

Janice K. Brewer
Governor

Thomas M. Collins
Executive Director



Timothy J. Reckart
Chair

Louis J. Hoffman
Thomas J. Koester
Mitchell C. Laird
Steve M. Titla
Commissioners

State of Arizona
Citizens Clean Elections Commission

1616 W. Adams - Suite 110 - Phoenix, Arizona 85007 - Tel (602) 364-3477 - Fax (602) 364-3487 - www.azcleanelections.gov

Via Federal Express

October 27, 2014

Amy L. Heusted
12757 W. Boca Raton Rd.
El Mirage, AZ 85335-4906

RE: CCEC MUR No. 14-023

Dear Ms. Heusted,

This letter is to notify you that on September 24, 2014, the Citizens Clean Elections Commission ("Commission") received your complaint regarding Ken Muir. Mr. Muir provided the Commission with a response to on October 6, 2014. At this time, the Commission will not take any action or make any finding in this matter based on the information that is available.

Please contact me if you have any questions at (602) 364-3477 or by e-mail at sara.larsen@azcleanelections.gov.

Sincerely,

Sara A. Larsen
Financial Affairs & Compliance Officer
Citizens Clean Elections Commission

cc: Ken Muir
Christina Estes-Werther, State Election Director

Enclosure

 COPY

Amy L Heusted

amyheusted@gmail.com

12757 W Boca Raton Rd. El Mirage, Arizona 85335

September 23, 2014

Christina Estes-Werther
Election Director
Secretary of State's Office
1700 West Washington, 7th Floor
Phoenix, AZ 85007
cwerther@azsos.gov

Thomas M. Collins
Executive Director
Citizens Clean Elections Commission
1616 West Adams, Suite 110
Phoenix, AZ 85007
Thomas.Collins@azcanelections.gov

14 SEP 24 PM 1:06 CCEC

Re: Campaign Finance Complaint Against Ken Muir

Dear Ms. Estes-Werther and Mr. Collins:

This is a campaign finance complaint against Ken Muir, 3701 E. Meadowview Drive, Gilbert, AZ 85298. Upon information and belief, Mr. Muir, either acting alone or with one or more individuals, is engaged in an unregistered independent expenditure campaign advocating against the election of Tom Forese and Doug Little for the Arizona Corporation Commission ("ACC") in violation of Arizona law and the Arizona Citizens Clean Elections Act.

Prior to the August 26, 2014 primary election, Mr. Forese and Mr. Little placed hundreds of road signs throughout the state advocating their election to the ACC. Mr. Forese and Mr. Little are campaigning together and, as such, are advertising together on road signs.

During that time period, somebody placed "companion" signs next to the Forese/Little road signs that say "BIG UTILITY SUPPORTED." A photograph of the signs is attached hereto as Exhibit 1. The signs do not include a "paid for by" disclaimer that indicates the name of the political committee making the expenditure. Nor do they include a disclaimer that states "not authorized by any candidate or candidate's committee."

In a September 9, 2014 complaint to the Arizona Citizens Clean Elections Commission on behalf of the Arizona Democratic Party, Mr. Muir admitted in a sworn declaration to placing these signs. On page 3 of the complaint, which is attached as Exhibit 2, Mr. Muir states that he "has been recently placing companion signs [next to the Forese/Little road signs] pointing out that these two are supported by utilities." Mr. Muir further states that he has an "inventory" of Forese/Little signs, "about 182," and it stands to reason that he has placed at least 182 of his "companion" signs in the public right of way.

A. Violation of Registration Requirements

Because of the large number of signs, which appear to number in the hundreds, and the generally known costs of printing, distributing, erecting, fastening, and maintaining signs in the public right-of-way, the cost of these signs no doubt exceeds the \$500 threshold requirement under A.R.S. § 16-902.01(A) for political committee registration. It may also trigger the \$5,000 registration and reporting requirements if the signs were paid for by a corporation, limited liability company, or labor organization. A.R.S. § 16-914.02. The signs do not include any of these required disclaimers, no committee appears to be registered with the Secretary of State or, in the alternative, there is no § 16-914.02 registration.

