

YELLOW SHEET REPORT

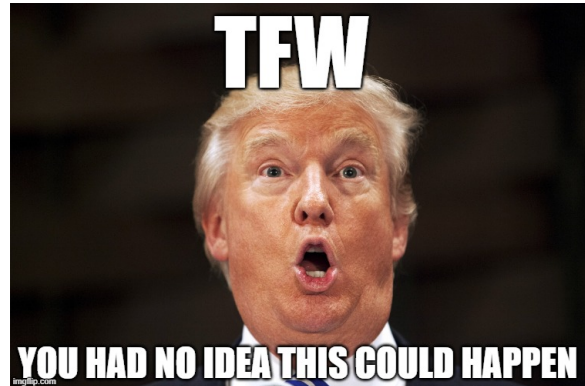
BRIDGETOWER MEDIA[©] by Arizona Capitol Reports, LLC unless otherwise credited. All rights reserved.

Friday, October 02, 2020

·NEWS NOTES AND GOSSIP·

IS IT AN OCTOBER SURPRISE IF IT'S NOT THAT SURPRISING?

Trump canceled his scheduled trip to Arizona next week after testing positive for the coronavirus yesterday. The situation is rapidly evolving – the president's doctor told reporters yesterday that he expected the president to continue to work as he recovers, and his chief of staff told reporters today that Trump and the first lady were experiencing "mild symptoms" from the virus. Shortly before our deadline, Trump was on his way to Walter Reed hospital ([LINK](#)). If the president were to succumb to the virus before November, it would throw the election, which has already started in some states, into chaos. If a candidate died earlier in the election cycle, the parties would have a chance to replace them, but this late in the game, changing names on the ballot isn't an option. Ballots in Arizona have already been printed and are scheduled to drop in mailboxes next week. And because of the state's "faithless elector" law, Arizona would be in an especially awkward position on how to handle the state's 11 electoral votes, should Trump pull off a posthumous victory here. (Arizona instituted the law in 2017, after some Republicans threatened not to support Trump if he won the 2016 election.). *The Washington Post*, citing NYU Professor Richard Pildes, noted that although faithless elector laws recently received unanimous support from the Supreme Court, electors would likely ignore the law and vote for the candidate picked by the RNC ([LINK](#)). "Those laws have a gap: they don't provide for what electors can or must do if Trump wins their state but can't serve. When these laws were written, state legislatures were not thinking about this remote possibility," Pildes wrote. "My view is that even if the electors are formally bound by state law to vote for the dead candidate, they will go ahead and vote for the candidate the RNC has identified to replace the president, if he cannot serve. It is hard to imagine they would be sanctioned for violating these laws; in any event, the sanctions are so mild no elector would be deterred by them in this situation," Pildes wrote. Arizona's faithless elector law, ARS 16-212, carries no penalty, other than being removed as an elector and replaced by another elector ([LINK](#)).



HE'LL HAVE THE WHOLE PLACE TO HIMSELF

The Biden campaign had only yesterday announced his first trip to Arizona this election cycle, and it appears that is still on track after he tested negative for the virus today. Yesterday's announcement came with few details, other than backing up reporting from *Bloomberg* that he and Kamala Harris would visit Arizona next Thursday. Biden kept to his scheduled trip to Michigan today. Still, despite the Biden campaign's decision to resume in-person canvassing and campaigning in some key swing states, Fernandez said that she expects most Democratic candidates to continue with remote, no-contact campaigning. "I think we'll continue to do phone banking, texting, postcards, letter writing – and we are doing lit drops, no-contact lit drops, letting people know who we are," Fernandez said. Arizona Democratic Party Chairwoman Felecia Rotellini said that she could not comment on how the Biden campaign's decision to resume in-person campaigning would impact Mission for Arizona (the Mark Kelly-Biden coordinated campaign) or other down-ballot races, as she had yet to receive a briefing from the Biden team.

