

# NOTICES OF EXEMPT RULEMAKING

The Administrative Procedure Act requires the *Register* publication of the rules adopted by the state's agencies under an exemption from all or part of the Administrative Procedure Act. Some of these rules are exempted by A.R.S. §§ 41-1005 or 41-1057; other rules are exempted by other statutes; rules of the Corporation Commission are exempt from Attorney General review pursuant to a court decision as determined by the Corporation Commission.

## NOTICE OF PROPOSED EXEMPT RULEMAKING

### TITLE 2. ADMINISTRATION

#### CHAPTER 20. CITIZENS CLEAN ELECTIONS COMMISSION

[R07-58]

#### PREAMBLE

- 1. Sections Affected**  
R2-20-702  
R2-20-702.01
- Rulemaking Action**  
Amend  
Amend
- 2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**  
Authorizing statute: A.R.S. § 16-940, *et seq.*  
Implementing statute: A.R.S. § 16-956(C)
- 3. The effective date of the rules:**  
June 1, 2007
- 4. A list of all previous notices appearing in the Register addressing the exempt rule:**  
Notice of Rulemaking Docket Opening: 13 A.A.R. 1049, March 23, 2007 (*in this issue*)
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**  
Name: Todd Lang, Executive Director  
Address: Citizens Clean Elections Commission  
1616 W. Adams, Ste. 110  
Phoenix, AZ 85007  
Telephone: (602) 364-3477  
Fax: (602) 364-3487  
E-mail: todd.lang@azcleelections.gov  
or  
Name: Eric Peterson, Administrative Counsel  
Address: Citizens Clean Elections Commission  
1616 W. Adams, Ste. 110  
Phoenix, AZ 85007  
Telephone: (602) 364-3477  
Fax: (602) 364-3487  
E-mail: eric.peterson@azcleelections.gov
- 6. An explanation of the rule, including the agency's reasons for initiating the rule, including the statutory citation to the exemption from regular rulemaking procedures:**  
R2-20-702 prescribes permissible uses for campaign funds.  
R2-20-702.01 prescribes permissible uses of assets purchased with campaign funds.  
Adoption and amendment of the above described rules is exempt from regular rulemaking procedures pursuant of A.R.S. § 16-956(C).

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7. A reference to any study relevant to the rule that the agency reviewed and either relied on in its evaluation of or justification for the rule or did not 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
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
9. The summary of the economic, small business, and consumer impact:  
Not applicable
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 comments made regarding the rule and the agency response to them:  
Not applicable  
Comments received during 60-day period following filing of this Notice of Proposed Exempt Rulemaking will be declared on a final Notice of Exempt Rulemaking.
12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:  
Not applicable
13. Incorporations by reference and their location in the rules:  
Not applicable
14. Was this rule previously made as an emergency rule?  
No
15. The full text of the rules follows:

TITLE 2. ADMINISTRATION

CHAPTER 20. CITIZENS CLEAN ELECTIONS COMMISSION

ARTICLE 7. USE OF FUNDS AND REPAYMENT

Section

R2-20-702. Use of Campaign Funds

R2-20-702.01. Use of Assets

ARTICLE 7. USE OF FUNDS AND REPAYMENT

**R2-20-702. Use of Campaign Funds**

- A. A participating candidate shall use funds in the candidate's current campaign account to pay for goods and services for direct campaign purposes only. Funds shall be disbursed and reported in accordance with A.R.S. § 16-948(C).
  - B. A participating candidate's payment from a campaign account to a political committee or civic organization is not a contribution if the payment is reasonable in relation to the value received. Payment of customary charges for services rendered, such as for printing voter or telephone lists, and payment of not more than ~~\$150~~ \$200.00 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.
  - C. A participating candidate shall not use funds in the candidate's campaign account for:
    1. Costs of legal defense in any campaign law enforcement proceeding.
    2. Food and beverages for staff and volunteers exceeding ~~\$7~~ \$11.00 for breakfast, ~~\$7.50~~ \$16.00 for lunch, and ~~\$15~~ \$27.00 for dinner.
    3. Personal use, which includes any item listed below:
      - a. Household food items or supplies.
      - b. Clothing, other than items of de minimis value that are used in the campaign, such as campaign "t-shirts" or caps with campaign slogans.
      - c. Tuition payments, other than those associated with training campaign staff.
      - d. Mortgage, loan, rent, lease or utility payments:
- ~~±i~~ For any part of any personal residence of the candidate or a member of the candidate's family; or

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- ~~2-ii.~~ For real or personal property that is owned or leased by the candidate or a member of the candidate's family and used for campaign purposes, to the extent the payments exceed the fair market value of the property usage.
  - e. Admission to a sporting event, concert, theater or other form of entertainment, unless part of a specific campaign activity.
  - f. Dues, fees or gratuities at a country club, health club, recreational facility or other nonpolitical organization, unless they are part of the costs of a specific fundraising event that takes place on the organization's premises.
  - g. Gifts or donations.
- 4. Fixed assets with a value in excess of ~~\$600~~ \$800.00 provided the item is for a sufficient campaign use.

**R2-20-702.01. Use of Assets**

A participating candidate may use assets such as signs, pamphlets, and office equipment from a prior election cycle only after the candidate's current campaign acquires the assets for an amount equal to the fair market value of the assets, which amount shall in no event be less than one-fourth (1/4) the original purchase price of such assets. If the candidate was a participating candidate during the prior election cycle, the cash payment shall be made to the Fund. If the candidate was not a participating candidate during the prior election cycle, the cash payment shall be made to the prior campaign. If the prior campaign account of a nonparticipating candidate is closed, the payment shall be made to the candidate.