B. Violation of Disclaimer Requirements

The law requires that campaign signs include a “paid for by” disclaimer. The omission of a “paid for by” disclaimer and the additional disclaimer that the signs are “not authorized by any candidate or candidate’s committee” constitutes a violation of A.R.S. § 16-912(A) and (D) and may further violate A.R.S. § 16-914.02(F) if the expenditure was made by a corporation, limited liability company, or labor organization.

C. Violation of Reporting Requirements

There are several reporting requirements in the law that Mr. Muir appears to have violated. First, A.R.S. § 16-913 requires the filing of campaign finance reports. It does not appear that Mr. Muir has filed any campaign finance reports to disclose his contributors and expenditures.

Second, A.R.S. § 16-914.02(D) requires corporations, limited liability companies, and labor organizations to file special notifications with the Secretary of State. If the signs were paid for by such an organization, this reporting requirement has been violated.

Third, is a separate \$500 reporting threshold requirement under A.R.S. § 16-941(D) for reporting independent expenditures under the Arizona Citizens Clean Elections Act that applies to any person or entity making an independent expenditure. It does not appear that Mr. Muir complied with this statute.

Christina Estes-Werther

Thomas S Collins

September 23, 2014

Page 3

D. Conclusion

For these reasons, there is reason to believe that Mr. Muir is involved in an independent expenditure that has violated a series of Arizona campaign finance laws. I ask that you forward this complaint to the Attorney General's office so that it can conduct an investigation into the expenditure. I also ask that the Commission initiate an investigation of its own.

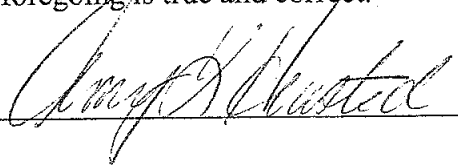
In addition to the violations reported here, there may be other violations of the campaign finance laws and the Citizens Clean Elections Act, for example, if Mr. Muir has coordinated the expenditure with one of the Democrat nominees for ACC.

Because early voting begins on October 9, 2014, time is of the essence. I ask that you move swiftly on this complaint so that the voters will know who is behind this independent expenditure.

Sincerely,

Amy L Heusted
amyheusted@gmail.com
12757 W Boca Raton Rd
El Mirage AZ 85335-4906

I declare under penalty of perjury that the foregoing is true and correct.



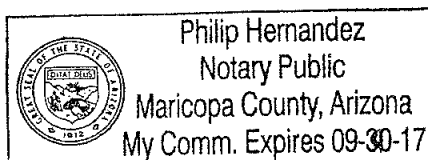
State of Arizona)

County of Maricopa)

Subscribed and sworn (or affirmed) before me this 24 day of September, 2014, by Amy Heusted



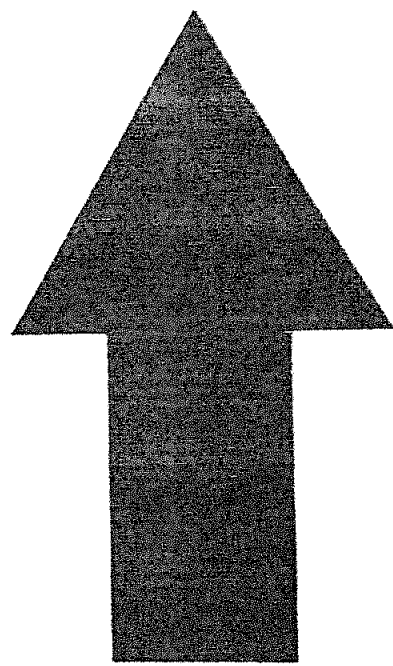
Notary Public



**Christina Estes-Werther
Thomas S Collins
September 23, 2014
Page 4**

Enclosures

**BACKED BY
BIG UTILITY**



Torres Group Law

An Arizona Law Firm

, PLLC

Israel G. Torres

James E. Barton II

September 9 2014

Hand Delivery

Thomas Collins, Executive Director
CITIZENS CLEAN
ELECTIONS COMMISSION
1616 W. Adams, Suite 110
Phoenix, AZ 85007