THAT BEEPING NOISE IS YOUR BULLSH*T METER GOING OFF

Republicans, not Democrats, have voted to defund the police, the Arizona Democratic Legislative Campaign Committee claimed in an email blast this morning. Calls from activists to reform or completely abolish police forces have become a major issue in legislative races, with Republican candidates across the board trumpeting their support from police unions and accusing Democrats of being anti-law-enforcement. But Republicans, not Democrats, are responsible for a recent budget that cut \$1.6 million for gang enforcement funding from Maricopa County, right after the county elected Democratic Sheriff Paul Penzone. Laws 2017, Chapter 303 (H2540: budget; BRB; criminal justice; 2017-18), which passed along party lines, prohibited Maricopa County from receiving any funding from the Gang and Immigration Intelligence Team Enforcement Mission, a fund intended to deter gang activity by enforcing state laws. Prior to 2017, Maricopa County statutorily received the first \$1.6 million collected for the fund each year; after Penzone took office, lawmakers instead funneled much of that money to Pinal and Pima counties. Pima County received \$400,000, while lawmakers dedicated the remaining \$1.2 million to clear the backlog of rape test kits. Pinal County received an additional \$500,000, bringing total spending to \$2.1 million. At the time, Kavanagh openly said they were punishing Penzone for not enforcing federal immigration law – the new sheriff had announced plans to stop holding arrestees for ICE three months prior though he still cooperates with federal immigration authorities in county jails. “The sheriff of Maricopa County has made it quite clear that he’s out of the business of anti-immigration enforcement, so why would you give him money to do that? It’s a waste of taxpayer dollars... You spend money where money’s willing to be spent,” he said ([LINK](#)). Barrett Marson, spokesman for Ducey’s Arizonans for Strong Leadership PAC, said the claim should make anyone’s “bullsh*t meter” go off. “That’s a six Pinocchio fact check,” he said, adding if the DLCC cared about defunding police, “they would send out mailers against half of the Democratic caucus.” And in case there’s any question if Republicans support police, he pointed to the fact that Ducey and lawmakers spent \$75 million in 2019 for public safety pay raises, including 10 percent raises for Dept of Public Safety ([LINK](#)).



THEY'RE CLASSIER THAN THE BILLBOARD ON GRAND AVE

A national organization led by former GOP White House staffers and a homespun group of Arizona Republicans are both working to blanket the state in ads encouraging fellow Republicans to ditch Trump. Republican Voters Against Trump, a project led by the national organization Defending Democracy Together, today announced a \$3 million campaign to buy billboards in a handful of swing states, including more than 100 in Arizona. Each will feature a photo of a Republican (or former Republican) against an American flag background, alongside three facts about the person – the most important of which is that they’re voting for Biden. *Weekly Standard* founder Bill Kristol, who worked in the Reagan and Bush Sr. administrations, and former New Jersey Gov Christine Todd Whitman, the second Bush’s Environmental Protection Agency administrator, are among Defending Democracy Together’s directors. Closer to home, retired Arizona Court of Appeals judge Dan Barker and his newly formed organization, Arizona Republicans Who Believe in Treating Others with Respect, are trying to place 45,618 “Arizona Republicans for Biden” yard signs before the election ([LINK](#)). Barker landed on that number because it’s half-plus-one of Trump’s winning 2016 margin in Arizona. So far, the group has only set out 2,150 yard signs and seven billboards. It has a running list of 171 Republicans or former Republicans who have joined the group ([LINK](#)).

SO YOU'RE TELLING ME HE'S PRETTY FAR RIGHT?

National Democrats are making good on their promises to invest in LD11 despite the long odds of turning the deep red district purple. The American Leadership Committee, a PAC associated with the national Democratic Legislative Campaign Committee, spent just shy of \$25,000 each against Finchem and Leach last week, part of a roughly \$250,000 investment in Arizona the group made on Sept 23. Democrats, emboldened by strong returns for House candidate Felipe Perez and Senate candidate JoAnna Mendoza in the primaries, have made the district a surprise target. Republican groups are beginning to take note, campaign finance trigger reports from this week show. Arizonans for Strong Leadership, Ducey's PAC, has spent more than \$37,000 to support Leach, and has paid for a small run of attacks against Mendoza. One of the key Democratic strategies against Finchem – drawing attention to his ties with far-right militant groups – bore fruit yesterday, when the *Phoenix New Times* reported on records dug up by Democratic PAC Forward Majority showing that Finchem was the “Arizona Coordinator” for the Coalition of Western States. COWS, an anti-government, anti-public lands group, was involved in the 2016 standoff at the Malheur National Wildlife Refuge in Oregon ([LINK](#)). Still, the opposition research will come as no surprise to Finchem's supporters or critics, as he has never tried to hide his ties to militia-style groups.



