YELLOW SHEET REPORT

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Tuesday, June 23, 2020

·NEWS NOTES AND GOSSIP·

WHEN IN DOUBT, BLAME MEXICO

Trump, Ducey, McSally and Lesko didn't wear masks and scantly mentioned the coronavirus during their trip to Yuma, where cases are spiking and the president rattled off border stats while praising himself and the Arizona politicians. *ABC15* was on hand to catch a video of the politicians gladhanding and signing a piece of the border wall (LINK), while *The Daily Beast* noted that during a conference call with Trump's coronavirus task force leader yesterday, Ducey blamed the state's spike, in part, on Mexicans with US citizenship crossing the border for better medical care (LINK). (The Ninth Floor pushed back on *The Daily Beast's*



characterization of that conversation, though their transcript of the call supported *The Daily Beast's* summary (LINK).) In rambling comments before his border roundtable, Trump followed that line of thinking, arguing that without the border wall that he has beefed up, "it would be a catastrophic situation." McSally parroted that point, arguing border security is health security. "I think people realize now in this pandemic that borders matter," she said. Ducey, in short measured comments, praised the president for strengthening border security, saying his is the first administration to offer more than lip service to the issue. None of the politicians were wearing masks, despite Yuma's masking mandate. Meanwhile in Phoenix, a mostly maskless mob has been forming outside of the Dream City Church, which is hosting today's Students for Trump event. (Organizers had pledged to follow the county's masking mandate, but evidence of enforcement was scant.) On hand were a number of local politicos, including Fann, Bowers, Kern, Barto, Ugenti-Rita with three kids in tow, Biggs, former congressman Trent Franks, and former and current state treasurers Jeff DeWit and Yee, who were all lined up hours ahead of the scheduled remarks.

WHEN IN DOUBT, BLAME ARPAIO



As Trump headed to Arizona today, Democrats, including Gallego, Fernandez and A Hernandez, held a conference call that served up a smorgasbord of complaints against the president who is running behind in the once reliably red state. The call, hosted by the DNC, had a theme – that Trump, McSally and Ducey offer "failed leadership" and that if Democrats take the presidency, US Senate and statehouse, they can turn the state and country around. Tom Perez, DNC chair, said national Democrats are going all-in on Arizona, and will "leave no zip code behind" in their attempts to purple the newly

minted battleground state. Perez threw out a litany of Dem complaints about the president – from COVID-19 testing and funding to police misconduct to DACA to Obamacare and preexisting conditions – and used former Sheriff Joe Arpaio, who is running an unlikely "re-election" campaign after winning Trump's pardon, as a cudgel to hammer Trump. "If the voters in Arizona want to know the difference between Donald Trump and Joe Biden, look no further than Joe Arpaio. The Obama-Biden administration prosecuted Joe Arpaio, Donald Trump pardoned Joe Arpaio," he said.

THE GOP IS IN THE ICU

Local Democrats hammered on the spiking number of people who have contracted COVID-19, noting that while the president is in Yuma, where cases have been skyrocketing, he should stop into the overfull hospitals. Fernandez, who represents Yuma, said when Ducey reopened Arizona, her zip code had 20 positive cases. "One month later, we're at more than 250 per day... It has been just demoralizing," she said, noting that it harms America's food chain when workers picking lettuce in the "leafy green capitol of the world" are getting sick. "We should be testing, we should be tracking, but our president and governor have failed us," she said. She urged Trump to shed some hope in Arizona and don a mask to set an example. "But he won't," she said. A Hernandez said Republicans are "losing it right now" because Democrats are on the cusp of a takeover. "We know [Trump is in Arizona] because



he knows he's losing," she said. She argued that while Democrats want to do more, the majority at the Capitol hasn't "seen COVID as a serious threat." Arizona reported another 42 deaths and more than 3,500 positive cases today, breaking the previous record of new cases, she noted. "We're moving backward," she said, arguing Trump's rally will only make those numbers worse. "When the CDC says 'Do not have gatherings of more than 10 people,' I think that's something that as leaders, we have to abide by."