SEP 9 PM 12:40 CCEC

~~RE: COMPLAINT AGAINST CANDIDATES FORESE AND LITTLE FOR~~
VIOLATION OF PROHIBITION ON MAKING EXPENDITURES IN EXCESS
OF CASH ON HAND AND/OR IMPROPER USE OF CAMPAIGN FUNDS

Mr. Collins:

My firm represents the Arizona Democratic Party and Complainant Robert Parker. This letter opens with a brief review of the legal issues at hand and concludes with Mr. Parker's sworn complaint.

As you can see from review of Exhibit A, Candidates Little and Forese each paid all of their primary election funds to Americopy shortly before the end of the Primary Election Period, fifteen and thirteen days prior to the election, respectively.

It is questionable whether \$200,000.00 worth of signs could have been printed and distributed in two weeks. It seems more likely that this money was either paid in preparation of the General Election, or for signs that were produced prior to the candidates receiving funding, or both. As you know, either violates the Clean Elections Act.

Signs that were produced prior to August 11, 2014 based on the promise of receiving these funds amount to an illegal, in-kind contribution by Americopy. Pursuant to Ariz. Rev. Stat. Ann. § 16-945, "[a] participating candidate may accept early contributions only from individuals." Furthermore, "[n]otwithstanding any law to the contrary, no contributor shall give, and no participating candidate shall accept, contributions from a contributor exceeding one hundred dollars during an election cycle."

To the extent primary funds were used to purchase signs used only for the General Election, the candidates violated Ariz. Rev. Stat. Ann. § 16-941(A)(4), (5), which

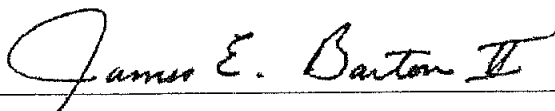
E2

prohibit "expenditures in the general election period in excess of the adjusted general election spending limit," and require "returning unused monies to the citizens clean elections fund," respectively.

Finally, because these violations concern the entire primary election distribution, the violation is likely to be "in excess of ten percent of the sum of the adjusted primary election spending limit and the adjusted general election spending limit" and will therefore potentially "result in disqualification of a candidate[s]." A.R.S. § 16-942(C).

I urge the Commission to promptly investigate these irregularities in accordance with the sworn complaint that follows.

Sincerely,


James E. Barton II

EZ

COMPLAINT

Mr. Collins:

Many signs of Forese and Little were up prior to their paying their primary funds to Americopy on August 11 and 13. The following individuals are prepared to testify under oath to having seen these signs before August 11.

Joseph Longoria
3109 Emilie Circle
Kingman, AZ 86401
secureourdemocracy@hotmail.com
623-293-1796

He will testify that he saw these signs in Mohave County in July. He is the chair of the Mohave County Democrats

Ken Muir
3701 E Meadowview Drive
Gilbert, AZ 85298
evsfreus@gmail.com
602-341-8852

He will testify that he saw lots and lots of these signs in Maricopa County in July. He also has an inventory of them, about 182, and has been recently placing companion signs pointing out that these two are supported by utilities

Glenn Miller
2036 Forest Hills Rd.
Prescott, AZ 86303
gdanielmiller@yahoo.com
202-486-3641

He works as a cab driver throughout the Phoenix metro area and also visits his mother in Prescott almost every weekend, and will testify that he saw lots and lots of these signs in Maricopa County and in Prescott in July.

Mikel Weisser
4490 Sundown
Golden Valley, AZ
mikelweisser@gmail.com
928-234-5633

He is running for Congress and has been traveling extensively for months around certain parts of the state. He will testify that he saw lots and lots of these signs in Maricopa County and in Yavapai County in July.

