



# House of Representatives

General Assembly

**File No. 2**

February Session, 2000

Substitute House Bill No. 5102

*House of Representatives, February 25, 2000*

The Committee on Government Administration and Elections reported through REP. KNOPP, 137<sup>th</sup> Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***An Act Proposing Comprehensive Campaign Finance Reform For State-Wide Constitutional Offices.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) As used in sections 1 to 4, inclusive, 6 to 22,  
2 inclusive, and 36 and 37 of this act:

3 (1) "Commission" means the State Elections Enforcement  
4 Commission.

5 (2) "Convention" means "convention", as defined in section 9-372 of  
6 the general statutes.

7 (3) "Depository account" means the single checking account at the  
8 depository institution designated as the depository for the candidate  
9 committee's moneys in accordance with the provisions of subsection  
10 (a) of section 9-333f of the general statutes.

11 (4) "Elector" means any person possessing the qualifications  
12 prescribed by the constitution and duly admitted to, and entitled to  
13 exercise, the privileges of an elector in a town.

14 (5) "Fund" means the Citizens' Election Fund established in section 2  
15 of this act.

16 (6) "Lobbyist" has the same meaning as "lobbyist", as defined in  
17 section 1-91 of the general statutes.

18 (7) "Major party" means "major party", as defined in section 9-372 of  
19 the general statutes.

20 (8) "Minor party" means "minor party" as defined in section 9-372 of  
21 the general statutes.

22 (9) "Permitted expenditure amount" means the aggregate of (A) the  
23 amount of qualifying contributions permitted in section 9 of this act,  
24 (B) the applicable amount of contributions that a candidate committee  
25 receives from party committees in accordance with the provisions of  
26 section 9-333s of the general statutes, as amended by this act, and (C)  
27 the amount of grants that a candidate committee receives from the  
28 Citizens' Election Fund.

29 (10) "Qualified candidate committee" means a candidate committee  
30 (A) established to aid or promote the success of any candidate for  
31 nomination or election on or after January 1, 2006, to a state office, and  
32 (B) which is approved by the commission to receive a grant from the  
33 Citizens' Election Fund under section 12 of this act.

34 (11) "State office" means the office of Governor, Lieutenant  
35 Governor, Attorney General, State Comptroller, State Treasurer or  
36 Secretary of the State.

37 (12) "State office election" means the election for state offices held on  
38 the first Tuesday after the first Monday in November in every fourth

39 year in accordance with the provisions of the Constitution of  
40 Connecticut.

41 (13) "Associated business" has the same meaning as "business with  
42 which he is associated", as defined in section 9-333a, of the general  
43 statutes, as amended.

44 Sec. 2. (NEW) There is established, within the General Fund, a  
45 separate, nonlapsing account to be known as the "Citizens' Election  
46 Fund". The fund may contain any moneys required by law to be  
47 deposited in the fund. Investment earnings credited to the assets of the  
48 fund shall become part of the assets of the fund. All moneys deposited  
49 in the fund shall be used for the purposes of sections 1 to 4, inclusive, 6  
50 to 22, inclusive, and 36 and 37 of this act. The State Elections  
51 Enforcement Commission may deduct and retain from the moneys in  
52 the fund an amount equal to the costs incurred by the commission in  
53 administering the provisions of said sections 1 to 4, inclusive, 6 to 22,  
54 inclusive, and 36 and 37, provided said amount shall not exceed three  
55 per cent of the moneys deposited in the fund in any fiscal year. Any  
56 portion of said three per cent allocation which exceeds said costs  
57 incurred by the commission in any fiscal year shall continue to be  
58 available for any said costs incurred by the commission in subsequent  
59 fiscal years.

60 Sec. 3. (NEW) (a) (1) Any taxpayer filing a return under chapter 229  
61 of the general statutes for taxable years commencing on or after  
62 January 1, 2000, may contribute all or part of a refund under said  
63 chapter 229 to the Citizens' Election Fund established in section 2 of  
64 this act, by indicating on the tax return the amount to be contributed to  
65 the fund. Subject to the limit set forth in subdivision (4) of this  
66 subsection, the maximum amount of any such contribution shall be  
67 five thousand dollars per calendar year, except that, in the case of a  
68 husband and wife filing a joint tax return, the maximum amount of  
69 any such contribution shall be ten thousand dollars per calendar year.

70 (2) Any taxpayer filing a return under chapter 229 of the general  
71 statutes for taxable years commencing on or after January 1, 2000,  
72 whose income tax liability for the taxable year, before applying any  
73 credit under section 12-704c of the general statutes, as amended, is five  
74 dollars or more, may designate that five dollars of such tax liability  
75 shall be paid over to the fund by so indicating on the tax return. In the  
76 case of a husband and wife filing a joint return with an income tax  
77 liability of ten dollars or more, each spouse may designate that five  
78 dollars of such tax liability shall be paid over to the fund by so  
79 indicating on the tax return. Any designation made pursuant to this  
80 subdivision shall not increase the taxpayer's income tax liability.

81 (3) Any taxpayer filing a return under chapter 229 of the general  
82 statutes may contribute an additional amount to the Citizens' Election  
83 Fund established in section 2 of this act, by indicating on the tax return  
84 the amount to be contributed to the fund. Subject to the limit set forth  
85 in subdivision (4) of this subsection, the maximum amount of any such  
86 contribution shall be five thousand dollars per calendar year, except  
87 that, in the case of a husband and wife filing a joint tax return, the  
88 maximum amount of any such contribution shall be ten thousand  
89 dollars per calendar year. Any contribution made pursuant to this  
90 subdivision shall be in addition to the amount of tax reported to be  
91 due on such return and shall be paid at the same time as the tax due on  
92 such return is paid and in the manner prescribed by the Commissioner  
93 of Revenue Services.

94 (4) The total combined contributions that a taxpayer may make  
95 under subdivisions (1) and (3) of this subsection shall be five thousand  
96 dollars per calendar year, except that, in the case of a husband and  
97 wife filing a joint tax return, the total combined contributions that such  
98 husband and wife may make under subdivisions (1) and (3) of this  
99 subsection shall be ten thousand dollars per calendar year.