TRUST GOVERNOR, ER, SECRETARY HOBBS



Hobbs is seeking JLBC approval to spend \$695,000 in federal funds provided through the Help America Vote Act on election security, including a PR campaign to combat misinformation and purchasing of massive numbers of USB drives. The bulk of the request, on JLBC's consent agenda for tomorrow, is \$500,000 for a nationwide communications effort to promote accurate election information and inform the public about trusted sources – the Secretary of State and county elections departments. The office also wants to spend \$50,000 on overtime and travel expenses for counterterrorism officers stationed with each county election official on Election Day, \$10,000 to add multi factor authentication for county employees logging into the statewide vote reporting system and \$10,000 on USB drives. The computers counties

use to tally votes are deliberately not connected to the internet or any servers, so election officials use USB drives to transfer the data from that computer to upload vote counts to the Secretary of State's database. For security, election officials are supposed to use a brand-new USB drive every time they transfer data, and the drives must be purchased from a known entity, not purchased in bulk off the internet.

SIGN, SIGN EVERYWHERE A SIGN

The three-way GOP primary for House in LD23 has become steadily nastier over the past week, with accusations of sign theft, ageism and mudslinging. Joseph Chaplik, the insurgent in the race, started things off last week by accusing Lawrence or Carter of tearing down one of his campaign signs on the corner of Scottsdale and Cactus roads (LD15 and LD23 meet at that intersection) (LINK). Large Carter and Lawrence signs stood on the corner, while signs for Chaplik, Barto and Ugenti-Rita lay on the ground behind them. Lawrence denied doing anything to Chaplik's signs, telling our reporter that he was taken aback by the accusation. "I have now run for office for the past seven years. In that time, I've never been accused, I've never had to knock down anyone's signs," he said. But Chaplik remains convinced that

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Lawrence – or at least someone affiliated with the Lawrence campaign – is vandalizing his signs. All of his signs that have been torn or knocked down are next to Lawrence signs, he told our reporter. He said he's offering a \$500 reward for anybody who provides evidence of someone tampering with or removing his signs, so he can bring that evidence to the police (tampering with campaign signs is a Class 2 misdemeanor).

EVERY GREAT BUSINESSMAN SHIRKS THEIR TAXES

Meanwhile, Lawrence has been dumping opposition research on Chaplik: the political newcomer owed more than \$50,000 in federal taxes in 2016 and had a lien filed against him in 2018. Chaplik paid off the entire amount shortly before getting into the race. Chaplik initially denied that he had a lien filed against him; then, after Lawrence produced a copy of the tax lien, said he had an installment plan set up with the IRS and compared himself to Trump – who has a long history of legal battles over his taxes. "I will never apologize for being a successful small business owner who has created jobs and built a multimillion dollar company. If my misinformed accusers had run or built a business, they would be aware that businesses with



multiple real estate holdings routinely enter into installment plans or needed extensions for large taxes owed. President Trump has had over 100 notices of federal tax liens during his career in business. Do the same accusers attack President Trump?" he said. He shared with our reporter the first page of an installment agreement statement he received from the IRS in October 2018 – a day before the lien was filed – and paperwork showing he paid \$55,000 in a lump sum nearly two weeks after the lien was filed. Chaplik said he was unaware of any such lien until Lawrence and Kavanagh began using the issue to attack him. Lawrence told our reporter Chaplik's claims that he had an arrangement with the IRS don't negate the fact that the IRS filed a lien against him. "If he made an arrangement he didn't keep it, so the IRS filed a lien against him," Lawrence told our reporter.

