



Bill Number: S.B. 1819

Borrelli Floor Amendment

Reference to: printed bill

Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

1. Requires any vendor that provides fraud countermeasures that are contained in or on the paper used for ballots to be ISO 27001 certified, ISO 17025 certified or ISO 9001:2015 certified.
2. Requires ballot fraud countermeasures to include the use of at least three of the following:
 - a) unique, controlled-supply watermarked clearing bank specification 1 security paper;
 - b) secure holographic foil that acts as a visual deterrent and anti-copy feature;
 - c) branded overprint of any hologram that personalizes the hologram with customer logo;
 - d) custom complex security background designs with banknote-level security;
 - e) secure variable digital infill;
 - f) thermochromic, tri-thermochromic, photochromic or optically variable inks;
 - g) stealth numbering in ultraviolet, infrared or taggant inks;
 - h) multicolored micro-numismatic invisible ultraviolet designs;
 - i) unique forensic fraud detection technology that is built into security inks; or
 - j) unique bar code or QR code that is accessible only to the voter and that tracks the voter's ballot as it is processed.
3. Establishes the Election Integrity Fund consisting of legislative appropriations and administered by the State Treasurer.
4. Appropriates \$12,000,000 from the state GF in FY 2022 to the Election Integrity Fund and exempts the appropriation from lapsing.

Amendment explanation prepared by Mike Hans

6/22/21

- 5. Allows monies in the Election Integrity Fund to be used only to pay county recorders for election security, cybersecurity measures and improvements and reimbursements for post-election hand tabulations, including for additional staffing.**
- 6. Requires county recorders to apply for Election Integrity Fund monies and requires the State Treasurer to make payments from the Fund if the county applications are reviewed and approved by the State Treasurer.**
- 7. Establishes the Joint Task Force on Unreported In-Kind Political Contributions (Joint Task Force) consisting of designees from the Attorney General (AG) and SOS.**
- 8. Requires the Joint Task Force to investigate whether and to what extent the business or other practices of social media platforms and internet search engines result in unreported in-kind political contributions to candidates in Arizona that violate Arizona campaign finance laws.**
- 9. Allows the Joint Task Force to take appropriate enforcement action and investigate the following actions as possible unlawful political contributions:**
 - a) permanent or temporary cancellation or other restrictions on a candidate's access to a social media platform;**
 - b) algorithmic bias against one or more candidates or a political party; and**
 - c) algorithmic promotion of one or more candidates or a political party.**
- 10. Establishes the Unreported In-Kind Political Contributions Task Force Fund consisting of legislative appropriations and administered by the AG.**
- 11. Appropriates \$500,000 from the state GF in FY 2022 to the Unreported In-Kind Political Contributions Task Force Fund.**
- 12. Allows monies in the Unreported In-Kind Political Contributions Task Force Fund to be used only to fund the Joint Task Force.**
- 13. Specifies monies in the Unreported In-Kind Political Contributions Task Force Fund are continuously appropriated and exempt from lapsing.**
- 14. Exempts Election Integrity Fund monies from lapsing.**
- 15. Requires the Auditor General (OAG) to review the processes and statutory requirements for maintaining the statewide voter registration database, county early voting lists and the county voter registration databases for counties with a population of more than 1,000,000 persons.**

- 16. Requires the Secretary of State and county recorders to:
 - a) notify the OAG in writing of the total expenditures made for voter registration programs and events;**
 - b) provide a description of the programs and events, including any political party affiliation; and**
 - c) specify their attendance at programs, events and outreach activities and whether they used any third-party data in conducting these programs, events and activities.****
- 17. Requires the OAG to submit a report of its findings to the Legislature by June 30 of each even-numbered year and submit a copy of the report to the SOS.**
- 18. Appropriates \$500,000 from the state GF in FY 2022 to the OAG for the purposes of the voter registration database and early voting list review and reporting and exempts the appropriation from lapsing.**
- 19. Requires the SOS and each county recorder to post a list on their website of each event that the office of the SOS or county recorder attends and provides voter registration services.**
- 20. Requires each event to be posted on the public website within 24 hours of the SOS or county recorder's attendance of the event.**

BORRELLI FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1819
(Reference to printed bill)