100 (b) A contribution or designation made pursuant to this section shall

101 be irrevocable upon the filing of the return. A taxpayer making a  
102 contribution or designation pursuant to this subsection shall so  
103 indicate on the tax return in a manner provided for by the  
104 Commissioner of Revenue Services pursuant to subsection (c) of this  
105 section.

106 (c) The Commissioner of Revenue Services shall revise the income  
107 tax return form to implement the provisions of subsection (a) of this  
108 section. Such form shall include (1) a space on the return in which  
109 taxpayers may indicate their intention to make a contribution or  
110 designation in accordance with this section, and (2) instructions for  
111 payment of any contribution under subdivision (3) of subsection (a) of  
112 this section. The commissioner shall include in the instructions  
113 accompanying the tax return a description of the purposes for which  
114 the Citizens' Election Fund was established.

115 (d) A contribution of all or part of a refund shall be made in the full  
116 amount indicated if the refund found due the taxpayer upon the initial  
117 processing of the return, and after any deductions required by chapter  
118 229 of the general statutes, is greater than or equal to the indicated  
119 contribution. If the refund due, as determined upon initial processing,  
120 and after any deductions required by said chapter 229, is less than the  
121 indicated contribution, the contribution shall be made in the full  
122 amount of the refund. The Commissioner of Revenue Services shall  
123 subtract the amount of any contribution of all or part of a refund from  
124 the amount of the refund initially found due the taxpayer and shall  
125 certify (1) the amount of the refund initially found due the taxpayer,  
126 (2) the amount of any such contribution, and (3) the amount of the  
127 difference to the Secretary of the Office of Policy and Management and  
128 the State Treasurer for payment to the taxpayer in accordance with  
129 said chapter 229. For the purposes of any subsequent determination of  
130 the taxpayer's net tax payment, such contribution shall be considered a  
131 part of the refund paid to the taxpayer.

132 (e) The Commissioner of Revenue Services, after notification of and  
133 approval by the Secretary of the Office of Policy and Management,  
134 may deduct and retain from the moneys collected under subsections  
135 (a) to (d), inclusive, of this section an amount equal to the costs of  
136 administering this section, but not to exceed four per cent of such  
137 moneys collected in any fiscal year. The Commissioner of Revenue  
138 Services shall deposit the remaining moneys collected in the Citizens'  
139 Election Fund.

140 (f) An amount equal to the amount contributed by a taxpayer under  
141 subdivisions (1) and (3) of subsection (a) of this section with respect to  
142 the preceding taxable year of the taxpayer shall be subtracted from the  
143 adjusted gross income of the taxpayer for the purposes of determining  
144 the Connecticut adjusted gross income of the taxpayer in section 12-  
145 701 of the general statutes, as amended.

146 Sec. 4. (NEW) (a) (1) Any taxpayer filing a return under chapter 208  
147 of the general statutes for taxable years commencing on or after  
148 January 1, 2000, may contribute all or part of a refund under said  
149 chapter 208 to the Citizens' Election Fund established in section 2 of  
150 this act, by indicating on the tax return the amount to be contributed to  
151 the fund. Subject to the limit set forth in subdivision (4) of this  
152 subsection, the maximum amount of any such contribution shall be ten  
153 thousand dollars per calendar year.

154 (2) Any taxpayer filing a return under chapter 208 of the general  
155 statutes for taxable years commencing on or after January 1, 2000,  
156 whose income tax liability for the taxable year, before applying any  
157 credits under chapter 208 of the general statutes, is five dollars or  
158 more, may designate that two hundred dollars of such tax liability or,  
159 if such tax liability is less than two hundred dollars, the full amount of  
160 such tax liability, shall be paid over to the Citizens' Election Fund  
161 established in section 2 of this act, by so indicating on the tax return.  
162 Any designation made pursuant to this subdivision shall not increase

163 the taxpayer's income tax liability.

164 (3) Any taxpayer filing a return under chapter 208 of the general  
165 statutes may contribute an additional amount to the Citizens' Election  
166 Fund established in section 2 of this act, by indicating on the tax return  
167 the amount to be contributed to the fund. Subject to the limit set forth  
168 in subdivision (4) of this subsection, the maximum amount of any such  
169 contribution shall be ten thousand dollars per calendar year. Any  
170 contribution made pursuant to this subdivision shall be in addition to  
171 the amount of tax reported to be due on such return and shall be paid  
172 at the same time as the tax due on such return is paid and in the  
173 manner prescribed by the Commissioner of Revenue Services.

174 (4) The total combined contributions that a taxpayer may make  
175 under subdivisions (1) and (3) of this subsection shall be ten thousand  
176 dollars per calendar year.

177 (b) A contribution or designation made pursuant to this section shall  
178 be irrevocable upon the filing of the return. A taxpayer making a  
179 contribution or designation pursuant to this subsection shall so  
180 indicate on the tax return in a manner provided for by the  
181 Commissioner of Revenue Services pursuant to subsection (c) of this  
182 section.

183 (c) The Commissioner of Revenue Services shall revise the income  
184 tax return form to implement the provisions of subsection (a) of this  
185 section. Such form shall include (1) a space on the return in which  
186 taxpayers may indicate their intention to make a contribution or  
187 designation in accordance with this section, and (2) instructions for  
188 payment of any contribution under subdivision (3) of subsection (a) of  
189 this section. The commissioner shall include in the instructions  
190 accompanying the tax return a description of the purposes for which  
191 the Citizens' Election Fund was established.

192 (d) A contribution of all or part of a refund shall be made in the full

193 amount indicated if the refund found due the taxpayer upon the initial  
194 processing of the return, and after any deductions required by chapter  
195 208 of the general statutes, is greater than or equal to the indicated  
196 contribution. If the refund due, as determined upon initial processing  
197 and after any deductions required by said chapter 208, is less than the  
198 indicated contribution, the contribution shall be made in the full  
199 amount of the refund. The Commissioner of Revenue Services shall  
200 subtract the amount of any contribution of all or part of a refund from  
201 the amount of the refund initially found due the taxpayer and shall  
202 certify (1) the amount of the refund initially due the taxpayer, (2) the  
203 amount of any such contribution, and (3) the amount of the difference  
204 to the Secretary of the Office of Policy and Management and the State  
205 Treasurer for payment to the taxpayer in accordance with said chapter  
206 208. For the purposes of any subsequent determination of the  
207 taxpayer's net tax payment, such contribution shall be considered a  
208 part of the refund paid to the taxpayer.