IT'S A GOOD THING NONE OF THE INCUMBENTS HAVE BAGGAGE



Kavanagh went on the attack, arguing that nominating Chaplik over Lawrence would hand the House seat over to Democrats as the newcomer has too much baggage to get elected. Dems will have a field day with a candidate who didn't pay his taxes on time, he said. "He has a tendency to engage his mouth before he has his brain in gear, and he has a history of not paying his taxes," Kavanagh said. "He just keeps getting caught in his own lies. We're one seat away from losing the majority in the House, and to put a candidate with this baggage up?" (Of course, Dems already have a

number of attack lines against Lawrence, and Dem candidate Eric Kurland fundraises from Lawrence's gaffes (<u>YS</u>, <u>11/22/19</u>)). Kavanagh brought proof of Chaplik's tax lien to Saturday's Fountain Hills Republican Club meeting, sparking a contentious exchange between the two camps. Kavanagh also dug up a March 2 tweet from Chaplik that used the retirement of MSNBC host Chris Matthews – who said he was retiring because "the younger generation is ready to take the reins" – to argue that the 85-year-old Lawrence should also retire. Lawrence told our reporter he found Chaplik's comments about there being an age at which politicians are too old to run insulting and ageist. "Tell that to the president," he said. Trump, by comparison, is 74 years old.

·PRESS RELEASES AND NEWS CLIPS·

McSally Introduces Bill to Incentivize Domestic Travel

U.S. SENATE – U.S. Senator Martha McSally (R-AZ) introduced legislation on Monday encouraging Americans to support the tourism industry following the COVID-19 pandemic. The bill, called the American TRIP Act, would provide tax credits to Americans who spend money on lodging, entertainment, and other expenses related to travel in the United States and its territories. Additionally, the bill provides funding for Destination Marketing Organizations (DMOs) to promote the travel and tourism industry across the nation.

In the State of Arizona, travel and tourism account for more than \$3 billion in tax receipts and employs in total more than 180,000 people. As a result of the economic downturn due to the coronavirus, this sector is experiencing one of the highest unemployment rates, which was over 35 percent in May.

"The tourism and hospitality industries were among the hardest hit sectors across the country and their revival is critical to our economic recovery," McSally said. "Arizona has lost billions in revenue this year alone due to the pandemic. My legislation will help boost domestic travel and jumpstart the comeback of our hotels, entertainment sectors, local tourism agencies, and the thousands of businesses that make Arizona one of the best places in the world to visit. It will also encourage Americans to safely get out of their homes and discover or rediscover Arizona along with the rest of the amazing destinations our country has to offer after a difficult several months stuck inside. I look forward to working with both sides of the aisle in the Senate and House to restart an important part of the economy by passing this bill."

Read the bill text <u>HERE</u>.

Desperate McSally continues to air false ads about her voting record on pre-existing conditions

Senator McSally is out with a <u>new ad</u> where she again tries to mislead Arizonans by repeating false statements about her record on protections for Arizonans with pre-existing conditions.

In the ad, McSally says **"Of course, I will always protect those with pre-existing conditions. Always."** Here's the truth: **Martha McSally has failed Arizonans with pre-existing conditions in the past, and she is failing them** *right now.*

Martha McSally has voted at least 5 times to dismantle or undermine protections for people with pre-existing conditions. McSally is standing by a <u>Republican lawsuit</u> before the Supreme Court that would completely eliminate protections for those with pre-existing conditions overnight. She has said it's "<u>not [her] role</u>" to stand up to the lawsuit.

LCV Victory Fund Releases First Anti-McSally Ad of \$1.5M Arizona TV Buy

Phoenix, AZ – LCV Victory Fund released their first Arizona TV ad in opposition to Senator Martha McSally's reelection campaign today. The ad, "600,000," is the first of two that will run from June 23 – July 15 in the Phoenix media market for a total \$1.5 million ad buy.

