

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* first as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the Register after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 2. ADMINISTRATION

CHAPTER 12. OFFICE OF THE SECRETARY OF STATE

PREAMBLE

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| 1. <u>Section Affected</u> | <u>Rulemaking Action</u> |
| Article 10 | New Article |
| R2-12-1001 | New Section |
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific).**
Authorizing statute: A.R.S. § 16-902.01
Implementing statute: A.R.S. § 16-902.01
- 3. The effective date of the rules:**
August 23, 2000
- 4. A list of all previous notices appearing in the Register addressing the final rule:**
Notice of Rulemaking Docket Opening: 6 A.A.R. 1746, May 12, 2000
Notice of Proposed Rulemaking: 6 A.A.R. 1872, May 26, 2000
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
Name: Richard Slaughaupt
Campaign Finance Training & Enforcement Supervisor

Address: Office of the Secretary of State
1700 West Washington, 7th floor
Phoenix, Arizona 85007

Telephone: (602) 542-6169
Fax: (602) 542-6172
E-Mail: rslaugnhaupt@mail.sosaz.com
- 6. An explanation of the rule, including the agency's reasons for initiating the rule:**
Pursuant to A.R.S. § 16-902.01(E), a Political Committee which is active in more than one reporting jurisdiction in Arizona for more than one year may file a statement of organization with the Secretary of State, declaring the committee's status as a Standing Political Committee (defined in A.R.S. § 16-901(23)). Subsequently, Standing Political Committees are required to file campaign finance reports only with the Secretary of State, and are exempt from filing campaign finance reports with the filing officer of other jurisdictions in which they are active (A.R.S. § 16-913(K)).

A.R.S. § 16-902.01(E) permits the Secretary of State to charge an annual fee for the filing. R2-12-1001 establishes this annual fee.
- 7. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying the study, any analysis of the study, and other supporting material.**
Not applicable
- 8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable

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9. The summary of the economic, small business, and consumer impact.

An annual fee of \$250 will be assessed for a Political Committee that chooses to declare its standing as a Standing Political Committee with the Secretary of State, thereby exempting the committee from filing campaign finance reports with other jurisdictions in which it is active. This filing process will reduce the cost to organizations and consumers that are now or may in the future establish themselves as (a) corporate or labor separate segregated fund political committees, (b) political party or political party organization committees, and (c) committees organized for the purpose of making independent expenditures.

Adoption of this rule will permit the Secretary of State to collect an annual filing fee for the purpose of deferring staff time, office equipment and supplies, and computer-related costs associated with receiving ten campaign finance reports for each committee per year, along with maintaining the records and making the records available to political subdivisions and to the public. Electronic filings and data production for campaign finance records of Standing Political Committees over the Internet increases access to those records on a state-wide basis, resulting in faster and more accurate information to consumers, voters, and the business community. The \$250 annual fee for a Standing Political Committee is offset by the reduced cost incurred by this committee to produce multiple campaign finance reports in multiple jurisdictions across Arizona as required in A.R.S. Title 16, Chapter 6. There will be no additional economic impact on small businesses or consumers.

Political subdivisions within the State of Arizona will realize a cost savings, since the filing officer of these jurisdictions will not be required to receive and maintain campaign finance reports filed by Standing Political Committees.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

Not applicable

11. A summary of the principal comments and agency response to them:

The agency received one comment that expressed approval and support from the commentator.

12. Any other matters prescribed by the statute that are applicable to the specific agency of to any specific rule or class of rules:

Not applicable

13. Incorporations by reference and their location in the rules:

None

14. Was this rule previously published as an emergency rule?

No

15. The full text of the rules as follows:

TITLE 2. ADMINISTRATION

CHAPTER 12. OFFICE OF THE SECRETARY OF STATE

ARTICLE 10. CAMPAIGN CONTRIBUTIONS AND EXPENSES; STANDING POLITICAL COMMITTEES

Section

R2-12-1001. Filing Fees

ARTICLE 10. CAMPAIGN CONTRIBUTIONS AND EXPENSES; STANDING POLITICAL COMMITTEES

R2-12-1001. Filing Fees

- A.** A fee of \$250.00 shall accompany the filing of a Statement of Organization that declares the status of a Standing Political Committee. Regardless of the date of filing of a Statement of Organization, the annual registration of all Standing Political Committees shall expire midnight on December 31.
- B.** A fee of \$250.00 shall be submitted to the Secretary of State for the annual renewal of a Standing Political Committee's status. Annual renewal fees are due and payable on or before January 1.
- C.** All fees shall be made payable to the Office of the Secretary of State. Fees paid to the Secretary of State for Standing Political Committee status are non-returnable and non-transferable.