ALWAYS KEEP AN EYE ON THE UNDERDOG

Speaking of possible underdogs, independent LD6 House candidate Art Babbott is continuing to attract attention from Republicans. The Republican Legislative Victory Fund, the House GOP's PAC, has spent nearly \$40,000 to attack Babbott, a Coconino County supervisor and former Flagstaff councilmember, while Ducey's Arizonans for Strong Leadership PAC has spent a little more than \$5,000 against Babbott. Babbott is jostling with Blackman, former lawmaker Brenda Barton, and Democratic Flagstaff Mayor Coral Evans for the district's two House seats. Republicans have treated Babbott as a threat, while taking a hands-off approach to Evans. LD6 continues to attract mountains of cash. While rumors abound that Coral Evans will report a near unheard of sum of campaign money at the end of the next reporting period, IEs, who report their finances more regularly, are doing their part as well. Left-leaning outside groups have spent more than \$365,000 against Blackman, more than any other lawmaker in the general election, according to trigger reports filed this week. One IE alone – Opportunity Arizona – spent around \$200,000 against Blackman last week.

THE GOP MAP IS SMALLER BUT TARGETED

Republican groups are ramping up spending against Peten, one of few potentially vulnerable House Democrats this election. According to trigger reports filed this week, two organizations, the Republican Legislative Victory Fund and the Arizona Free Enterprise Club, have spent roughly \$44,000 against Peten in the past two weeks. In Peten, an educator and academic who was first appointed to the Legislature in 2017, they see an opportunity. She lives in a portion of the district – exurban southwestern Maricopa County – which has become more conservative, and she received fewer votes in the primary than her Republican challenger, Joel John, a Spanish-speaking business owner from Buckeye. Fernandez led Peten by more than 4,000 votes in that election.

·PRESS RELEASES AND NEWS CLIPS·

U.S. Supreme Court Will Hear Arizona Ballot Harvesting Case

WASHINGTON, D.C. – Today, the Supreme Court of the United States (SCOTUS) decided it will review a case challenging Arizona’s election integrity laws concerning ballot harvesting and out-of-precinct voting. The Attorney General’s Office (AGO) is asking the High Court to bring clarity to these matters after a misguided ruling by the Ninth Circuit struck the measures down.

“We are pleased the Supreme Court will hear our case regarding Arizona’s restrictions on ballot harvesting and out-of-precinct voting. There is no higher priority for public officials than to maintain the integrity of elections,” said General Brnovich. “As we contend with a politically-polarized climate and battle a global pandemic, we must sustain the cornerstone of our government and ensure the will of the electorate is heard.”

Arizona, like every other State, has adopted rules to promote the order and integrity of its elections. Since the 1970’s, Arizona has required people to vote at their specific precinct. Additionally, in 2016, Arizona passed HB 2023 to restrict ballot harvesting, limiting who can collect and deliver a person’s ballot to a family member, household member, or caregiver.

Prohibiting unlimited third-party ballot harvesting is a commonsense means of protecting the secret ballot and preventing undue influence, voter fraud, ballot tampering, and voter intimidation. The bipartisan Commission on Federal Election Reform, chaired by former-President Jimmy Carter and former-Secretary of State James Baker (Carter-Baker Commission) recognized the threat and recommended that States prohibit people from handling absentee ballots, except for family members, the post office, or election officials. The Carter-Baker Commission found, “[a]bsentee ballots remain the largest source of potential voter fraud.”

If SCOTUS does not overturn the misguided Ninth Circuit ruling, other election integrity laws across the country could be in jeopardy. Presently, approximately 20 states have ballot harvesting laws substantially similar to Arizona or impose various regulations on ballot harvesting. Additionally, a majority of states require ballots to be cast in the correct precinct.

Arizona’s prohibition on ballot harvesting [remains in place](#) until the U.S. Supreme Court rules on the case, likely in early 2021.

Who’s paying for the Prop. 208 campaign?

Tax hike proponents leverage federal tax dollars to mount campaign for largest permanent tax increase in Ariz. history

PHOENIX (October 2, 2020)—Proponents of Proposition 208, an initiative to raise Arizona’s top individual income tax rate by 77.7%, have leveraged federal tax dollars via the CARES Act’s Paycheck Protection Program to launch and run their campaign.

Fundraising

The campaign’s biggest donor, Portland, Oregon-based Stand for Children, has [contributed](#) more than \$4 million toward the proposition’s passage.

Stand for Children Leadership Center, a 501(c)(3) nonprofit affiliated with Stand for Children, Inc., [secured](#) between \$1 million and \$2 million in PPP funds. [\[Source\]](#)

Stand for Children, Inc. is organized as a 501(c)(4).

The two entities share an address at 2121 SW Broadway, Portland, Oregon 97201. [\[Source\]](#), and [source\]](#)

The 501(c)(3)’s loan was approved on April 28, 2020. On May 4, 2020, Stand for Children, Inc. made a \$300,000 contribution to the campaign. Additional contributions followed, including \$600,000 on May 27, and \$350,000 on June 12.