WATCH: <u>"600,000"</u>

"With coronavirus cases on the rise, voters need to know that Martha McSally is only making it harder to breathe in Arizona," said **LCV Victory Fund National Campaigns Director Emily Crerand**. "McSally voted to gut clean air protections, putting Arizona communities, especially communities of color, at an elevated risk of health complications including asthma, heart disease, cancer, and more severe outcomes from the coronavirus. To make things worse, McSally has opposed protections for pre-existing conditions, so insurers can deny care to those who need it most." The ad, <u>"600,000,"</u> says, "600,000. That's how many Arizonans suffer from asthma. \$600,000. The same number Martha McSally took in campaign cash from oil and gas polluters. She voted to gut clean air protections. Leading to

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even more asthma, heart disease, and cancer. And if you have a preexisting condition like these, McSally voted to let insurance companies deny you care. Disgraceful. Martha McSally. In it for herself. Selling out Arizona." During her time in Congress, McSally has earned a <u>lifetime LCV score of just 7 percent</u>. Notably, when the Senator had the opportunity to stand up for clean air last year, she instead supported Trump's rollback of the Clean Power Plan which does nothing to fight climate change or protect communities from toxic pollution, and lets fossil fuel-fired power plants off the hook to clean up their carbon pollution.

Tea Party Express Endorses Tiffany Shedd for Congress in Arizona

Sacramento, CA: Tea Party Express, the nation's largest Tea Party political action committee, is pleased to announce its endorsement of Tiffany Shedd in Arizona's First Congressional District.

Tea Party Express Co-Founder and Chief Strategist Sal Russo said, "When it comes to the Tea Party principles of limited government, lower taxes, and economic freedom, Tiffany Shedd is the clear choice in this race. She will join with other conservatives in Congress to get the economy moving again and continue draining the swamp. "A small business owner, family farmer, and homeschool mom, Tiffany Shedd understands the daily struggles facing working families and the many ways the government only worsens them through overregulation and confiscatory taxes. While Arizona families are struggling to pay the bills and maintain their way of life, the Washington establishment is enriching itself at the expense of taxpayers and small business owners. Tiffany will bring leadership and accountability to Congress and fight for commonsense solutions that put Arizonans back to work, eliminate wasteful government spending, and secure our southern border.

"Instead of addressing these critical issues, liberal Tom O'Halleran has spent the past four years doing the bidding of Nancy Pelosi, Alexandria Ocasio-Cortez, and the rest of the far left. He couldn't bring himself to cut the taxes of millions of hardworking Americans or support commonsense border security measures. But he had no problem voting for his party's failed impeachment scam or \$3 trillion of socialist pet projects that will saddle generations to come with debt. Clearly, he is not the Blue Dog Democrat he claims to be. Voters in the First District deserve honest, principled representation in Congress, and conservative leader Tiffany Shedd will not disappoint them," Russo concluded.

Rep. Kirkpatrick Statement Ahead of President Trump's Visit to Southern Arizona

(Tucson, A.Z.) – Today, Rep. Kirkpatrick released the following statement in advance of President Trump's visit to Arizona. His visit includes a tour of border wall construction sites in Yuma, and then a student event in Phoenix. As reported by The Arizona Republic, "Despite initial claims that Mexico would pay for the wall, the Trump administration has announced plans to divert more than \$11 billion from the U.S. Defense Department for border wall construction.

"We are in the middle of an unprecedented global pandemic and economic crisis, cases are surging in Arizona. Our hospitals are trying to meet the demand for care, people are waiting in line for hours to get tested and there is still so much unknown about this virus. Instead of leading our country through this crisis by ensuring Americans are healthy, and families and small businesses are financially stable, the President has scheduled a vanity tour to boost his campaign," said Rep. Kirkpatrick.

"People that know, live, or work near border communities do not want a wall. Border wall construction is bulldozing sacred land and harming precious eco systems. It's not a coincidence that border communities have elected representatives who are outspoken against a border wall; our communities reject this political platform. We have been ignored by this administration, even when we simply ask for more details about proposed construction plans in our own backyard.