1 Page 3, between lines 33 and 34, insert:

2 "Sec. 3. Title 16, chapter 1, article 3, Arizona Revised Statutes,
3 is amended by adding section 16-132, to read:

4 16-132. Voter registration events; website posting

5 THE SECRETARY OF STATE AND EACH COUNTY RECORDER SHALL POST ON THEIR
6 PUBLIC WEBSITE A LIST OF EACH EVENT THAT THE OFFICE OF THE SECRETARY OF
7 STATE OR THE COUNTY RECORDER ATTENDS AND PROVIDES VOTER REGISTRATION
8 SERVICES. EACH EVENT SHALL BE POSTED ON THE PUBLIC WEBSITE WITHIN
9 TWENTY-FOUR HOURS AFTER THE SECRETARY'S OR RECORDER'S ATTENDANCE AT THE
10 EVENT.

11 Sec. 4. Title 16, chapter 4, article 6, Arizona Revised Statutes, is
12 amended by adding section 16-504, to read:

13 16-504. Antifraud ballot paper; vendor certification;
14 antifraud measures

15 NOTWITHSTANDING ANY OTHER STATUTE, ANY VENDOR THAT PROVIDES FRAUD
16 COUNTERMEASURES THAT ARE CONTAINED IN AND ON THE PAPER USED FOR BALLOTS
17 SHALL BE ISO 27001 CERTIFIED, ISO 17025 CERTIFIED OR ISO 9001:2015
18 CERTIFIED. BALLOT FRAUD COUNTERMEASURES SHALL INCLUDE THE USE OF AT LEAST
19 THREE OF THE FOLLOWING:

20 1. UNIQUE, CONTROLLED-SUPPLY WATERMARKED CLEARING BANK SPECIFICATION
21 SECURITY PAPER.

22 2. SECURE HOLOGRAPHIC FOIL THAT ACTS AS A VISUAL DETERRENT AND
23 ANTI-COPY FEATURE.

24 3. BRANDED OVERPRINT OF ANY HOLOGRAM THAT PERSONALIZES THE HOLOGRAM
25 WITH CUSTOMER LOGO.

1 4. CUSTOM COMPLEX SECURITY BACKGROUND DESIGNS WITH BANKNOTE-LEVEL
2 SECURITY.

3 5. SECURE VARIABLE DIGITAL INFILL.

4 6. THERMOCHROMIC, TRI-THERMOCHROMIC, PHOTOCROMIC OR OPTICALLY
5 VARIABLE INKS.

6 7. STEALTH NUMBERING IN ULTRAVIOLET, INFRARED OR TAGGANT INKS.

7 8. MULTICOLORED MICRO-NUMISMATIC INVISIBLE ULTRAVIOLET DESIGNS.

8 9. UNIQUE FORENSIC FRAUD DETECTION TECHNOLOGY THAT IS BUILT INTO
9 SECURITY INKS.

10 10. UNIQUE BAR CODE OR QR CODE THAT IS ACCESSIBLE ONLY TO THE VOTER
11 AND THAT TRACKS THE VOTER'S BALLOT AS IT IS PROCESSED.

12 Sec. 5. Title 16, chapter 4, article 10, Arizona Revised Statutes, is
13 amended by adding section 16-604, to read:

14 16-604. Election integrity fund; purpose; exemption

15 A. THE ELECTION INTEGRITY FUND IS ESTABLISHED CONSISTING OF
16 LEGISLATIVE APPROPRIATIONS. THE STATE TREASURER SHALL ADMINISTER THE FUND.

17 B. MONIES IN THE FUND MAY BE USED ONLY TO PAY COUNTY RECORDERS FOR
18 ELECTION SECURITY, CYBERSECURITY MEASURES AND IMPROVEMENTS AND
19 REIMBURSEMENTS FOR POSTELECTION HAND TABULATIONS, INCLUDING FOR ADDITIONAL
20 STAFFING.

21 C. COUNTY RECORDERS SHALL APPLY FOR MONIES FROM THE FUND AND, ON
22 REVIEW AND APPROVAL BY THE STATE TREASURER, THE STATE TREASURER SHALL MAKE
23 PAYMENTS FROM THE FUND.

