

\$\$\$ FREQUENTLY ASKED QUESTIONS ABOUT CAMPAIGN FINANCE REPORTING \$\$\$

WHEN DO I NEED TO REGISTER A COMMITTEE?

Candidates for office in the City of Phoenix must register as a Candidate Committee if the candidate receives contributions or makes expenditures, in any combination, of at least \$1,100 in connection with that candidacy. An entity must register as a Political Action Committee if the entity: 1) is organized for the primary purpose of influencing the result of an election; and 2) knowingly receives contributions or makes expenditures, in any combination, of at least \$1,100 in connection with any election during a calendar year. A fund that is established by a Corporation, Limited Liability Company, Labor Organization or Partnership for the purpose of influencing the result of an election shall register as a Political Action Committee. Committee qualifications can be found in A.R.S. §16-905. All committees must register with each jurisdiction in which they are active.

HOW DO I REGISTER MY COMMITTEE?

Each committee must file a Statement of Organization with the City Clerk within ten days of qualifying as a committee. Once registered, the committee must file Campaign Finance Reports. Entities that form to influence the result of an election but do not meet the \$1,100 monetary threshold to qualify as a committee, must keep track of all contributions received and expenditures made and are required to register with a Statement of Organization if that entity does meet the \$1,100 monetary threshold at any time. If any information reported on the Statement of Organization changes, the committee shall file an amended Statement of Organization reporting the change within ten days after the change. *A.R.S. §16-906(C).*

WHAT IS A STANDING COMMITTEE?

Committees active in more than one jurisdiction in this state that meet the definition of A.R.S. §16-901(48) must file a Statement of Organization with the Secretary of State **and** apply for status as a standing committee. This designation allows a committee to centrally file Campaign Finance Reports with the Secretary of State's office electronically rather than with every jurisdiction in which they are active.

A standing committee shall file a Statement of Organization with the Secretary of State and in each jurisdiction in which the committee is active, pursuant to A.R.S. §16-906(E), and only the Secretary of State shall issue an identification number for the committee.

DO I HAVE TO REPORT CONTRIBUTIONS AND EXPENDITURES?

All registered committees are required to file Campaign Finance Reports. The number of reports to be filed and when they are due depends on the type of committee you have registered. Campaign Finance Reports are filed on a Calendar Quarter basis, and Pre-Election and Post-Election reports are due in Calendar Quarters when there is an election. You must file a report whenever a report is required even if your committee did not have any activity. There is not a separate "No Activity Statement." For Political Action Committees, quarterly reports are required every quarter, even when there is no election.

Candidate Committees are only required to file Campaign Finance Reports during the 12 month period preceding the date of the potential Runoff Election for their office.

WHEN ARE REPORTS DUE?

Quarterly reports are due before midnight on the 15th day of the month after the Calendar Quarter ends and cannot be filed earlier than the 1st day of that same month. *A.R.S. §16-927.* If the filing deadline falls on a weekend or holiday, the report will be due on the next business day, beginning July 2018. *A.R.S. §§1-243(A) and 1-303.*

A Campaign Finance Reporting schedule is attached for your reference. The reporting periods for Candidate Committees are on pages 1-2 and reporting periods for Political Action Committees are on pages 3-4.

WHEN MUST I START FILING CAMPAIGN FINANCE REPORTS? WHEN CAN I STOP?

Your first Campaign Finance Report will be the required report for the reporting period during which you filed your Statement of Organization. Even if your committee was only in existence for a few days in a reporting period you still must file the next report. *A.R.S. §16-927.*

When you can stop filing Campaign Finance Reports depends on the date you file your Termination Statement. You must file Campaign Finance Reports that cover every day between the date your Statement of Organization was filed and the date your Termination Statement is filed. Your committee is not terminated by filing a report with a zero balance or by losing an election.

HOW DO I FILE MY REPORT?

You must use the web-based [eFiling System](#) provided by the City Clerk. All contributions and expenditures must be entered in the system, using the appropriate campaign finance schedules. All committee members are encouraged to set up a user ID to log-in to the secure web-based eFiling system. A [Campaign Finance eFiling User Manual](#) also is available online for committees registered with the City of Phoenix. The User Manual contains a list of all campaign finance reporting schedules and their titles for reference. Both the eFiling System and the eFiling User Manual are available at Phoenix.gov/Elections.