CJ Briggie
1336 E Wildwood Drive

EZ

Phoenix, AZ 85048
cjbriggles51@gmail.com
602-625-3781

She will testify that he saw lots and lots of these signs in Maricopa County (especially Ahwatukee, Chandler, and Tempe) in July.

Sean Bowie
3625 E Ray Road
Apt 1020
Phoenix, AZ 85044
seanmbowie@gmail.com
602-750-9043

He will testify that he saw lots and lots of these signs in Maricopa County (especially Ahwatukee, Chandler, and Tempe) in July.

Tonya Norwood
13405 N 8th Street
Phoenix, AZ 85022
tonya@arizonalst.com
602-451-9094

She will testify that she saw lots and lots of these signs in Maricopa County (especially North Phoenix and northwest valley) in July.

In addition to this evidence, I have attached a news story from July and a Facebook post from April showing these signs as Exhibit B. Little and Forese plainly put up a very large number of signs prior to paying over \$200,000.00 to Americopy.

In anticipation of what may be a distraction to your investigation, please note that reviewing Forese and Little's campaign finance reports for the January 1, 2014 through May 31, 2014, one can see that Forese gave Americopy a check for \$7,883.49 on May 30, 2014. Little gave Americopy a check for \$5,219.37 on May 31, 2014.

This was the only time that Forese and Little gave money to Americopy in that reporting cycle. Since they would have to both have put in the same amount for the signs featuring each candidate with equal prominence, the most it could possibly be for signs would be \$5,219.37 each.

If these funds were for just signs, and since these signs cost about \$70 each to print, with rebar costing about \$4/sign, and grommets (6/sign) would cost be an additional \$1.50/sign, plus tax, and an additional \$10-\$15 to put each sign up, we can assume that the price for each sign printed and erected is \$90 - \$95 each. That would calculate out to about 110 signs, maximum, that could have possibly been paid for by that May 30/31 expenditure to Americopy. Since there are hundreds of these signs up, the early payment to Americopy would not explain the signs.

E-2

Finally, the campaign fails to list any sub-vendors. The Commission should investigate from where the sign mounting material came.

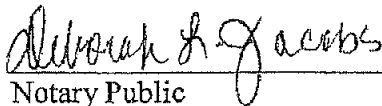
The contents of the above complaint are based on my personal knowledge, except where otherwise stated. I swear under penalty of perjury to the accuracy of the above statements.

Sincerely,

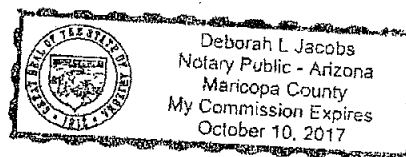


Robert Parker

SUBSCRIBED AND SWORN to before me on this 9th day of September, 2014.


Notary Public

My commission expires: 10/10/17



cc: Arizona Democratic Party

Exhibit A

Schedule E4 - Other expenses

Pre-Primary Election Report
Covers 06/01/2014 to 08/14/2014

Cycle To Date

Account # - Other Expenses	Name	Address	Memo	Date	Amount	Cycle To Date
	AZSOS	1700 W Washington St, Phoenix, AZ 85007	Copies	06/02/2014	\$235.20	\$246.70
	Clean Election Fund	1616 E Adams St, Ste 110, Phoenix, AZ 85034		07/11/2014	\$10,295.00	\$10,295.00
	AZSOS	1700 W Washington St, Phoenix, AZ 85007	copies	07/21/2014	\$11.50	\$246.70
	Name:				Cash	
	Address:					
	Memo:					
	Name:	Forese, Tom III				
	Address:	2044 E Taurus Pl, Chandler, AZ 85249				
	Occupation:	Self Employed				
	Memo:	Gas Reimbursement				
	Name:	AMERICOPY				
	Address:	1755 S HORNE, MESA, AZ 85201				
	Memo:	Campaign Materials				
	Total of Other Expenses				\$114,156.82	
	Total of Refunds, Rebates, and Credits Received				\$0.00	
	Net Total of Other Expenses				\$114,156.82	