24 D. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION
25 35-190 RELATING TO LAPSING OF APPROPRIATIONS."

26 Renumber to conform

27 Page 24, after line 45, insert:

28 "Sec. 17. Title 41, chapter 1, article 5, Arizona Revised Statutes,
29 is amended by adding section 41-191.12, to read:

1 41-191.12. Unreported in-kind political contributions task
2 force fund; joint task force on unreported
3 in-kind political contributions; exemption

4 A. THE UNREPORTED IN-KIND POLITICAL CONTRIBUTIONS TASK FORCE FUND IS
5 ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS. THE ATTORNEY GENERAL
6 SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
7 APPROPRIATED. MONIES IN THE FUND MAY BE USED ONLY TO FUND THE JOINT TASK
8 FORCE ON UNREPORTED IN-KIND POLITICAL CONTRIBUTIONS ESTABLISHED BY THIS
9 SECTION.

10 B. THE JOINT TASK FORCE ON UNREPORTED IN-KIND POLITICAL
11 CONTRIBUTIONS IS ESTABLISHED CONSISTING OF DESIGNEES OF THE ATTORNEY
12 GENERAL AND THE SECRETARY OF STATE. THE JOINT TASK FORCE SHALL INVESTIGATE
13 WHETHER AND TO WHAT EXTENT THE BUSINESS OR OTHER PRACTICES OF SOCIAL MEDIA
14 PLATFORMS AND INTERNET SEARCH ENGINES RESULT IN UNREPORTED IN-KIND
15 POLITICAL CONTRIBUTIONS TO CANDIDATES IN THIS STATE IN VIOLATION OF TITLE
16 16, CHAPTER 6 AND MAY TAKE ENFORCEMENT ACTION AS APPROPRIATE. THE JOINT
17 TASK FORCE MAY INVESTIGATE THE FOLLOWING ACTIONS AS POSSIBLE UNLAWFUL
18 POLITICAL CONTRIBUTIONS:

19 1. PERMANENT OR TEMPORARY CANCELLATION OR OTHER RESTRICTIONS ON A
20 CANDIDATE'S ACCESS TO A SOCIAL MEDIA PLATFORM.

21 2. ALGORITHMIC BIAS AGAINST ONE OR MORE CANDIDATES OR A POLITICAL
22 PARTY.

23 3. ALGORITHMIC PROMOTION OF ONE OR MORE CANDIDATES OR A POLITICAL
24 PARTY.

25 C. MONIES IN THE UNREPORTED IN-KIND POLITICAL CONTRIBUTIONS TASK
26 FORCE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO
27 LAPSING OF APPROPRIATIONS."

28 Renumber to conform

29 Page 28, between lines 37 and 38, insert:

30 "Sec. 21. Section 41-1279.03, Arizona Revised Statutes, is amended
31 to read:

1 41-1279.03. Powers and duties

2 A. The auditor general shall:

3 1. Prepare an audit plan for approval by the committee and report to
4 the committee the results of each audit and investigation and other reviews
5 conducted by the auditor general.

6 2. Conduct or cause to be conducted at least biennial financial and
7 compliance audits of financial transactions and accounts kept by or for all
8 state agencies subject to the single audit act of 1984 (P.L. 98-502). The
9 audits shall be conducted in accordance with generally accepted
10 governmental auditing standards and accordingly shall include tests of the
11 accounting records and other auditing procedures as may be considered
12 necessary in the circumstances. The audits shall include the issuance of
13 suitable reports as required by the single audit act of 1984 (P.L. 98-502)
14 so that the legislature, the federal government and others will be informed
15 as to the adequacy of financial statements of ~~the~~ THIS state in compliance
16 with generally accepted governmental accounting principles and to determine
17 whether this state has complied with laws and regulations that may have a
18 material effect on the financial statements and on major federal assistance
19 programs.

20 3. Perform procedural reviews for all state agencies at times
21 determined by the auditor general. These reviews may include evaluation of
22 administrative and accounting internal controls and reports on these
23 reviews.

24 4. Perform special research requests, special audits and related
25 assignments as designated by the committee and conduct performance audits,
26 special audits, special research requests and investigations of any state
27 agency, whether created by the constitution or otherwise, as may be
28 requested by the committee.

