

**Report of the January 19, 2017 Citizens Clean Elections Commission Meeting**  
**By Rivko Knox**

NOTE: The numbered items below do not reflect the meeting agenda, which includes items such as a 'call to order,' 'approval of prior meeting minutes' etc. but rather the topics that I think are of interest to LWVAZ. Numbering is for ease of reference if anyone has questions.

1. Present: All five of the Commissions were present along with Tom Collins, the Executive Director and other staff. This was the first meeting with Mr. Steve Titla as chair. (A bit of information about him appears at the end of this Report, Note #1.) Further, as I mentioned in prior reports, there will very very very soon be a vacancy on the Commission. And below is a link to the information about how the vacancy will be filled. Senator Katie Hobbs will appoint the next Commissioner, whose term will start on Feb. 1 and expire, Jan. 31, 2022; the person cannot be a Democrat and must live outside of Pima County. As I've also said in prior reports, it would ideal to have an LWV member in that position but.... time is running out.

<http://www.azcleelections.gov/CmsItem/File/292>

2. Executive Director's Report. Tom Collins, the Executive Director, reported that staff were gearing up to provide education on the next set of elections to be held in March, i.e., in Goodyear, Phoenix and Tucson for City Council. He also mentioned an article in the AZ Capitol Times, January 16, by Mike Becker, stating that the Secretary of State would not seek enforcement of several late or missing trigger reports even though they were effective for this election. These required traditional candidates who receive \$1,000 or more in the days leading up to an election to file a report. Even though this requirement was removed with the passage of SB1516, it was still effective for the Nov. 2016 election. Also, please see below (Note #2) regarding legislation that might affect the CCEC.

3. Report on Voter Education Activities in 2016 and Plan for 2017. Gina Roberts presented a very comprehensive report, with data showing when, how and how effective various voter education activities were in 2016 to include the number of TV ads, on line information, the Voters' Guides, the number of debates, the number who watched and the comments submitted about such. These voter education activities were based on research done in 2015 as well as very recent post 2016 election information. Among the key findings: voters still don't feel they know enough about the issues; millennials remain apathetic – they do not feel their votes matters; there is distrust of the system; people don't see the importance of voting; and the Voters' Guide was a key tool for a large number.

Ms. Roberts also pointed out that there were additional elections coming on March 14, May 16, August 27 and November 7. And that August 1, is the start of the \$5 qualifying period for Clean Election Candidates for the 2018 election – time is passing!!

Regarding the 2017-18 Voter Education Plan, Ms. Roberts said additional research will continue, both qualitative (surveys) and quantitative (focus groups) to help refine the plan. CCEC staff will try to customize the voting experience (meet the different needs of different voters), enhance the tools developed during the last two years, continue work with the Native American community (via ITCA); hold a roundtable to include the Secretary of State, staff from counties, cities and towns including (including town clerks), and also bring in National organizations involved with voting issues as well as community groups. Collins said that a lot of what the CCEC does is driven by demand with staff being very involved with and attending meetings of city clerks etc. etc. (NOTE: county and local governments rarely have enough money or expertise to focus on voter education; they handle the actual elections and use the CCEC for the voter ed part).

**NOTE:** LWVAZ and local leagues might consider having Ms. Roberts come and give her comprehensive report, which was very enlightening.

4. Final Audit Approval for Participating Candidates in 2016. Sara Larson, CCEC staff, discussed the audit process, i.e., the Commission hires an outside auditor and then randomly selects candidates for audits. Fourteen (14) candidates were selected for audits from the 2016 primary election, with the auditors looking at 10 random transactions (5 contributions and 5 expenditures). The audit of only one candidate, a Jesus Rubalcava, indicated unusual transactions and funds going into/out of a personal checking account, and staff is considering referring the issue for an enforcement audit (much more detailed.) Although the law requires all Clean election candidates funds to be in one separate account, the actual checks are issued by the GAO, which is really set up to deal with vendors. One of the Commissioners thought that perhaps new rules needed to be created to ensure that the CCEC can immediately track where rules are deposited. The overall report was approved by the Commission with any potential future action after the one enforcement audit to be brought to the Commission at a later meeting.

