NOTICE OF RULEMAKING DOCKET OPENING

CITIZENS CLEAN ELECTIONS COMMISSION

1. Title and its heading: Administration, Title 2

Chapter and its heading: Clean Elections, Chapter 20

Subchapter and its heading (if applicable): NA

Article and its heading: Article 1 General Provisions

Part and its heading (if applicable): Certification as a Participating Candidate

Section numbers: R2-20-104

2. The subject matter of the proposed rule:

Updates to existing rules for clarity,

3. A citation to all published notices relating to the proceeding:

Not Applicable

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Thomas M. Collins

Address: 1616 E. Adams, Suite 110, Phoenix, 85007

Telephone: (602) 364-3477

E-mail: ccec@azcleanelections.gov

5. The time during which the agency will accept written comments and the time and place where oral comments may be made: If approved for public comment, comments will be accepted up to and including the date of the oral proceedings.

6. A timetable for agency decisions or other action on the proceeding, if known:

Goal is approve in 60 days, at or near the beginning of the participating candidate qualifying period.

NOTICE OF PROPOSED RULEMAKING

TITLE 2. ADMINISTRATION

1. Article, Part, or Section Affected (as applicable) Rulemaking Action

A.A.C. R2-20-104, Loans to Participating Candidates.

2. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):

Authorizing statute: A.R.S. § 16-956(A)(7)

Implementing statute: A.R.S. 16-941(A)-(B).

3. Citations to all related notices published in the *Register* as specified in R1-1-409(A) that pertain to the record of the proposed rule:

N/A

4. The agency's contact person who can answer questions about the rulemaking:

Name: Thomas M. Collins

Address: 1616 W. Adams, Suite 110, Phoenix, AZ 85007

Telephone: (602) 364-3477

E-mail: ccec@azcleanelections.gov

Web site: <u>www.azcleanelections.gov</u>

- 5. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:
 - A.A.C. R2-20-104: Clarifies that personal funds and loans received by participating candidates are subject to the expenditure limits in A.R.S. § 16-941(A)(2) and limits imposed by A.R.S. § 16-941(A)(1). The clarification is the result of analysis of the rule during the 2018 election cycle and is consistent with stakeholder practices and the Commission's understanding of the rule's intent.
- 6. A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

 Not applicable.

- 7. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:

 These changes do not diminish a previous grant of authority to a political subdivision of this state.
- 8. The preliminary summary of the economic, small business, and consumer impact:

There is no economic or consumer or small business impact other than that imposed by statute.

9. The agency's contact person who can answer questions about the economic, small business and consumer impact statement:

Name: Thomas M. Collins

Address: 1616 W. Adams Suite 110, Phoenix 85007

Telephone: (602) 364-3477

E-mail: ccec@azcleanelections.gov

Web site: www.azcleaneletions.gov

10. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Pursuant to A.R.S. § 16-956, a sixty-day public comment period precedes an oral hearing which is the earliest the Commission may act on a proposed rule. Rule comments are accepted, in addition, through the web site, email, and regular mail, as well as at call to the public at interim meetings. Rules that are passed unanimously may be made effective immediately. All other approved rules are effective January 1. A.R.S. § 16-956(C), (D).

11. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:

Not applicable.

a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:

No.

- b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:

 No.
- c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:

No.

12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:

Not Applicable

13. The full text of the rule follows:

A.A.C. R2-20-104

A. NO CHANGE

B. NO CHANGE

C. NO CHANGE

D. NO CHANGE

E. Loans. A participating candidate may accept an individual contribution as a loan or may loan his or her campaign committee personal monies during the exploratory and qualifying periods only. The total sum of the contribution received or personal funds and loans-shall not exceed the expenditure limits set forth in A.R.S. § 16-941(A)(1). PERSONAL FUNDS AND LOANS SHALL NOT EXCEED THE EXPENDITURE LIMITS SET FORTH IN A.R.S. § 16-941(A)(2). And (2). If the loan is to be repaid, the loans shall be repaid promptly upon receipt of clean elections funds if the participating candidate qualifies for clean elections funding. Loans from a financial institution or bank, to a candidate used for the purpose of influencing that candidate's election shall be considered personal monies and shall not exceed the personal monies expenditure limits set forth in A.R.S. § 16-941(A)(2).

F. NO CHANGE

G. NO CHANGE