209 (e) The Commissioner of Revenue Services, after notification of and  
210 approval by the Secretary of the Office of Policy and Management,  
211 may deduct and retain from the moneys collected under subsections  
212 (a) to (d), inclusive, of this section an amount equal to the costs of  
213 administering this section, but not to exceed four per cent of such  
214 moneys collected in any fiscal year. The Commissioner of Revenue  
215 Services shall deposit the remaining moneys collected in the Citizens'  
216 Election Fund.

217 (f) An amount equal to the amount contributed by a taxpayer under  
218 subdivisions (1) and (3) of subsection (a) of this section with respect to  
219 the preceding taxable year of the taxpayer shall be deducted from the  
220 gross income of the taxpayer in arriving at net income as defined in  
221 section 12-213 of the general statutes.

222 Sec. 5. Subsection (e) of section 9-333j of the general statutes is  
223 repealed and the following is substituted in lieu thereof:

224 (e) (1) Notwithstanding any provisions of this chapter to the  
225 contrary, in the event of a surplus the campaign treasurer of a  
226 candidate committee or of a political committee, other than a political  
227 committee formed for ongoing political activities or an exploratory  
228 committee shall distribute or expend such surplus [within] not later  
229 than ninety days after a primary which results in the defeat of the  
230 candidate, an election or referendum, in the following manner:

231 (A) Such committees may distribute their surplus to a party  
232 committee, or a political committee organized for ongoing political  
233 activities, return such surplus to all contributors to the committee on a  
234 prorated basis of contribution, distribute all or any part of such surplus  
235 to the Citizens' Election Fund established in section 2 of this act or  
236 distribute such surplus to any charitable organization which is a  
237 tax-exempt organization under Section 501(c)(3) of the Internal  
238 Revenue Code of 1986, or any subsequent corresponding internal  
239 revenue code of the United States, as from time to time amended,  
240 provided (i) no candidate committee may distribute such surplus to a  
241 committee which has been established to finance future political  
242 campaigns of the candidate, (ii) a candidate committee which received  
243 moneys from the Citizens' Election Fund shall distribute such surplus  
244 to such fund, and (iii) a candidate committee formed to aid or promote  
245 the success of a candidate for nomination or election to the office of  
246 Lieutenant Governor, the candidate of which campaigns jointly with a  
247 candidate for nomination or election to the office of Governor shall  
248 distribute such surplus in accordance with the provisions of section 15  
249 of this act;

250 (B) Each such political committee established by an organization  
251 which received its funds from the organization's treasury shall return  
252 its surplus to its sponsoring organization;

253 (C) (i) Each political committee formed solely to aid or promote the  
254 success or defeat of any referendum question, which does not receive

255 contributions from a business entity or an organization, shall distribute  
256 its surplus to a party committee, to a political committee organized for  
257 ongoing political activities, to a national committee of a political party,  
258 to all contributors to the committee on a prorated basis of contribution,  
259 to state or municipal governments or agencies or to any organization  
260 which is a tax-exempt organization under Section 501(c)(3) of the  
261 Internal Revenue Code of 1986, or any subsequent corresponding  
262 internal revenue code of the United States, as from time to time  
263 amended, [ (ii) each] (ii) Each political committee formed solely to aid  
264 or promote the success or defeat of any referendum question, which  
265 receives contributions from a business entity or an organization, shall  
266 distribute its surplus to all contributors to the committee on a prorated  
267 basis of contribution, to state or municipal governments or agencies, or  
268 to any organization which is tax-exempt under said provisions of the  
269 Internal Revenue Code;

270 (D) The campaign treasurer of the candidate committee of a  
271 candidate who is elected to office may, upon the authorization of such  
272 candidate, expend surplus campaign funds to pay for the cost of  
273 clerical, secretarial or other office expenses necessarily incurred by  
274 such candidate in preparation for taking office; except such surplus  
275 shall not be distributed for the personal benefit of any individual or to  
276 any organization; and

277 (E) The campaign treasurer of a candidate committee, or of a  
278 political committee, other than a political committee formed for  
279 ongoing political activities or an exploratory committee, shall, prior to  
280 the dissolution of such committee, either (i) distribute any equipment  
281 purchased, including, but not limited to, computer equipment, to any  
282 recipient as set forth in subparagraph (A) of this subdivision, or (ii) sell  
283 any equipment purchased, including, but not limited to, computer  
284 equipment, to any person for fair market value and then distribute the  
285 proceeds of such sale to any recipient as set forth in said subparagraph  
286 (A).

287 (2) Notwithstanding any provisions of this chapter to the contrary,  
288 the campaign treasurer of the candidate committee of a candidate who  
289 has withdrawn from a primary or election may, prior to the primary or  
290 election, distribute its surplus to any organization which is tax-exempt  
291 under Section 501(c)(3) of the Internal Revenue Code of 1986, or any  
292 subsequent corresponding internal revenue code of the United States,  
293 as from time to time amended, or return such surplus to all  
294 contributors to the committee on a prorated basis of contribution.

295 (3) [Within] Not later than seven days after such distribution or  
296 [within] not later than seven days after all funds have been expended  
297 in accordance with subparagraph (D) of subdivision (1) of this  
298 subsection, the campaign treasurer shall file a supplemental statement,  
299 sworn under penalty of false statement, with the proper authority,  
300 identifying all further contributions received since the previous  
301 statement and explaining how any surplus has been distributed or  
302 expended in accordance with this section. No surplus may be  
303 distributed or expended until after the election, primary or  
304 referendum.

305 (4) In the event of a deficit the campaign treasurer shall file a  
306 supplemental statement ninety days after the election, primary or  
307 referendum with the proper authority and, thereafter, on the seventh  
308 day of each month following if on the last day of the previous month  
309 there was an increase or decrease in the deficit in excess of five  
310 hundred dollars from that reported on the last statement filed. The  
311 campaign treasurer shall file such supplemental statements as required  
312 until the deficit is eliminated. If any such committee does not have a  
313 surplus or a deficit, the statement required to be filed [within] not later  
314 than forty-five days following any election or referendum or [within]  
315 not later than thirty days following any primary shall be the last  
316 required statement.