5. Additional Enforcement Actions. Four (4) such issues were brought to the Commission, with one, submitted by Mr. Constantin Querard, a consultant who works almost exclusively with Republican candidates, against a list of Democratic candidates, resulting in Mr. Collins writing a memo discussing this unique situation. Mr. Querard spoke on this issue, Jim Barton, attorney for the Democratic Party responded and there were many questions from the Commissioners. The issue: the Democratic candidates all hired the Democratic Coordinated Campaign to provide consultant services, training etc. etc., paying different amounts for such, with out any detailed backup, i.e., lack of 'specificity' according to Mr. Querard and which Mr. Q stated might raise the issue of 'joint expenditures.' The AZ Democratic Party Executive Director provided a sworn statement regarding the services provided. Collin's memo stated that he felt Mr. Q was reiterating the allegations of the Free Enterprise Club's November 2016 press release alleging that Clean Elections was being 'used' to actually help fund the AZ Democratic Party; whereas Collins felt the issue was one of how deeply the CCEC should

micromanage the campaign expenditures of a Clean Elections Candidates. Further he stated, both in the memo and at the meeting, that before an investigation can begin, a threshold of “reason to believe a violation may have occurred” must be met in the view of three Commissioners. Although some Commissioners felt that perhaps new rules were needed to ensure more specificity, at the end of the lengthy testimony from Mr. Q and Mr. Barton and questions/comments from the Commissioners, the Commission agreed with the staff’s determination that there was ‘no reason to believe...’

There were two other enforcement actions reported on relating to a Senate and House Victory PAC. In both cases the PACs agreed to pay a fine although they raised some concerns about whether the CCEC had jurisdiction in the matter.

6. The CCEC and the Governor’s Regulatory Review Council (GRRC) 5 Year Report. This issue, which has been going on for a **very very very** long time (as reflected in each of my reports) continues. Collins said that a revised report has been submitted to the GRRC and that a GRRC member may attend the next Commission meeting to address this issue.

7. Public Comment. I took the opportunity to tell the Commissioners how much LWVAZ appreciated the participation of CCEC staff in the planning and implementation of the Voters’ Rights Summit to include helping us identify and make contact with several speakers, with a special ‘thank you’ to Gina Roberts for appearing on two panels AND being mentioned by a very large number of people submitting evaluations as one of the most articulate, enthusiastic and informative speakers.

Submitted by Rivko Knox

**NOTE #1.** Steve M. Titla is a Democrat from Gila County. Senate Democratic Leader Leah Landrum Taylor appointed Steve M. Titla in July 2013. Mr. Titla is a partner in the Titla & Parsi law firm and is admitted to practice law both in Arizona and on the San Carlos Apache Reservation.

**Note #2.** Below are the election bills that may impact the Commission.

**HCR 2004** – Clean Elections Repeal; Education Funding Sponsor – Rep. Leach (bill has been assigned to House Appropriations)

The bill would place on the November 2018 ballot the question of whether or not to repeal the Clean Elections Act and divert the Clean Elections Fund to the Department of Education to be distributed to school districts and charter schools

Effect on CCEC: Would eliminate the Clean Elections Act.

**HCR 2002** - Repeal 1998 Prop. 105 - Sponsor – Rep. Ugenti Rita

This bill would place on the November 2018 ballot the question of whether or not to repeal Proposition 105. Proposition 105 was passed by the voters in 1998 and requires any changes to items passed by the people to further the purpose and be passed by  $\frac{3}{4}$

vote of the legislature.

Effect on CCEC: – If passed, would allow the Legislature to change and/or eliminate any issue passed by the people.

**HB 2026** - Secretary of State; Omnibus – Sponsor – Rep. Coleman (bill has been assigned to House Government)

This bill would make a multitude of changes to the functions County Elections Officers and County Recorders have and give the authority to the Secretary of State.

Effect on CCEC: – Minimal effect on the Commission. The one area that would affect the Commission is 41-1011 preparation and publication of the code and register. This section would give the Secretary of State's office the ability to remove a rule that the Governor's Regulatory Review Council says has expired.