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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](http://www.azcleanelections.gov)

**NOTICE OF COMPLAINT AND OPPORTUNITY TO RESPOND**  
**Via Federal Express and E-mail**

August 10, 2018

Daria Lohman  
8263 E Lupine Ave.  
Scottsdale, AZ 85260  
[daria4azsenate@gmail.com](mailto:daria4azsenate@gmail.com)

**RE: CCEC MUR #18-09**

Dear Ms. Lohman:

This letter serves as an internal complaint against you by the Executive Director of the Arizona Citizens Clean Elections Commission.

Complaint

Recently, the Clean Elections Commission Staff reviewed your Second Quarter Campaign Finance Report. Exhibit 1. That report indicates that on 5/14/2018 you made a payment "backpay" to your campaign manager totaling \$3875.00. Exhibit 1 Page 11. Your Campaign Finance Reports also indicates that you raised \$253.09 in personal and family contributions cumulatively, as well as \$3,489.97 in individual contributions. You reported cumulative expenditures of \$12,546.00 and received Clean Elections Funding.

Your First Quarter Report, however, stated that you had cash balance of \$2,485.66. Exhibit 2. Had you paid the campaign manager at that time, you would not have had sufficient cash on hand to cover the expense. Ariz. Admin. Code § R2-20-104(D)(6) (Prior to qualifying for Clean Elections funding, a candidate shall not incur debt, or make an expenditure in excess of the amount of cash on hand."). Further, Section R2-20-110(A)(3) states:

"A candidate may authorize an agent to purchase goods or services on behalf of such candidate, provided that: a. Expenditures shall be reported as of the date that the agent promises, agrees, contracts or otherwise incurs an obligation to pay for the goods or services; b. The candidate shall have sufficient funds in the candidate's campaign account to pay for the amount of such expenditure at the time it is made and all other outstanding obligations of the candidate's campaign committee; and c. Within seven calendar days of the date upon which the amount of the expenditure is known, the candidate shall pay such amount from the candidate's campaign account to the agent who purchases the goods or services.

At a minimum, a review of your campaign finance reports indicates there may be a violation of R2-20-104 and 110(A).

In addition, if there was not cash on hand, but an agreement to provide services was reached, there may have been a violation of A.R.S. §16-941(A); *see also* A.R.S. 16-945. A contribution is “any money, advance, deposit, or other thing of value made to a person for the purpose of influencing an election.” A.R.S. 16-901. Here, to the extent that the services were provided, they may be considered an advance or other form of contribution. Please explain why these charges should not be considered contributions in excess of those permitted under the Act.

### Opportunity for Response

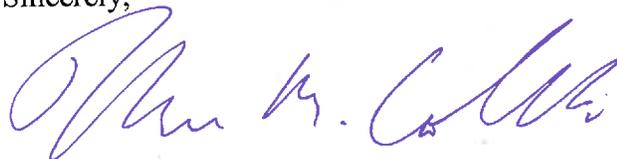
Commission rules require notification to be given to the Respondent of a Complaint. Ariz. Admin. Code R2-20-204(A). Additionally, the rules provide that you be advised of compliance procedures. Those procedures are set forth in Article 2 of the Commission’s Rules (Arizona Administrative Code Sections R2-20-201 to R2-20-228) as well as the Clean Elections Act (specifically Arizona Revised Statutes §§ 16-940 to 16-961), which are available on the Commission website at [www.azcleelections.gov](http://www.azcleelections.gov).

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). Generally, a failure to respond to a complaint within five days may be viewed as an admission to the allegations. *Id.*

The purpose of requesting a response is to determine whether you have violated provisions of the Citizens Clean Elections Act or rules and are subject to penalties under the Act or rules

Commission rules require that you be given this notice and Complaint. The issuance of this notice and Complaint do not constitute a finding related to the Complaint. A finding, if any, may be made only after the Commission has reviewed the matter. Please contact us if you have any questions at (602) 364-3477 or by e-mail at [mike.becker@azcleelections.gov](mailto:mike.becker@azcleelections.gov). Your reply is due no later than **August 17, 2018**.

Sincerely,



Thomas M. Collins  
Executive Director  
Citizens Clean Elections Commission

cc: Andy Gaona