# ARIZONA STATE SENATE RESEARCH STAFF



## ANNA NGUYEN LEGISLATIVE RESEARCH ANALYST

ELECTIONS COMMITTEE

Telephone: (602) 926-3171

TO: MEMBERS OF THE SENATE

**ELECTIONS COMMITTEE** 

DATE: May 14, 2024

SUBJECT: Strike everything amendment to H.C.R. 2056, relating to elections

## Purpose

Prohibits the use of foreign monies for election administration purposes or to influence the outcome of a ballot measure. Changes the date by which early ballots must be returned to the county recorder from 7:00 p.m. on election day to 7:00 p.m. on the Friday before election day, with exceptions for delivery to the office of the county recorder during emergency voting. Requires the county recorder or other officer in charge of elections to provide for on-site tabulation of all ballots for all voting conducted during early voting or on election day.

## Background

## Foreign Monies

The Federal Election Campaign Act of 1971 (Act) prohibits a foreign national from directly or indirectly participating in the decision making process regarding a person's federal or non-federal election related activities, including by way of: 1) a contribution or donation of money or other thing of value in connection with a federal, state or local election; 2) a contribution or donation to a committee of a political party; or 3) an expenditure, independent expenditure or disbursement for electioneering communication. In 2021, the Federal Elections Commission determined that spending specifically related to ballot initiatives is generally outside the purview of the Act because such spending is not in connection with elections as defined by the Act. In 2021, the Legislature enacted legislation that prohibited the state or a city, town, county, school district or other public body that conducts or administers elections from receiving or expending private monies for the purpose of preparing for, administering or conducting an election, including to register voters (52 U.S.C. § 30121; FEC; and Laws 2021, Ch. 199).

#### **Voting**

Laws 2022, Chapter 271 allows every county recorder or other officer in charge of elections to provide for a qualified elector who presents valid identification to have the elector's voted early ballot tabulated on-site at the elector's designated polling location or voting center. Statute outlines requirements for a voting location that allows on-site tabulation, including requirements that the county recorder or other officer in charge of elections: 1) designate an area within the precinct or voting center for processing voted early ballots on-site that is separate from the area for regular in person voting; 2) categorize and separately tally electors whose voted early ballots are tabulated on-site; and 3) reconcile the number of electors who appear on the signature roster or e-pollbook with the number of completed early ballot affidavits and voted early ballots tabulated on-site.

Once an elector presents valid identification, the elector must present the elector's early ballot affidavit to the election official in charge of the signature roster, and the election official must confirm that the name and address on the completed affidavit reasonably appears to be the same as the name and address on the precinct register. If the elector's affidavit is not complete, the election officer must allow the elector to complete the affidavit. The election official may not allow for the on-site tabulation of an early ballot until the elector presents a completed early ballot affidavit. When the elector proceeds to the tabulating equipment, under observation of an election official, the elector must remove the early ballot from the completed affidavit envelope, deposit the empty completed affidavit envelope in the secured and labeled drop box and insert the ballot into a tabulating machine. An elector that does not present valid identification must either deposit the early ballot, while still in the ballot's affidavit envelope, in an official drop box or proceed to the area designated for election day voting to surrender the early ballot to the election board for retention and not for tabulating. The elector may then vote a provisional ballot.

<u>Laws 2024, Chapter 1</u> allows a voter, beginning in 2026, to provide valid identification when presenting the voter's mailed early ballot at any voting location and, upon confirming that the name and address on the voter's identification appears to be the same name and address shown on the voter's registration record, requires the election official to place the early ballot and affidavit in the secured ballot box labeled for verified early ballots and stamp the signed affidavit with a stamp that reads *ID verified*. The voter's early ballot is then deemed ready for tabulating and is exempt from additional signature verification.

Laws 2024, Chapter 1 extends the deadline for in-person early voting from 5:00 p.m. on the Friday before election day to 7:00 p.m. on the Friday before election day. Beginning in 2026, the early ballot instructions must include a statement that in order to be valid and counted the mail affidavit containing the ballot must have the voter's signature on the envelope and be returned to the office of the county recorder by: 1) delivering the affidavit and ballot to the county recorder or other officer in charge of elections by 7:00 p.m. on election day; 2) depositing the affidavit and ballot at any polling place in the county by 7:00 p.m. on election day; or 3) bringing the ballot to any polling place in the county by 7:00 p.m. on election day and presenting valid identification.

## **Appropriations**

In 2022, the Legislature appropriated, from the state General Fund (state GF), \$5,000,000 in FY 2024 and \$6,000,000 in FY 2025 to the State Treasurer to distribute on a proportional basis to county recorders that purchase ballot paper that uses specific security features, including watermarks or unique ballot identifiers, or both (<u>Laws 2022, Ch. 313</u>).

The strike-everything amendment to H.C.R. 2056 reduces the FY 2025 and FY 2026 appropriations to the State Treasurer from the state GF by \$5,000,000 in FY 2024 and \$6,000,000 in FY 2025 and appropriates \$11,000,000 from the state GF in FY 2025 to the Secretary of State (SOS).

## **Provisions**

## Foreign Monies

1. Prohibits a foreign government from giving and a person, entity or committee from accepting or using monies or in-kind goods or services contributed by a foreign government or a foreign nongovernmental source to influence the outcome of an election on a ballot measure.