Schedule E1 - Operating expenses

Amended Pre-Primary Election Report
Covers 06/01/2014 to 08/14/2014

Name:	Address:	Category:	Memo:	Date	Amount	Cycle To Date
FedEx Office	1820 S Power Rd, Mesa, AZ 85206	Communications - Flyers/handouts/door hangers	Copies	06/23/2014	\$11.89	Cash
Arizona Secretary of State	"Election Services Division 1700 W. Washington St., Phoenix, AZ 85007	Miscellaneous - Other	Public Records Request	08/05/2014	\$11.20	Cash
AMERICOPY	1755 S HORNE, MESA, AZ 85201	Communications - Advertising		08/11/2014	\$103,114.68	Cash
New River Desert Hills Community Assoc	PO Box 75068, Phoenix, AZ 85067	Event Expenses - Other	Speaking Fee	08/12/2014	\$25.00	Cash
Total of Operating Expenses					\$103,162.77	
Total of Refunds, Rebates, and Credits Received					\$0.00	
Net Total of Operating Expenses					\$103,162.77	

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Exhibit B

Candidates know: Crass sells



Jennifer Dokes, viewpoints editor | azcentral.com

5 p.m. MST July 11, 2014



(Photo: Cheryl Evans/The Republic)

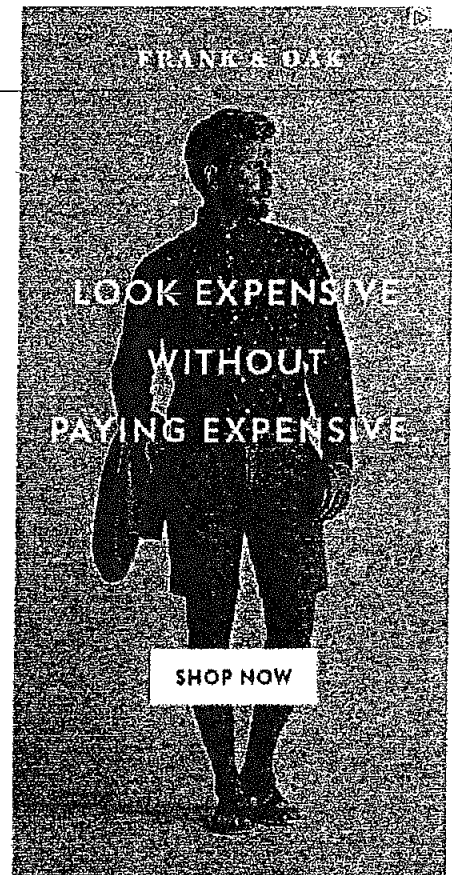
Republican Randy Pullen is running for treasurer. On his campaign website, he lists immigration as a top issue.

Eye-catching campaign signs for Tom Forese and Doug Little, a GOP tag team, running for Arizona Corporation Commission, say "Fighting Obama."

What does immigration have to do with the treasurer's duties? Nothing, of course, but Pullen knows what GOP faithful want to hear.

The Forese-Little sign geniuses know, too. It's crass politics but likely effective.

