



1

City of Peoria • 8401 West Monroe Street • Peoria, Arizona 85345

OFFICE OF THE CITY ATTORNEY

CIVIL	602-412-7330
PROSECUTOR	602-412-7335
FACSIMILE	602-412-7043

OPINION NO. 94-07

TO: David Pearson, Council Member
FROM: Stephen M. Kemp, City Attorney
DATE: August 12, 1994
SUBJECT: Campaign Contributions for City Special Bond Election

QUESTION:

May corporations or labor organizations contribute to a campaign committee in support or opposition to passage of the bond questions referendum issue on the City's September 13, 1994 Special Bond Election. Further, if corporations or labor organizations may contribute, what is the limitation, if any, of the amount they may contribute?

OPINION:

Campaign contributions in Arizona elections are governed under the provisions of A.R.S. § 16-901, *et seq.* For purposes of analyzing the application of the statute, several terms need to be defined.

In A.R.S. § 16-919, an election is defined as the selection of a candidate for public office, political conventions or party caucuses. An election is not defined as including initiatives and bond questions. In A.R.S. § 16-901, a candidate is defined as an individual seeking election to a public office, political convention or party caucus.

Based on these definitions, clearly voter action on an initiative, referendum or bond question is not an election for purposes of restrictions on campaign contributions. The importance of this determination is that corporations and labor organizations are prohibited from making contributions to candidates and elections. See, A.R.S. § 16-919.

In answer to the first part of your question, this office concludes, that a corporation or labor organization may contribute to a campaign committee supporting or opposing the bond questions and referendum item on the September 13, 1994 election ballot.

The second part of your question involves the application of the provisions of the voter approved Proposition 200, enacted in 1986. Proposition 200 intended to establish comprehensive contribution limits in all elections. After several issues were raised regarding the application of Proposition 200 to special issue elections, in late 1987 then attorney general, Robert Corbin, issued an opinion that indicated that Proposition 200 contribution limitations do not apply to special issue elections.

Subsequently, the legislature has substantially amended the campaign contribution statutes. It is necessary to consider the statutes as a whole to determine the application to special issue elections. Considering the context of the statutes in total is appropriate under the rules of statutory construction. See, State v. Cereceres, 166 Ariz. 14, 800 P.2d 1 (App. 1990).

Reviewing the entire context of the statutes and the definitions for candidates and elections, it would lead to an absurd interpretation to hold that corporations in some elections could contribute, subject to certain contribution limitations, while in other elections their contributions are prohibited altogether.

A rational interpretation of the statutes in total would lead one to conclude that the legislature was afraid of the negative impacts corporate and labor organization money could have upon an elected official's or candidate's decision making processes. The same potential impact does not exist in special issue elections, since there are no candidates or elected officials to be influenced.

Considering this intent, and the plain language of the provisions of A.R.S. § 16-919 and 16-920, which are attached as appendices to this opinion, it is the conclusion of this office that individual, corporate & labor contributions are not subject to the contribution restrictions contained in A.R.S. § 16-905.

Opinion No. 94-07
Campaign Contributions for City Special Bond Election
Page 3

Finally, it should be noted that corporation and labor contributions are subject to the restrictions in A.R.S. § 16-920 prohibiting individuals from being compelled to make such contributions.

I trust that this answers your questions in this matter. If you should have any questions, please do not hesitate to contact me.

cc: Honorable Mayor and Council

SMK\OPINION\94-07