317 Sec. 6. (NEW) All payments of civil penalties or late fees imposed by

318 the State Elections Enforcement Commission or the Secretary of the  
319 State under title 9 of the general statutes, which are received after the  
320 effective date of this section, shall be immediately transmitted to the  
321 State Treasurer for deposit in the Citizens' Election Fund established in  
322 section 2 of this act.

323 Sec. 7. (NEW) Any person, business entity, organization, party  
324 committee or political committee, as defined in section 9-333a of the  
325 general statutes, as amended, may contribute to the Citizens' Election  
326 Fund. Any such contribution shall be made by check or money order.  
327 The commission shall immediately transmit all contributions received  
328 pursuant to this section to the State Treasurer for deposit in the  
329 Citizens' Election Fund.

330 Sec. 8. (NEW) There is established a Citizens' Election Program  
331 under which the candidate committee of a candidate for nomination or  
332 election to a state office may receive grants from the Citizens' Election  
333 Fund for the candidate's campaign for such office. Any such candidate  
334 is eligible to receive such grants if (1) the candidate's candidate  
335 committee receives the required amount of qualifying contributions  
336 described in section 9 of this act, (2) the candidate's candidate  
337 committee returns all contributions that are not qualifying  
338 contributions as described in section 9 of this act, (3) the candidate's  
339 exploratory committee, if any, returns all contributions that do not  
340 meet the criteria for qualifying contributions to a candidate committee  
341 as described in section 9 of this act, (4) the candidate agrees to limit  
342 campaign expenditures to not more than the aggregate of (A) the  
343 amount of qualifying contributions permitted in section 9 of this act,  
344 (B) the applicable amount of contributions that the candidate  
345 committee receives from party committees in accordance with the  
346 provisions of section 9-333s of the general statutes, as amended by this  
347 act, and (C) the amount of such grant or grants, and (5) the candidate  
348 complies with the requirements of section 12 of this act.

349       Sec. 9. (NEW) (a) The amount of qualifying contributions which the  
350 candidate committee of a candidate needs to receive in order to be  
351 eligible for grants from the Citizens' Election Fund shall be:

352       (1) In the case of a candidate for nomination or election to the office  
353 of Governor, contributions from individuals in the aggregate amount  
354 of five hundred thousand dollars, of which four hundred fifty  
355 thousand dollars or more is contributed by individuals residing in the  
356 state, provided (A) the candidate committee shall return the portion of  
357 any contribution or contributions from an individual other than such  
358 candidate that exceeds two hundred fifty dollars, and such excess  
359 portion shall not be considered in calculating such amounts, and (B) all  
360 contributions received by an exploratory committee that meet the  
361 criteria for qualifying contributions to candidate committees under this  
362 section shall be considered in calculating such amounts; and

363       (2) In the case of a candidate for nomination or election to the office  
364 of Lieutenant Governor, Attorney General, State Comptroller, State  
365 Treasurer or Secretary of the State, contributions from individuals in  
366 the aggregate amount of seventy-five thousand dollars, of which sixty-  
367 seven thousand five hundred dollars or more is contributed by  
368 individuals residing in the state, provided (A) the candidate committee  
369 shall return the portion of any contribution or contributions from an  
370 individual other than such candidate that exceeds one hundred fifty  
371 dollars, and such excess portion shall not be considered in calculating  
372 such amounts, and (B) all contributions received by an exploratory  
373 committee that meet the criteria for qualifying contributions to  
374 candidate committees under this section shall be considered in  
375 calculating such amounts.

376       (b) Each individual who makes a contribution to a candidate  
377 committee established to aid or promote the success of a participating  
378 candidate for nomination or election to a state office shall include with  
379 the contribution a certification that (1) neither the individual nor the

380 individual's spouse is a lobbyist, and (2) neither the individual, the  
381 individual's spouse nor an associated business of the individual or the  
382 individual's spouse has a contract with the state. A contribution from  
383 (A) a lobbyist or the spouse of a lobbyist, or (B) an individual who has  
384 a contract with the state, said individual's spouse or an individual  
385 whose associated business or spouse's associated business has a  
386 contract with the state shall not be deemed to be a qualifying  
387 contribution under subsection (a) of this section and shall be returned  
388 by the candidate committee.

389 (c) Each individual who makes a contribution to a candidate  
390 committee established to aid or promote the success of a participating  
391 candidate for nomination or election to a state office shall include the  
392 individual's name and address with the contribution. A contribution  
393 (1) from an individual that does not include such information, or (2)  
394 from an individual who does not reside in the state, in excess of the  
395 applicable limit on contributions from nonresidents in subsection (a) of  
396 this section, shall not be deemed to be a qualifying contribution under  
397 said subsection (a) and shall be returned by the candidate committee.

398 Sec. 10. (NEW) (a) Except as provided in sections 17 and 18 of this  
399 act, the total amount of grants from the Citizens Election Fund which a  
400 qualified candidate committee of a candidate for the office of Governor  
401 shall be eligible to receive for the entire campaign for nomination and  
402 election to such office shall be calculated by multiplying the total  
403 number of electors in the state by one dollar seventy-five cents. Not  
404 later than November fifteenth in the second year preceding the year of  
405 a state office election, the Secretary of the State shall determine the  
406 total number of electors in the state in accordance with the most recent  
407 records on file in the office of the Secretary of the State pursuant to  
408 subsection (a) of section 9-65 of the general statutes and transmit said  
409 number to the commission.

410 (b) The qualified candidate committee of a major party or minor

411 party candidate for the office of Governor, who does not have a  
412 primary for nomination to such office, shall be eligible to receive a  
413 grant for each portion of the campaign in the following percentage  
414 amounts of the total amount calculated in subsection (a) of this  
415 section: (1) Selection and support of delegates to a convention, twenty  
416 per cent; (2) convention vote, five per cent; and (3) general election,  
417 seventy-five per cent.