Read or Share this story: <http://azc.cc/1mpSoDm>



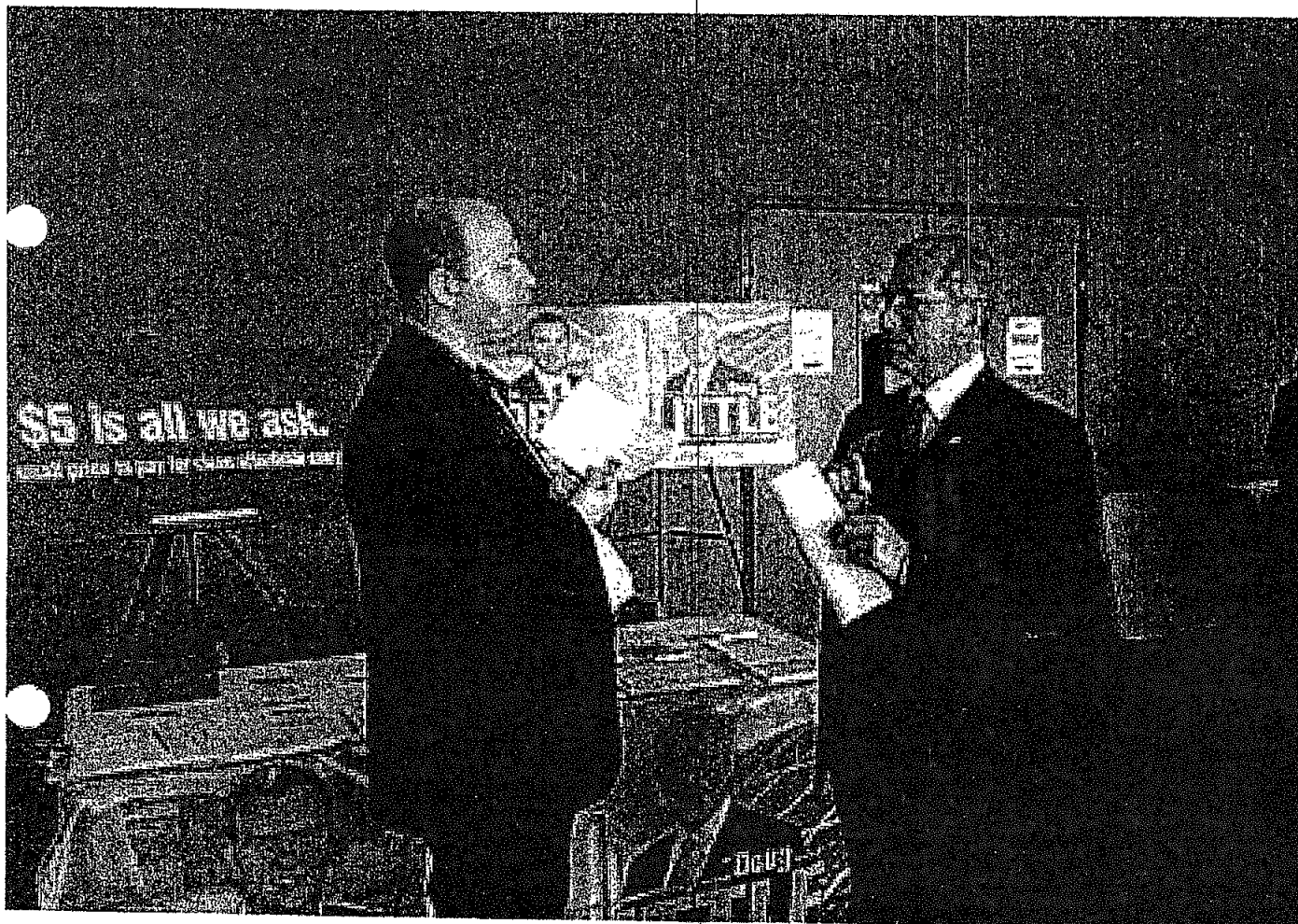
MORE STORIES



'Guardians' tops box office for fourth weekend

[/story/entertainment/movies/2014/09/07/guardians-tops-box-office-for](http://story/entertainment/movies/2014/09/07/guardians-tops-box-office-for)

2-2



Doug Little for Arizona Corporation
Commission
April 26, 12

Like · Comment · Share

3 people like this.



Doug Little for Arizona Corporation
Commission Asking for any of your hard-earned
money isn't easy, but we promise a good return on
your \$5 investment in clean, affordable energy.
Tom and I are running as Clean Elections
candidates, meaning we take no money from
special interest groups or lobbyists... See More



Arizona Clean Elections
Qualifying Contributions
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The Arizona Clean Elections
Commission is a fact-
Appointed State Agency
Coop. See More

Like · Reply · April 26 at 1:03pm



Write a comment

To: State of Arizona, Clean Elections Commission

October 6, 2014

Sara A. Larsen,
Financial Affairs & Compliance Officer
Re: CCEC MUR No. 14-023

Dear Ms. Larsen,

Regarding your Notice of Complaint and Response Opportunity Letter to:

Ken Muir
3701 E Meadowview Drive
Gilbert, AZ 85298

In early September 2014, I was asked if I would be a witness to Tom Forese and Doug Little signs being installed in July and August 2014, in and around the Phoenix metro area. I agreed to testify to this.