The 501(c)(3) has a history of making contributions to Stand for Children, Inc. According the Leadership Center’s own financial statements, during the year ended August 31, 2019, the Leadership Center granted Stand for Children, Inc. \$830,000. [\[see page 16, source\]](#)

According to [IRS Rev. Rul. 2007-41](#), “Organizations that are exempt from income tax under section 501(a) of the Internal Revenue Code as organizations described in section 501(c)(3) may not participate in, or intervene in

(including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.”

According to the second quarter campaign finance report filed with the Arizona Secretary of State’s Office, Stand for Children, Inc. has contributed \$4,079,611.06 to the pro-tax campaign. [\[Source\]](#)

Signature gathering

According to Small Business Administration records, Petition Partners, the firm that circulated the tax proponents’ petitions for signatures, obtained a PPP loan between \$150,000 and \$300,000. [\[Source\]](#)

During trial court testimony in July, the firm’s president, Andrew Chavez, said his firm was paid “somewhere between 3.5 and \$3.8 million” by the Proposition 208 campaign.

Political consulting

[Strategies 360](#), a campaign consulting firm based in Seattle, has been [paid at least \\$33,300](#) by the pro-tax-increase campaign according to campaign finance reports. The firm [secured](#) between \$2 million and \$5 million in PPP funds.

No on 208 responds to proponents’ personal attacks

“The proponents of Proposition 208 have launched a broadside [personal attack](#) against the chairman of our opposition committee, who is serving in a voluntary capacity out of a desire to protect Arizona’s small businesses from a massive tax increase,” No on 208 spokesman Garrick Taylor said. “Meanwhile, the proponents have leveraged federal tax dollars intended to save small businesses to mount a campaign that would pummel them.”

PRESS CONFERENCE: Democrats call for additional Ducey action to address COVID-19 job losses, evictions

PHOENIX – Rep. Aaron Lieberman and members of the Democratic caucus will hold a press conference on Friday morning at the State Capitol with Arizonans economically impacted by COVID-19 to press Gov. Ducey for additional action. Lieberman and other House Democrats reached out to Gov. Ducey on Wednesday outlining requests for needed additional executive responses to the ongoing COVID-19 pandemic. The emergency boost for unemployment benefits approved under the federal CARES Act ran out last month, and Congress remains gridlocked over additional aid, but much of the original aid package remains unused. The letter is attached.

The **Press Conference** will be **10 a.m. Friday** in the Arizona State Capitol Rose Garden, 1700 W. Washington St., Phoenix. Joining Lieberman will be Reps. **Diego Espinoza, Reginald Bolding, Mitzi Epstein, Andrés Cano** and others, as well as at least one current unemployment recipient and small business owner trying to make ends meet during the pandemic.

"We should be spending our CARES Act dollars right now to fight COVID-19 and support our small businesses and schools that are struggling to deal with the pandemic right now," said Lieberman, D-Paradise Valley.

Epstein added, "Unemployment Insurance should be both a bridge to the next job for individuals, and an economic stabilizer for all Arizona. However, Arizona's current UI program does not adequately meet either need. I am leading the UI reform team to improve benefits, call for an audit, and provide accountability to taxpayers."

Maricopa County Expands COVID-19 Relief

Maricopa County has bolstered its support for residents who are struggling due to the COVID-19 pandemic with new CARES Act funding allocations to local non-profit organizations and food banks, as well as funding increases to programs for rental assistance and utility bill assistance.

Support for non-profit social service agencies

Recognizing the significant negative impact of the pandemic on local human services organizations that provide basic essential services to those in the need, the Board of Supervisors on Sept. 16 approved \$5 million in funding to support non-profit social service agencies. Administered by the Arizona Community Foundation, the funds will provide between 25 and 200 grants with awards ranging from \$25,000 to \$200,000 each.

Funding for food banks

To support food banks who are experiencing increased demand from residents due to financial hardships caused by the pandemic, the County has allocated \$3 million to the non-profit Arizona Food Bank Network. From those funds,

the Network will administer small and large grants to St. Mary's Food Bank Alliance, United Food Bank and Desert Mission Food Bank and their community partners.

"By working with our valued partners at the Arizona Community Foundation and the Arizona Food Bank Network, who have the necessary experience and expertise, we are able to quickly deliver funding to support critical services that many families in our community need right now," said Bruce Liggett, director of Maricopa County Human Services Department.

Additional details about food bank and non-profit assistance can be found at maricopa.gov/COVIDCommunityHelp.