418 (c) The qualified candidate committee of a major party or minor  
419 party candidate for the office of Governor, who has a primary for  
420 nomination to such office, shall be eligible to receive a grant for each  
421 portion of the campaign in the following percentage amounts of the  
422 total amount calculated in subsection (a) of this section: (1) Selection  
423 and support of delegates to a convention, twenty per cent; (2)  
424 convention vote, five per cent; (3) primary for nomination, twenty-five  
425 per cent; and (4) general election, fifty per cent. In addition, such  
426 candidate shall receive a supplemental grant for the general election  
427 campaign equal to ten per cent of the total amount calculated in  
428 subsection (a) of this section.

429 (d) The qualified candidate committee of a petitioning party  
430 candidate for the office of Governor shall be eligible to receive a grant  
431 for each portion of the campaign in the following percentage amounts  
432 of the total amount calculated in subsection (a) of this section: (1)  
433 Petitioning for ballot access, thirty-five per cent; and (2) general  
434 election, sixty-five per cent.

435 (e) Not later than January 15, 2007, and annually thereafter, the  
436 commission shall compute an increase in the monetary amount that is  
437 required to be included in the calculation under subsection (a) of this  
438 section. The percentage of such increase shall equal the percentage  
439 increase in the average of the bulk mail rates of the United States  
440 Postal Service during the preceding calendar year.

441 Sec. 11. (NEW) (a) The total amount of grants from the Citizens'

442 Election Fund which a qualified candidate committee of a candidate  
443 for the office of Attorney General, State Comptroller, State Treasurer or  
444 Secretary of the State shall be eligible to receive for the entire campaign  
445 for nomination and election to such office shall be calculated by  
446 multiplying the total number of electors in the state by twenty-two  
447 cents. Not later than November fifteenth in the second year preceding  
448 the year of a state office election, the Secretary of the State shall  
449 determine the total number of electors in the state in accordance with  
450 the most recent records on file in the office of the Secretary of the State  
451 pursuant to subsection (a) of section 9-65 of the general statutes and  
452 transmit said number to the commission.

453 (b) The qualified candidate committee of a major party or minor  
454 party candidate for the office of Attorney General, State Comptroller,  
455 State Treasurer or Secretary of the State, who does not have a primary  
456 for nomination to such office, shall be eligible to receive a grant for  
457 each portion of the campaign in the following percentage amounts of  
458 the total amount calculated in subsection (a) of this section: (1)  
459 Selection and support of delegates to a convention, twenty per cent; (2)  
460 convention vote, five per cent; and (3) general election, seventy-five  
461 per cent.

462 (c) The qualified candidate committee of a major party or minor  
463 party candidate for the office of Attorney General, State Comptroller,  
464 State Treasurer or Secretary of the State, who has a primary for  
465 nomination to such office, shall be eligible to receive a grant for each  
466 portion of the campaign in the following percentage amounts of the  
467 total amount calculated in subsection (a) of this section: (1) Selection  
468 and support of delegates to a convention, twenty per cent; (2)  
469 convention vote, five per cent; (3) primary for nomination, twenty-five  
470 per cent; and (4) general election, fifty per cent. In addition, such  
471 candidate shall receive a supplemental grant for the general election  
472 campaign equal to ten per cent of the total amount calculated in  
473 subsection (a) of this section.

474 (d) The qualified candidate committee of a petitioning party  
475 candidate for the office of Attorney General, State Comptroller, State  
476 Treasurer or Secretary of the State shall be eligible to receive a grant for  
477 each portion of the campaign in the following percentage amounts of  
478 the total amount calculated in subsection (a) of this section: (1)  
479 Petitioning for ballot access, thirty-five per cent; and (2) general  
480 election, sixty-five per cent.

481 (e) The qualified candidate committee of a candidate for the office of  
482 Lieutenant Governor shall be eligible to receive grants from the  
483 Citizens' Election Fund for the selection and support of delegates to a  
484 convention, convention vote, primary for nomination and petitioning  
485 for ballot access, in the same amounts as the grants for such campaigns  
486 for qualified candidate committees of candidates for the offices of  
487 Attorney General, State Comptroller, State Treasurer and Secretary of  
488 the State. The qualified candidate committee of a candidate for the  
489 office of Lieutenant Governor shall not receive a grant for the general  
490 election campaign.

491 (f) Not later than January 15, 2007, and annually thereafter, the  
492 commission shall compute an increase in the monetary amount that is  
493 required to be included in the calculation under subsection (a) of this  
494 section. The percentage of such increase shall equal the percentage  
495 increase in the average of the bulk mail rates of the United States  
496 Postal Service during the preceding calendar year.

497 Sec. 12. (NEW) (a) A candidate whose candidate committee has not  
498 received moneys from the Citizens' Election Fund may apply to the  
499 State Elections Enforcement Commission for moneys from the fund for  
500 one of the following campaigns, during the applicable period: (1) A  
501 campaign for the selection and support of delegates to a convention,  
502 after January first in the year in which the election is being held for the  
503 office that the candidate is seeking; (2) a petitioning campaign for  
504 ballot access, after January first in the year in which the election is

505 being held for the office that the candidate is seeking; (3) a campaign  
506 for the convention vote, the sixty-day period before the scheduled  
507 convening of the convention; (4) a primary campaign, after the close of  
508 the state convention of the candidate's party that is called for the  
509 purpose of choosing candidates for nomination for the office that the  
510 candidate is seeking, if said party endorses the candidate for the office  
511 that the candidate is seeking or the candidate receives at least fifteen  
512 per cent of the votes of the convention delegates present and voting on  
513 any roll-call vote taken on the endorsement or proposed endorsement  
514 of a candidate for the office the candidate is seeking; or (5) a general  
515 election campaign, (A) after the close of the state convention of the  
516 candidate's party that is called for the purpose of choosing candidates  
517 for nomination for the office that the candidate is seeking, if (i) said  
518 party endorses said candidate for the office that the candidate is  
519 seeking and no other candidate of said party either receives at least  
520 fifteen per cent of the votes of the convention delegates present and  
521 voting on any roll-call vote taken on the endorsement or proposed  
522 endorsement of a candidate for said office or files a certificate of  
523 candidacy with the Secretary of the State in accordance with the  
524 provisions of section 9-400 of the general statutes, or (ii) the candidate  
525 receives at least fifteen per cent of the votes of the convention delegates  
526 present and voting on any roll-call vote taken on the endorsement or  
527 proposed endorsement of a candidate for the office the candidate is  
528 seeking and no other candidate for such office at such convention  
529 either receives the party endorsement or said percentage of said votes  
530 for said endorsement or files a certificate of endorsement with the  
531 Secretary of the State in accordance with the provisions of section 9-388  
532 of the general statutes or a certificate of candidacy with the Secretary  
533 of the State in accordance with the provisions of section 9-400 of the  
534 general statutes, (B) after any primary held by such party for  
535 nomination for such office, if the Secretary of the State declares that the  
536 candidate is the party nominee in accordance with the provisions of  
537 section 9-440 of the general statutes, or (C) in the case of a petitioning

