

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 7 Use of Funds and Repayment

Part and its heading (if applicable):

Section numbers: R2-20-702

2. The subject matter of the proposed rule:

Updates to existing rules for clarity and to update regarding certain legislation.

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@azcleelections.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 to approve in 60 days, at or near the beginning of the participating candidate qualifying period.

NOTICE OF PROPOSED RULEMAKING

TITLE 2. ADMINISTRATION

CHAPTER 20. ARIZONA CITIZENS CLEAN ELECTIONS COMMISSION

PREAMBLE

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

A.A.C. R2-20-702, Participating Candidates use of Clean Elections Funding.

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. § 16-948

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@azcleaselections.gov

Web site: www.azcleaselections.gov

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 An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking: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. R2-20-702: Conforms Commission rules to statutory changes enacted by 2018's Proposition 306, which amended A.R.S. § 16-948

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@azcleaselections.gov

Web site: www.azcleaselections.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 rules follows:

A.A.C. R2-20-702

R2-20-702. Use of Campaign Funds

A. No Change

B. A participating candidate may:

1. Make a payment from the candidate's campaign bank account:

a. To a political committee or civic organization ~~including a person with tax exempt status under section 501(a) of the internal revenue code~~ or an unincorporated association. The payment is not a contribution if the payment is reasonable in relation to the value received.

b. For customary charges for services rendered, such as for printing and obtaining voter or telephone lists, shall be considered reasonable in relation to the value received.

c. Of not more than \$200 per person to attend a political event open to the public or to party members shall be considered reasonable in relation to the value received.

2. ~~Only make an advanced payment to a political party for services such as consulting, communications, field employees, canvassers, mailers, auto dialers, telephone town halls, electronic communications and other advertising purchases and other campaign services if an itemized invoice identifying the value of the service is provided directly to the participating candidate at the time of the advanced payment.~~

~~a. Payment in the absence of an itemized invoice or advanced payment for such services shall be deemed a contribution to the political party.~~

~~b. Payment may be advanced for postage upon the receipt of a written estimate and so long as any balance is returned to the candidate if the advance exceeds the actual cost of the postage.~~

~~c. Payment may be advanced for advertising that customarily requires prepayment upon the receipt of a written estimate and so long as any balance is returned to the candidate if the advance exceeds the actual cost of the advertisement.~~

~~d. A political party may not mark up or add any additional charge to the value of services provided to the particular candidate. All expenditures must be for the services used by the particular participating candidate.~~

~~e. The Commission shall be included in the mail batch for all mailers and invitations. The Commission shall also be provided with documentation from the mail house, printer or other original source showing the number of mailers printed and the number of households to which a mailer was sent. Failure to provide this information within 7 days after a mailer has been mailed may be considered as evidence the mailer was not for direct campaign purposes.~~

D. No Change

E. No Change

F. No Change

G. No Change