Rental assistance

Several adjustments have been made to the COVID Crisis Rental Assistance program in order to better serve residents. The 3-month limit on assistance has been removed so families can potentially qualify for rent payments dating back to March. There is also less documentation required, further streamlining the application process. Program administrators also noticed a substantial number of applications coming from Mesa, which was not previously served by the COVID Crisis Rental Assistance program. To meet the need, the Board of Supervisors allocated \$6.25 million of CARES Act funding to bring rental assistance to Mesa. Now, individual households in Mesa can apply to receive \$1,500 per month for each month of rent owed. Mesa residents can get more information at mesaaz.gov/government/mesa-cares

So far, the COVID Crisis Rental Assistance program has provided help to more than 1,700 households for a combined 3,625 months (or \$5.4 million) of paid rent since it began in mid-July.

Residents across the County can check eligibility, apply for assistance and upload documents at maricopa.gov/COVIDRentHelp, or they can apply at their local Community Action Program office.

Congressman Andy Biggs Requests Special Counsel to Investigate New York Attorney General

WASHINGTON, D.C. – Today, Congressman Andy Biggs sent a letter to U.S. Attorney General William Barr, requesting that he appoint an independent Special Counsel to open a non-partisan investigation to determine whether New York Attorney General Letitia James violated any laws by her conduct or rhetoric against President Donald Trump and his family.

[Read the text of the letter below:](#)

¡Voy a Votar! DNC Chair Tom Perez, Cristela Alonzo, Mayor Romero, & Rep. Terán to Join CHC Virtual Bus Tour Stop in Arizona

On Sunday, October 4, Biden for President and the Congressional Hispanic Caucus will make a stop in Arizona on their ¡Voy a Votar! Virtual Bus Tour, traveling the country in honor of Hispanic Heritage Month. DNC Chair Tom Perez, actress Cristela Alonzo, Tucson Mayor Regina Romero, U.S. Rep. Nanette Barragán, and Arizona Rep. Raquel Terán will highlight what's at stake this year and emphasize the importance of getting involved in this election. During the virtual stop, Mayor Romero and Rep. Terán will square in a "best food" competition between Tucson and Phoenix. Mayor Romero and Rep. Terán will each interview a local restaurant owner in their community, while highlighting how Joe Biden and Kamala Harris will support Latino small businesses and why it's critical that Arizonans are ready to be "First Week Voters" when early voting begins on Wednesday, October 7.

LOGISTICAL INFORMATION

Details are subject to change.

SUNDAY, OCTOBER 4

¡Voy a Votar! Virtual Bus Tour Stop in AZ

Start Time: 3:00 PM AZ Time.

Press RSVP: Media interested in attending should [RSVP HERE](#) no later than 1:00 PM AZ Time Sunday, October 4.

Event Attendance: Members of the public interested in attending should [RSVP HERE](#).

Arizonans Demand McSally, Senate Republicans Pass COVID Relief As 500,000 Arizonans Remain Out-of-Work

PHOENIX — Arizonans are demanding that appointed Senator Martha McSally and Senate Republicans pass much needed COVID relief as more than [500,000 Arizonans remain out of work](#) and [forecasters predict an increase in coronavirus cases](#) in the coming months.

McSally [promised ‘swift relief’ for workers](#) but she has [done nothing](#) to help those who remain out-of-work. She [joined her Senate Republican colleagues](#) in [blocking additional relief](#) while a critical \$600 in unemployment insurance ran out before going on a month-long vacation.

More than [40 Arizona leaders urged Senate Republicans](#) this week to prioritize COVID relief over confirming a new Supreme Court justice because “out-of-work Arizonans are struggling to get by through the election, let alone another week.”

McSally previously [voted](#) to limit Arizonans’ unemployment benefits in March as the pandemic forced the economy to shut down. With the deadline looming, McSally ignored Arizona workers and instead introduced a bill to give wealthy families a \$24,000 vacation tax giveaway.

“We’re seeing this week that the coronavirus crisis is far from over, and McSally is failing to lead or live up to her promises,” said **Honest Arizona executive director Niles Harris**. “It’s time for McSally to do her job and provide out-of-work Arizonans the relief that she promised, including extending unemployment insurance so they can pay their bills and provide for their families.”

“QUOTE OF THE DAY”

“If the DLCC really cared about defunding police, they would send out mailers against half of the Democratic caucus.”

- Barrett Marson, spokesman for Ducey’s Arizonans for Strong Leadership PAC, on Democrats claiming Republican lawmakers defunded police