538 party candidate, after approval by the Secretary of the State of such  
539 candidate's nominating petition pursuant to subsection (c) of section 9-  
540 453o of the general statutes.

541 (b) The application shall include a written certification that:

542 (1) The candidate committee has received the required amount of  
543 qualifying contributions;

544 (2) The candidate committee has repaid all moneys borrowed on  
545 behalf of the campaign, as required by subsection (b) of section 16 of  
546 this act;

547 (3) The candidate committee has returned the portion of any  
548 contribution or contributions from an individual that exceeds (A) two  
549 hundred fifty dollars, if the candidate committee is established to aid  
550 or promote the success of a candidate for nomination or election to the  
551 office of Governor, or (B) one hundred fifty dollars, if the candidate  
552 committee is established to aid or promote the success of a candidate  
553 for nomination or election to the office of Lieutenant Governor,  
554 Attorney General, State Comptroller, State Treasurer or Secretary of  
555 the State;

556 (4) The candidate committee has returned all contributions which  
557 make the committee's aggregate amount of contributions received total  
558 more than the amount of qualifying contributions;

559 (5) The candidate committee has returned any contribution received  
560 from (A) a lobbyist or the spouse of a lobbyist, (B) an individual who  
561 has a contract with the state, said individual's spouse, or an individual  
562 whose associated business or spouse's associated business has a  
563 contract with the state, or (C) a political committee;

564 (6) The candidate committee has returned any contribution from an  
565 individual who (A) does not include the individual's name and  
566 address with the contribution, or (B) does not reside in the state, if said

567 contribution is in excess of the applicable limit on contributions from  
568 nonresidents in subsection (a) of section 9 of this act;

569 (7) The candidate's exploratory committee, if any, has returned all  
570 contributions that do not meet the criteria for qualifying contributions  
571 to a candidate committee as described in section 9 of this act;

572 (8) The candidate committee shall refuse to accept any additional  
573 contributions, except for contributions from party committees in  
574 accordance with the provisions of section 9-333s of the general statutes,  
575 as amended by this act;

576 (9) The campaign treasurer of the candidate committee shall comply  
577 with the provisions of sections 1 to 4, inclusive, 6 to 22, inclusive, and  
578 36 and 37 of this act;

579 (10) All moneys received from the fund shall be deposited upon  
580 receipt into the depository account of the candidate committee;

581 (11) The campaign treasurer of the candidate committee shall  
582 expend all moneys received from the fund in accordance with the  
583 provisions of subsection (g) of section 9-333i of the general statutes;

584 (12) All individuals making qualifying contributions to the  
585 candidate committee of the candidate have made the certifications  
586 required in subsection (b) of section 9 of this act and the candidate has  
587 no knowledge that any such certification is false;

588 (13) The campaign treasurer of the candidate committee of the  
589 candidate has, and will continue to, file in electronic form all financial  
590 disclosure statements required by section 9-333j of the general statutes.  
591 The form of such electronic filing shall comply with the provisions of  
592 section 9-348ee of the general statutes;

593 (14) If the candidate withdraws from the campaign, becomes  
594 ineligible or dies during the campaign, the candidate committee of the

595 candidate shall return to the commission, for deposit in the fund, all  
596 moneys received from the fund pursuant to sections 1 to 4, inclusive, 6  
597 to 22, inclusive, and 36 and 37 of this act which said candidate  
598 committee has not spent as of the date of such occurrence; and

599 (15) In the case of a candidate for the office of Lieutenant Governor,  
600 that such candidate is not deemed to be aiding or promoting the  
601 success of the campaign for Lieutenant Governor and the success of a  
602 candidate for nomination or election to the office of Governor jointly as  
603 described in subsection (a) of section 15 of this act.

604 (c) The application shall be accompanied by a cumulative itemized  
605 accounting of all funds received, expenditures made and expenses  
606 incurred but not yet paid by the candidate committee as of three days  
607 before the date that the application is signed. Such accounting shall be  
608 sworn to under penalty of false statement by the campaign treasurer of  
609 the candidate committee. The commission shall prescribe the form of  
610 the application and the cumulative itemized accounting, after  
611 consulting with the Secretary of the State. The form for such  
612 accounting shall conform to the requirements of section 9-333j of the  
613 general statutes. Both the candidate and the campaign treasurer of the  
614 candidate committee shall sign the application. The application shall  
615 also be accompanied by a bond, with surety, in the amount which the  
616 applicant candidate is eligible to receive initially from the fund. The  
617 commission shall adopt regulations, in accordance with the provisions  
618 of chapter 54 of the general statutes, implementing such requirement  
619 of a bond.

620 (d) Not later than five business days following receipt of any such  
621 application, the commission shall review the application, determine  
622 whether the candidate committee for the applicant (1) has received the  
623 required qualifying contributions, and (2) in the case of an application  
624 for moneys from the fund for a primary or general election campaign,  
625 the applicant has met the applicable condition under subsection (a) of

626 this section for applying for such moneys and, if so, determine the  
627 amount of moneys payable to the candidate committee from the fund  
628 and notify the State Comptroller and the candidate of such candidate  
629 committee, of such amount. Not later than three business days  
630 following notification by the commission, the State Comptroller shall  
631 draw an order on the State Treasurer for payment of such amount to  
632 the qualified candidate committee from the fund.