"Every time I meet with border town officials, ranchers, business owners, manufacturers and Customs and Border Protection personnel, they emphasize the *real* need is for funding to modernize our ports of entry. Our ports need modern equipment and new lanes to help commercial vehicles haul trade more expeditiously back and forth. Our border state's economy is stimulated by trade, labor and tourism with our southern neighbor. The obsession over a border wall as some a "solution," is such an out-of-touch narrative perpetuated by an out-of-touch President. "It's unfortunate he's not coming to Arizona to discuss COVID-19 testing or to ensure our small businesses are able to survive this crisis," **said Rep. Kirkpatrick.** "Today's trip will be another example of President Trump placing his ego above Americans' health and amplifying falsehoods about the southern borderlands we know and cherish."

Attorney General Brnovich's Lawsuit Against JUUL Moves Forward

PHOENIX – Attorney General Mark Brnovich announced today that his office's consumer fraud lawsuit against Juul Labs, Inc. (JUUL) will proceed after the Maricopa County Superior Court denied JUUL's attempt to dismiss the case. "As the Court's ruling indicates, our complaint is a textbook example of alleging illegal conduct prohibited by Arizona's Consumer Fraud Act," said Attorney General Mark Brnovich. "We will vigorously pursue this matter to a resolution that will hold JUUL responsible for targeting Arizona youth."

In <u>January 2020</u>, the Arizona Attorney General's Office's (AGO) filed a lawsuit against JUUL, regarding the advertisement and sale of the company's vaping devices and vaping pods towards Arizona's youth. The complaint alleges that JUUL engaged in deceptive and unfair acts and practices, including:

- 1. Appealing to, targeting, misleading, and exploiting young people with tactics such as fruit flavors, social media campaigns, and free giveaways;
- 2. Failing to take steps to prevent underage purchase and distribution; and
- 3. Misrepresenting the amount of nicotine in JUUL's products.

In its motion to dismiss the complaint, JUUL argued, among other things, that the AGO's claims were preempted by federal law. After a briefing and an oral argument, the court denied JUUL's motion to dismiss in its entirety. JUUL's answer to the AGO Complaint is due by July 15, 2020. The lawsuit seeks, among other remedies, injunctive relief, civil penalties, and disgorgement of profits.

This case is being overseen by Civil Litigation Division Chief Counsel Joe Sciarrotta and handled by Consumer Protection Senior Litigation Counsel Shane Foster, Neil Singh, and Stephanie Elliott. Consumer Protection and Advocacy Section Chief Counsel Rebecca Eggleston represented the State at oral argument.

If you believe you have been the victim of consumer fraud, you can file a consumer complaint by visiting the Attorney General's <u>website</u>. If you need a complaint form sent to you, you can contact the Attorney General's Office in Phoenix at (602) 542-5763, in Tucson at (520) 628-6648, or outside the Phoenix and Tucson metro areas at (800) 352-8431.

To schedule a free vaping educational presentation from the Attorney General's Office Community Outreach team, <u>click here</u>. Educational webinars are now available online to the public.

Copy of the State's Response to the Motion to Dismiss here.

Copy of the Court's Order here.

McSally Ignores Pressing COVID-19 Issues to Push Taxpayer-funded Vacations for Wealthy Americans

Today, the Mark Kelly campaign responded to Senator McSally's apparent <u>priority</u> during the coronavirus pandemic: taxpayer-funded vacations for wealthy Americans.

McSally for Senate Launches New TV Ad, "Fight Back"

Ad highlights McSally's efforts to bring jobs back to America

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PHOENIX, Ariz. – Today, McSally for Senate launched a new campaign TV ad, "Fight Back". The ad highlights Senator McSally's efforts to bring jobs back to America by providing tax credits to businesses that move jobs home from China.