29 5. Annually on or before the fourth Monday of December, prepare a
30 written report to the governor and to the committee that contains a summary
31 of activities for the previous fiscal year.

1 6. In the tenth year and in each fifth year thereafter in which a
2 transportation excise tax is in effect in a county as provided in section
3 42-6106 or 42-6107, conduct a performance audit that:

4 (a) Reviews past expenditures and future planned expenditures of the
5 transportation excise revenues and determines the impact of the
6 expenditures in solving transportation problems within the county and, for
7 a transportation excise tax in effect in a county as provided in section
8 42-6107, determines whether the expenditures of the transportation excise
9 revenues comply with section 28-6392, subsection B.

10 (b) Reviews projects completed to date and projects to be completed
11 during the remaining years in which a transportation excise tax is in
12 effect. Within six months after each review period, the auditor general
13 shall present a report to the speaker of the house of representatives and
14 the president of the senate detailing findings and making recommendations.

15 (c) Reviews, determines, reports and makes recommendations to the
16 speaker of the house of representatives and the president of the senate
17 whether the distribution of ARIZONA highway user revenues complies with
18 title 28, chapter 18, article 2.

19 7. If requested by the committee, conduct performance audits of
20 counties and incorporated cities and towns receiving ARIZONA highway user
21 revenue fund monies pursuant to title 28, chapter 18, article 2 to
22 determine whether the monies are being spent as provided in section
23 28-6533, subsection B.

24 8. Perform special audits designated pursuant to law if the auditor
25 general determines that there are adequate monies appropriated for the
26 auditor general to complete the audit. If the auditor general determines
27 the appropriated monies are inadequate, the auditor general shall notify
28 the committee.

29 9. Establish a schoolwide audit team in the office of the auditor
30 general to conduct performance audits and monitor school districts to
31 determine the percentage of every dollar spent in the classroom by the

1 school district. Each school district shall prominently post on its
2 website home page a copy of its profile pages that displays the percentage
3 of every dollar spent in the classroom by that school district from the
4 most recent status report issued by the auditor general pursuant to this
5 paragraph. The performance audits shall determine whether school districts
6 that receive monies from the Arizona English language learner fund
7 established by section 15-756.04 and the statewide compensatory instruction
8 fund established by section 15-756.11 comply with title 15, chapter 7,
9 article 3.1. The auditor general shall determine, through random
10 selection, the school districts to be audited each year, subject to review
11 by the joint legislative audit committee. A school district that is
12 subject to an audit pursuant to this paragraph shall notify the auditor
13 general in writing whether the school district agrees or disagrees with the
14 findings and recommendations of the audit and whether the school district
15 will implement the findings and recommendations, implement modifications to
16 the findings and recommendations or refuse to implement the findings and
17 recommendations. The school district shall submit to the auditor general a
18 written status report on the implementation of the audit findings and
19 recommendations every six months for two years after an audit conducted
20 pursuant to this paragraph. The auditor general shall review the school
21 district's progress toward implementing the findings and recommendations of
22 the audit every six months after receipt of the district's status report
23 for two years. The auditor general may review a school district's progress
24 beyond this two-year period for recommendations that have not yet been
25 implemented by the school district. The auditor general shall provide a
26 status report of these reviews to the joint legislative audit committee.
27 The school district shall participate in any hearing scheduled during this
28 review period by the joint legislative audit committee or by any other
29 legislative committee designated by the joint legislative audit committee.

30 10. NOTWITHSTANDING ANY OTHER LAW, REVIEW THE PROCESSES AND
31 STATUTORY REQUIREMENTS FOR MAINTAINING THE STATEWIDE VOTER REGISTRATION