633       Sec. 13. (NEW) (a) Following the initial deposit of moneys from the  
634 fund into the depository account of a qualified candidate committee,  
635 no contribution, loan, amount of the candidate's own moneys or any  
636 other moneys received by the candidate or the campaign treasurer on  
637 behalf of the committee shall be deposited into said depository  
638 account, except (1) grants from the fund, (2) contributions from party  
639 committees in accordance with the provisions of section 9-333s of the  
640 general statutes, as amended by this act, and (3) any additional  
641 moneys from the fund as provided in sections 17 and 18 of this act.

642       (b) A qualified candidate committee for a candidate for nomination  
643 or election to a state office, which receives moneys from the fund, shall  
644 not make expenditures or incur expenses in excess of the applicable  
645 permitted expenditure amount.

646       Sec. 14. (NEW) (a) A qualified candidate committee that received  
647 moneys from the Citizens' Elections Fund for the selection and support  
648 of delegates to a convention or for the convention vote and whose  
649 candidate is endorsed for nomination to the office that the candidate is  
650 seeking at the party's state convention shall receive moneys from the  
651 fund for a primary campaign if one or more other candidates for such  
652 nomination receive at least fifteen per cent of the votes of the  
653 convention delegates present and voting on any roll call vote taken on  
654 the endorsement or proposed endorsement of a candidate for said  
655 office. Upon the close of the convention and determining that such  
656 conditions have been met, the State Elections Enforcement

657 Commission shall notify the State Comptroller of the amount due said  
658 candidate. Not later than three business days following notification by  
659 the commission, the State Comptroller shall draw an order on the State  
660 Treasurer for payment of a primary campaign grant to the qualified  
661 candidate committee from the fund. If no primary is held for such  
662 nomination, any unspent moneys from such primary campaign grant  
663 shall be returned to the commission and deposited in the fund or used  
664 by the candidate committee to reduce the amount of the general  
665 election campaign grant.

666 (b) A qualified candidate committee that received moneys from the  
667 Citizens' Elections Fund for the selection and support of delegates to a  
668 convention or for the convention vote and whose candidate receives at  
669 least fifteen per cent of the votes of the convention delegates present  
670 and voting on any roll call vote taken on the endorsement or proposed  
671 endorsement of a candidate for said office shall receive moneys from  
672 the fund for a primary campaign if (1) another candidate is endorsed  
673 for nomination to the office that the candidate is seeking at the party's  
674 state convention, or (2) one or more other candidates for such  
675 nomination receive at least fifteen per cent of the votes of the  
676 convention delegates present and voting on any roll call vote taken on  
677 the endorsement or proposed endorsement of a candidate for said  
678 office. Upon the close of the convention and determining that such  
679 conditions have been met, the State Elections Enforcement  
680 Commission shall notify the State Comptroller of the amount due said  
681 candidate. Not later than three business days following notification by  
682 the commission, the State Comptroller shall draw an order on the State  
683 Treasurer for payment of a primary campaign grant to the qualified  
684 candidate committee from the fund. If no primary is held for such  
685 nomination, any unspent moneys from such primary campaign grant  
686 shall be returned to the commission and deposited in the fund or used  
687 by the candidate committee to reduce the amount of the general  
688 election campaign grant.

689 (c) If a scheduled primary is cancelled pursuant to section 9-429 of  
690 the general statutes, a qualified candidate committee which received  
691 moneys from the fund for a primary and whose candidate is deemed  
692 to have been lawfully nominated pursuant to said section 9-429 shall  
693 receive moneys from the fund for a general election campaign. Upon  
694 receiving verification from the Secretary of the State that a scheduled  
695 primary has not been held and that the candidate of a qualified  
696 candidate committee has been deemed to have been lawfully  
697 nominated in accordance with the provisions of said section 9-429, the  
698 commission shall notify the State Comptroller of the amount payable  
699 to said qualified candidate committee and the State Comptroller shall  
700 draw an order on the State Treasurer for payment of the general  
701 election campaign grant to said committee from the fund, provided the  
702 amount of such general election grant shall be reduced by the amount  
703 of the primary campaign grant which said candidate committee has  
704 not spent as of the date of cancellation of the primary.

705 (d) A qualified candidate committee that received moneys from the  
706 Citizens' Elections Fund for the selection and support of delegates to a  
707 convention or for the convention vote shall receive moneys from the  
708 fund for a general election campaign if the candidate who established  
709 such committee (1) is endorsed for nomination to the office that the  
710 candidate is seeking at the party's state convention and no other  
711 candidate receives at least fifteen per cent of the votes of the  
712 convention delegates present and voting on any roll call vote taken on  
713 the endorsement or proposed endorsement of a candidate for said  
714 office, or (2) receives at least fifteen per cent of the votes of the  
715 convention delegates present and voting on any roll call vote taken on  
716 the endorsement or proposed endorsement of a candidate for said  
717 office and no other candidate is (A) endorsed for nomination to the  
718 office that the candidate is seeking at the party's state convention, or  
719 (B) receives at least fifteen per cent of the votes of the convention  
720 delegates present and voting on any roll call vote taken on the  
721 endorsement or proposed endorsement of a candidate for said office.

722 Upon the close of the convention and determining that such conditions  
723 have been met, the State Elections Enforcement Commission shall  
724 notify the State Comptroller of the amount due said candidate. Not  
725 later than three business days following notification by the  
726 commission, the State Comptroller shall draw an order on the State  
727 Treasurer for payment of a general election campaign grant to the  
728 qualified candidate committee from the fund.

729 (e) A qualified candidate committee which received moneys from  
730 the fund for a primary campaign and whose candidate is the party  
731 nominee shall receive moneys from the fund for a general election  
732 campaign. Upon receiving verification from the Secretary of the State  
733 of the declaration by the Secretary of the State in accordance with the  
734 provisions of section 9-440 of the general statutes, of the results of the  
735 votes cast at the primary, the commission shall notify the State  
736 Comptroller of the amount payable to such qualified candidate  
737 committee. Not later than three business days following notification by  
738 the commission, the State Comptroller shall draw an order on the State  
739 Treasurer for payment of the general election campaign grant to said  
740 committee from said fund.