I was never asked if I had "been recently placing companion signs pointing out that these two are supported by utilities."

Had I been asked, I would have accurately stated, no.

Although I agreed to testify, I was never given a copy of the wording that would be used in the complaint filed by the Torres Law Group on September 9, 2014

The first time I saw the complaint was after it was filed. I immediately called the person who had asked me to be a witness, to express my surprise at the inaccurate statement. I advised that if I were called to testify I would correct the statement.

To reiterate, I had not been placing "companion signs pointing out that these two are supported by utilities."

Specifically regarding the complaint filed against me by Amy Heustad, I have never purchased or received contributions to purchase the signs referenced in Ms. Heustad's complaint.

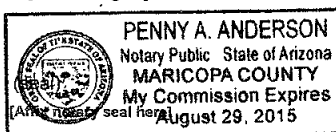
Since I have not purchased any political signs, I hope that demonstrates that no action should be taken on the basis of Ms. Heustad's complaint.

State of Arizona
County of Maricopa
[Arizona County]

Subscribed and sworn (or affirmed) before me this 6 day Oct, 2014
by Ken Muir
[Name of Signer] [Day] [Month] [Year]

Sincerely,

Ken Muir



[Signature]
Notary Public [Notary's Signature]

14OCT 6 PM 1:07 CCEC

Janice K. Brewer
Governor

Thomas M. Collins
Executive Director



Timothy J. Reckart
Chair

Louis J. Hoffman
Thomas J. Koester
Mitchell C. Laird
Steve M. Titla
Commissioners

State of Arizona
Citizens Clean Elections Commission

1616 W. Adams - Suite 110 - Phoenix, Arizona 85007 - Tel (602) 364-3477 - Fax (602) 364-3487 - www.azcleanelections.gov

NOTICE OF COMPLAINT AND RESPONSE OPPORTUNITY
Via Federal Express

September 29, 2014

Ken Muir
3701 E. Meadowview Drive
Gilbert, AZ 85298

RE: CCEC MUR No. 14-023

Dear Mr. Muir,

This letter is to notify you that on September 24, 2014, Amy Heusted filed a complaint against you (copy enclosed) with the Arizona Citizens Clean Elections Commission.

Commission rules provide that upon the filing of a complaint that substantially complies with Arizona Administrative Code Section R2-20-203, notification must be given to each respondent. Ariz. Admin. Code R2-20-204(A). Additionally, the rule provides for an advisement of compliance procedures. Those procedures are set forth in Article 2 of the Commission's Rules (Arizona Administrative Code Sections R2-20-201 to R2-20-228) as well as the Clean Elections Act (specifically Arizona Revised Statutes Section 16-940 to 16-961).

The Commission's rules provide that a respondent "be afforded an opportunity to demonstrate that no action should be taken on the basis of a complaint by submitting, *within five days from receipt of a written copy of the complaint*, a letter or memorandum setting forth reasons why the Commission should take no action." Ariz. Admin. Code R2-20-205(A). *Your response must be notarized, or the Commission will not consider it.* Ariz. Admin. Code R2-20-205(C). Failure to respond to this complaint within five days may be viewed as an admission to the allegations. *Id.* **Please provide a response no later than Tuesday, October 7, 2014.**

This matter is in the initial stages of review. A finding will be made only after the Commission has fully reviewed this matter. Please contact me if you have any questions at (602) 364-3477 or by e-mail at sara.larsen@azcleanelections.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read "Sara A. Larsen", is written over a horizontal line.

Sara A. Larsen
Financial Affairs & Compliance Officer
Citizens Clean Elections Commission

Enclosure