- 2. Requires a person, entity or committee that is required to file campaign finance reports to certify in the reports that the person, entity or committee has not accepted or used prohibited foreign monies or in-kind goods or services.
- 3. Prohibits a government entity in Arizona from using monies or in-kind goods or services donated by a foreign government or any foreign nongovernmental source for election administration.
- 4. Requires a person that provides in-kind goods or services to a government entity for election administration to provide a certification to the SOS that includes a dated and sworn statement, under penalty of perjury, that the person is not knowingly the direct or indirect recipient of donations from a foreign source.
- 5. Requires the person to update the foreign donation certification annually.
- 6. Requires a person, if the person obtains information unknown at the time of initial certification, to update the initial certification within five business days to reflect the new information and to include a new statement that the person is now knowingly the direct or indirect recipient of foreign donations.
- 7. Requires the SOS to:
  - a) maintain records of submitted foreign donation certifications and to post the foreign donation certifications on the SOS's website;
  - b) require government entities to provide the SOS a quarterly report of all persons that provide in-kind goods and services for election administration to the government entity; and
  - c) notify a government entity by email if the government entity fails to file a quarterly report as outlined, and to advise the government entity of possible enforcement actions.
- 8. Classifies, as a class 1 misdemeanor, knowingly failing to provide an accurate initial or updated foreign donation certification to the SOS.
- 9. Stipulates that a person's failure to provide an accurate foreign donation certification:
  - a) invalidates any agreement between the person and a government entity; and
  - b) bars a state, county or local government entity from entering into or continuing any agreement with the person.
- 10. Allows the Attorney General to file an action regarding a person's knowing violation of the foreign donation prohibition or certification requirement.
- 11. Specifies that a foreign donation violation action may include a request for:
  - a) an injunction;
  - b) damages of at least \$5,000 for each knowing violation; and
  - c) other relief that the court may provide.

- 12. Allows any qualified elector or state officer to initiate a civil action to enjoin a foreign donation violation or enforce any requirement relating to disclosure of foreign donations.
- 13. Requires the court to award a prevailing civil claimant:
  - a) injunctive relief sufficient to prevent the defendant from violations or engaging in, acts that aid or abet foreign donation violations;
  - b) damages in the amount of \$1,000 per day from the date of noncompliance until the defendant comes into compliance; and
  - c) costs and attorney fees.
- 14. Specifies that the remedies, duties, prohibitions and penalties associated with foreign donation violations are in addition to all other causes of action, remedies or penalties as provided by law.
- 15. Defines *person* as an individual or a candidate, nominee, committee, corporation, limited liability company, labor organization, partnership, trust, association, organization, joint venture, cooperative or unincorporated organization or association.

## **Voting**

- 16. Allows, beginning in 2026, a county BOS, on a specific resolution that is voted on by a recorded vote, to authorize the county recorder or other officer in charge of elections to designate any county recorder's office for emergency voting.
- 17. Accelerates, beginning in 2026, from 7:00 p.m. on election day to 7:00 p.m. on the Friday before election day, the date by which a voted early ballot must be returned to the county recorder to be valid and counted, except that a qualified elector may deliver a voted early ballot during the Saturday, Sunday and Monday prior to election day to a county recorder's office designated for emergency voting by a county board of supervisors (county BOS).
- 18. Requires, beginning in 2026, every county recorder or other officer in charge of elections to allow a qualified elector to have the elector's ballot tabulated on-site, if the elector appears at a polling place during the period of early voting or on election day with the elector's voted early ballot in its envelope along with the early ballot affidavit.
- 19. Requires, beginning in 2026, all ballots for all voting conducted during early voting or on election day at a polling place or other voting location to be tabulated at the polling place or other voting location before being transported to a receiving station or central facility.
- 20. Applies the elector identification requirements for on-site tabulation of early ballots on election day to an elector that appears at a polling place with the elector's voted early ballot during early voting and on election day.
- 21. Exempts provisional, misread or write-in ballots from the on-site tabulation requirements.

- 22. Removes the stipulation that, to tabulate an elector's early ballot on-site, the elector's early ballot affidavit must be complete.
- 23. Replaces the specification that a voting center may be used for the purposes of emergency voting, on-site tabulation and ballot drop off by a caregiver or family or household member with a specification that the following locations may be used for the following purposes:
  - a) emergency voting locations, for emergency voting; and
  - b) polling places, for on-site tabulation and ballot drop-off by a caregiver or family or household member.
- 24. Specifies that an elector must sign the elector's name in the paper signature roster or electronic pollbook for the *polling place*, rather than *precinct*, before proceeding to the tabulating equipment.

## **Appropriations**

- 25. Reduces the following appropriations to the State Treasurer from the state GF for secure ballot paper by:
  - a) \$5,000,000 in FY 2024; and
  - b) \$6,000,000 in FY 2025.
- 26. Appropriates \$11,000,000 from the state GF in FY 2025 to the SOS to distribute to the counties on a proportional basis for the costs of implementing voter check-in and early voting and election day on-site ballot tabulation.
- 27. Exempts the appropriation from lapsing.

#### Miscellaneous

- 28. Makes technical and conforming changes.
- 29. Requires the SOS to submit the proposition to the voters at the next general election.
- 30. Becomes effective if approved by the voters and on proclamation of the Governor.