn.

COMMISSIONER TITLA: Motion to adjourn.

COMMISSIONER KOESTER: Second.

CHAIRPERSON RECKART: All righty, it's been moved and seconded. All in favor?

(Chorus of ayes.)

CHAIRPERSON RECKART: Unanimously passes. We are adjourned, thank you.

(Whereupon the proceedings were concluded at 11:39 a.m.)

CERTIFICATE

I HEREBY CERTIFY that the proceedings had upon the foregoing hearing are contained in the shorthand record made by me thereof, and that the foregoing pages constitute a full, true, and correct transcript of said shorthand record; all done to the best of my skill and ability.

DATED at Phoenix, Arizona this 25th day of August, 2014.

Teri Veres
Certified Court Reporter