WHO IS RESPONSIBLE FOR FILING THE CAMPAIGN FINANCE REPORT AND MAINTAINING COMMITTEE RECORDS?

The treasurer is legally responsible for the accuracy of the report, and is also the custodian of the committees' books and accounts, pursuant to A.R.S. §16-907(A).

WHAT IF I HAVE NOTHING TO REPORT?

If you filed a Statement of Organization for your political committee, but you did not receive any contributions and did not spend any money during the reporting period, you are *still* required to file a Campaign Finance Report indicating the committee had no financial activity for the applicable reporting periods.

WHAT IF A CANDIDATE OR POLITICAL ACTION COMMITTEE FAILS TO FILE A REQUIRED REPORT?

There are certain penalties that are prescribed in A.R.S. §16-937 that will apply if there is a failure to file a required report. "Failure to File" exists when a committee fails to timely file their report by the deadline set in A.R.S. §16-927.

When a committee fails to file a Campaign Finance Report, the City Clerk will send a written notice by email to the committee within five days after the filing deadline that identifies the late report, describes how fines accrue and identifies methods of payment. There is a **late filing penalty of \$10 for each calendar day the report is late** (including weekends and holidays) for the first 15 days after the report is due. The penalty **automatically increases to \$25 for each subsequent calendar day** that the report is not filed. There is no maximum amount or cap on late filing penalties. A late report should be filed as soon as possible to minimize the penalties owed.

WHAT HAPPENS IF I DON'T FILE AFTER RECEIVING THE NOTICE FROM THE CITY CLERK?

The late filing penalty automatically increases to \$25 for each subsequent calendar day that the report is not filed beginning on the 16th day after the filing deadline. If the committee fails to file the report by the 30th day after the deadline, the City Clerk is required to notify the City's Law Department, which will take enforcement action on the committee's failure to file.

WHAT IF CIRCUMSTANCES PREVENT A CANDIDATE OR POLITICAL COMMITTEE FROM FILING A REPORT WHEN IT WAS DUE OR AFTER THE WRITTEN NOTICE OF DELINQUENCY WAS DELIVERED?

There is no provision to request an exemption from paying the penalty for a Campaign Finance Report that was filed late. Campaign Finance Reports are due by the deadline set forth in A.R.S. §16-927.

AFTER THE ELECTION MUST I CONTINUE TO FILE CAMPAIGN FINANCE REPORTS?

Yes. Each committee must continue to file all reports as scheduled or required until a Termination Statement has been filed. *A.R.S. §16-927(C)*.

WHEN MAY A COMMITTEE FILE A TERMINATION STATEMENT?

A committee may terminate only when the committee chairman, treasurer, and candidate (if applicable) sign and file a Termination Statement with the City Clerk certifying under penalty of perjury that:

1. The committee will no longer receive any contributions or make any disbursements.
2. The committee either:
 - (a) Has no outstanding debts or obligations.
 - (b) Has outstanding debts or obligations, or both, that are all more than five years old, and that the committee's creditors have agreed to discharge the debts and obligations and have agreed to the termination of the committee.
3. Any surplus monies have been disposed of and that the committee has no cash on hand.

4. All contributions and expenditures have been reported, including any disposal of surplus monies.

A standing committee may terminate its activities in the City of Phoenix and remain active in other jurisdictions by filing a statement of that intent with the Phoenix City Clerk. *A.R.S. §16-934(E)*.

AFTER FILING A TERMINATION STATEMENT, DO I HAVE TO FILE ANY MORE REPORTS?

No. After fully filing an appropriate Termination Statement, a committee is not required to file any subsequent reports. However, the committee is no longer eligible to accept contributions or make expenditures without filing a new Statement of Organization if it qualifies as a committee under A.R.S. §16-905.

WHERE IS THERE MORE INFORMATION ABOUT CAMPAIGN FINANCE REPORTING?

For additional information, please refer to A.R.S. Title 16, Chapter 6.

Note: Materials provided by the City Clerk or Secretary of State are intended to assist in meeting the requirements of candidacy; however, it is the candidate's responsibility to see that all legal requirements have been met.