"America used to be a manufacturing powerhouse. Then politicians like Joe Biden voted to send our jobs to China. The American worker is ready to fight back, and so am I," said Senator McSally. "I am leading the effort to bring our jobs home, with tax credits for businesses that move manufacturing of technology and life-saving medicines out of China and back to America. The Great American Comeback starts with moving our manufacturing and critical infrastructure supply chain out of China and home to America."

"China is a geopolitical threat to the entire world and they have taken advantage of our country for far too long. Democrats like Joe Biden voted to ship our jobs to China and Mark Kelly took hundreds of thousands of dollars in Chinese investments, doing business with companies connected to the ruling Communist Party," said Dylan Lefler, campaign manager. "Martha McSally is the only one willing to stand up to China and put American jobs and workers first. She has a lifetime of service to the United State to prove it, while Mark Kelly took a strange Chinese detour to make a buck."

You can watch the ad <u>here.</u>

Western Independence Project Calls on Martha McSally to Stand Up to McConnell and Extend Relief to Small Business, Cities, and Towns

Phoenix, AZ – Today, the Western Independence Project condemned Martha McSally's public relations stunt and urged her to focus on real, bipartisan solutions to Arizona's economic crisis.

Yesterday, Martha McSally released her "plan" to give every taxpayer a tax credit of \$4,000 to take a vacation, while a bipartisan relief package to support frontline healthcare workers, first responders, small business owners, and our municipalities sits in Mitch McConnell's legislative graveyard.

In response, Joe Wolf of WIP made the following statement:

"Senator, have you lost your mind, or just your spine? Stop this nonsense, stand up to McConnell, and deliver relief for Arizona now."

McSally, who has repeatedly told our cities and towns they are on their own when it comes to additional pandemic relief, has now decided to roll out a frivolous \$400 billion plan to send people on vacation, potentially further spreading the coronavirus. In only a few weeks federal unemployment benefits will run out, dropping the total amount Arizonans receive per week from \$840 to \$240, threatening their ability to feed their families and put a roof over their heads.

But does that concern McSally? No. Instead of standing up to Mitch McConnell and demanding more relief for our most affected citizens, instead of demanding help for our small business, instead of demanding support for our beleaguered cities and towns, Martha McSally's solution is to spend hundreds of billions of dollars on a vacation. Enough is enough, Martha McSally needs to break from Mitch McConnell and deliver the real pandemic relief we need.

The Western Independence Project is an advocacy campaign led by former Attorney General of Arizona Grant Woods, State Sen. Rebecca Rios, and State Rep. César Chávez with a mission to hold Arizona's elected officials accountable to the standard for independent leadership set by Senators like McCain, Sinema, Goldwater and Hayden.

Mayor Romero statement on postponing Council meeting and TPD incustody death

"Tonight's Mayor & Council meeting has been postponed. After viewing a video yesterday of a Tucson Police Department in-custody death, I do not feel that it would be appropriate to carry on with business as usual in light of this event. I am anguished and deeply troubled by what I saw in the video yesterday.

Out of respect for the family's wishes, I have been informed that the City will not be immediately sharing the name of the victim, details of the incident, or the video per the family's request. TPD will be holding a press conference tomorrow to disclose all available information after the family has the opportunity to view the video and be fully

briefed. My heart goes out to the family and friends of the victim during this extraordinarily difficult time. I want to assure our community that there will be a thorough and transparent investigation.

I will be proposing that Mayor & Council act swiftly to adopt reforms and effective policy changes with input from our community. We can and must do better."

Press conference details will be shared by the Tucson Police Department shortly. Please direct all media inquiries on the incident in question to <u>TPDPIO@tucsonaz.gov</u>.

"QUOTE OF THE DAY"

"President Trump has had over 100 notices of federal tax liens during his career in business. Do the same accusers attack President Trump?"

- Joseph Chaplik, LD23 GOP House candidate, on the incumbents attacking him for having a federal lien against him