1 DATABASE, COUNTY EARLY VOTING LISTS AND THE COUNTY VOTER REGISTRATION
2 DATABASES FOR COUNTIES WITH A POPULATION OF MORE THAN ONE MILLION PERSONS.
3 THE SECRETARY OF STATE AND THE COUNTY RECORDERS SHALL NOTIFY THE AUDITOR
4 GENERAL IN WRITING OF THE TOTAL EXPENDITURES MADE FOR VOTER REGISTRATION
5 PROGRAMS AND EVENTS AND SHALL PROVIDE A DESCRIPTION OF THOSE PROGRAMS AND
6 EVENTS, INCLUDING ANY POLITICAL PARTY AFFILIATION. THE SECRETARY OF STATE
7 AND THE COUNTY RECORDERS ALSO SHALL SPECIFY THEIR ATTENDANCE AT THESE
8 PROGRAMS, EVENTS AND OUTREACH ACTIVITIES AND WHETHER THEY USED ANY
9 THIRD-PARTY DATA IN CONDUCTING THESE PROGRAMS, EVENTS AND ACTIVITIES. ON
10 OR BEFORE JUNE 30 EACH EVEN-NUMBERED YEAR, THE AUDITOR GENERAL SHALL SUBMIT
11 A REPORT ON ITS FINDINGS TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF
12 THE HOUSE OF REPRESENTATIVES AND SHALL SUBMIT A COPY OF THE REPORT TO THE
13 SECRETARY OF STATE.

14 ~~10.~~ 11. Annually review per diem compensation and reimbursement of
15 expenses for employees of this state and members of a state board,
16 commission, council or advisory committee by judgmentally selecting samples
17 and evaluating the propriety of per diem compensation and expense
18 reimbursements.

19 B. The auditor general may:

20 1. Subject to approval by the committee, adopt rules necessary to
21 administer the duties of the office.

22 2. Hire consultants to conduct the studies required by subsection A,
23 paragraphs 6 and 7 of this section.

24 C. If approved by the committee, the auditor general may charge a
25 reasonable fee for the cost of performing audits or providing accounting
26 services for auditing federal funds, special audits or special services
27 requested by political subdivisions of this state. Monies collected
28 pursuant to this subsection shall be deposited in the audit services
29 revolving fund.

30 D. The department of transportation, the board of supervisors of a
31 county that has approved a county transportation excise tax as provided in

1 section 42-6106 or 42-6107 and the governing bodies of counties, cities and
2 towns receiving ARIZONA highway user revenue fund monies shall cooperate
3 with and provide necessary information to the auditor general or the
4 auditor general's consultant.

5 E. The department of transportation shall reimburse the auditor
6 general as follows, and the auditor general shall deposit the reimbursed
7 monies in the audit services revolving fund:

8 1. For the cost of conducting the studies or hiring a consultant to
9 conduct the studies required by subsection A, paragraph 6, subdivisions (a)
10 and (b) of this section, from monies collected pursuant to a county
11 transportation excise tax levied pursuant to section 42-6106 or 42-6107.

12 2. For the cost of conducting the studies or hiring a consultant
13 pursuant to subsection A, paragraph 6, subdivision (c) and paragraph 7 of
14 this section, from the Arizona highway user revenue fund."

15 Renumber to conform

16 Page 43, between lines 41 and 42, insert:

17 "Sec. 40. Appropriation; election integrity fund; exemption

18 A. The sum of \$12,000,000 is appropriated from the state general
19 fund in fiscal year 2021-2022 to the election integrity fund established by
20 section 16-604, Arizona Revised Statutes, as added by this act.

21 B. The appropriation made in subsection A of this section is exempt
22 from the provisions of section 35-190, Arizona Revised Statutes, relating
23 to lapsing of appropriations.

24 Sec. 41. Appropriation; unreported in-kind political
25 contributions task force fund

26 The sum of \$500,000 is appropriated from the state general fund in
27 fiscal year 2021-2022 to the unreported in-kind political contributions
28 task force fund established by section 41-191.12, Arizona Revised Statutes,
29 as added by this act.

30 Sec. 42. Appropriation; auditor general; exemption

1 A. The sum of \$500,000 is appropriated from the state general fund
2 in fiscal year 2021-2022 to the auditor general for the purposes prescribed
3 by section 41-1279.03, subsection A, paragraph 10, Arizona Revised
4 Statutes, as added by this act.

5 B. The appropriation made in subsection A of this section is exempt
6 from the provisions of section 35-190, Arizona Revised Statutes, relating
7 to lapsing of appropriations."

8 Renumber to conform

9 Amend title to conform

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