741 (f) A qualified candidate committee which received moneys from  
742 the fund for a petition campaign for ballot access and whose  
743 candidate's nominating petition has been approved by the Secretary of  
744 the State pursuant to subsection (c) of section 9-453o of the general  
745 statutes shall receive moneys from the fund for a general election  
746 campaign. Upon receiving notification from the Secretary of the State  
747 of such approval, the commission shall notify the State Comptroller of  
748 the amount payable to such qualified candidate committee. Not later  
749 than three business days following notification by the commission, the  
750 State Comptroller shall draw an order on the State Treasurer for  
751 payment of the general election campaign grant to said committee  
752 from said fund.

753 (g) Not later than twenty-four hours after any event under this  
754 section which entitles a candidate to receive moneys from the fund for  
755 a primary campaign or a general election campaign, the Secretary of  
756 the State shall notify the commission of such event.

757 Sec. 15. (NEW) (a) For purposes of this section, expenditures made  
758 for purposes of the permitted expenditure amount to aid or promote  
759 the success of both a candidate for nomination or election to the office  
760 of Governor and a candidate for nomination or election to the office of  
761 Lieutenant Governor jointly, shall be considered expenditures made to  
762 aid or promote the success of a candidate for nomination or election to  
763 the office of Governor. The party-endorsed candidate for nomination  
764 or election to the office of Lieutenant Governor and the party-endorsed  
765 candidate for nomination or election to the office of Governor shall be  
766 deemed to be aiding or promoting the success of both candidates  
767 jointly upon the earliest of the following: (1) The primary, whether  
768 held for the office of Governor, the office of Lieutenant Governor, or  
769 both; (2) if no primary is held for the office of Governor or Lieutenant  
770 Governor, the convention; or (3) a declaration by the party-endorsed  
771 candidates that they shall campaign jointly. Any other candidate for  
772 nomination or election to the office of Lieutenant Governor shall be  
773 deemed to be aiding or promoting the success of such candidacy for  
774 the office of Lieutenant Governor and the success of a candidate for  
775 nomination or election to the office of Governor jointly upon a  
776 declaration by the candidates that they shall campaign jointly.

777 (b) The candidate committee formed to aid or promote the success  
778 of a candidate for nomination or election to the office of Lieutenant  
779 Governor, the candidate of which campaigns jointly with a candidate  
780 for nomination or election to the office of Governor, shall be dissolved  
781 as of the applicable date set forth in subsection (a) of this section. Not  
782 later than fifteen days after the applicable date set forth in subsection  
783 (a) of this section, the campaign treasurer of the candidate committee  
784 formed to aid or promote the success of said candidate for nomination

785 or election to the office of Lieutenant Governor shall file a statement  
786 with the proper authority under section 9-333e of the general statutes,  
787 as amended by this act, identifying all contributions received or  
788 expenditures made by the committee since the previous statement and  
789 the balance on hand or deficit, as the case may be. Not later than thirty  
790 days after the applicable date set forth in subsection (a) of this section,  
791 (1) the campaign treasurer of a qualified candidate committee formed  
792 to aid or promote the success of said candidate for nomination or  
793 election to the office of Lieutenant Governor shall distribute any  
794 surplus to the fund, and (2) the campaign treasurer of a nonqualified  
795 candidate committee formed to aid or promote the success of said  
796 candidate for nomination or election to the office of Lieutenant  
797 Governor shall return such surplus to all contributors on a prorated  
798 basis of contribution or distribute such surplus to any charitable  
799 organization which is a tax-exempt organization under Section  
800 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent  
801 corresponding internal revenue code of the United States, as from time  
802 to time amended.

803 Sec. 16. (NEW) (a) A qualified candidate committee may borrow  
804 moneys on behalf of a campaign for the selection and support of  
805 delegates to a convention, a primary or a general election from one or  
806 more financial institutions, as defined in section 36a-41 of the general  
807 statutes, in an aggregate amount not to exceed one thousand dollars.  
808 The amount borrowed shall not constitute a qualifying contribution.  
809 No individual, political committee or party committee, except the  
810 candidate or, in a general election, the state central committee of a  
811 political party, shall endorse or guarantee such a loan in an aggregate  
812 amount in excess of two hundred fifty dollars. An endorsement or  
813 guarantee of such a loan shall constitute a contribution by such  
814 individual or committee for so long as the loan is outstanding. The  
815 amount endorsed or guaranteed by such individual or committee shall  
816 cease to constitute a contribution upon repayment of the amount  
817 endorsed or guaranteed.

818 (b) All such loans shall be repaid in full prior to the date a candidate  
819 committee applies for the moneys from the fund pursuant to section 12  
820 of this act. The candidate shall certify to the commission that such  
821 loans were repaid. A candidate who fails to repay such loans or fails to  
822 certify such repayment to the commission shall not be eligible to  
823 receive and shall not receive moneys from the fund.

824 Sec. 17. (NEW) (a) (1) A qualified candidate committee which  
825 receives moneys from the fund pursuant to section 12 of this act and  
826 makes expenditures in excess of the permitted expenditure amount (A)  
827 shall repay to the fund the amount of expenditures in excess of the  
828 applicable permitted expenditure amount, and (B) shall not receive  
829 any additional moneys from the fund for the remainder of the election  
830 cycle.

831 (2) In addition, a candidate of a qualified candidate committee  
832 which receives moneys from the fund pursuant to section 12 of this act  
833 and makes expenditures that, with the intent of said candidate, exceed  
834 the applicable permitted expenditure amount by more than one per  
835 cent shall (A) be liable to the fund for the amount of such excess  
836 expenditures, and (B) be guilty of a class D felony.

837 (b) Additional moneys from the fund shall be paid to a qualified  
838 candidate committee which received moneys from the fund if the  
839 committee of an opposing candidate makes expenditures in excess of  
840 the applicable permitted expenditure amount. Such additional moneys  
841 from the fund shall be paid to a qualified candidate committee which  
842 received moneys from the fund (1) regardless of whether the candidate  
843 committee which makes expenditures in excess of the applicable  
844 permitted expenditure amount has received moneys from the fund, (2)  
845 in an amount equal to the greatest amount of expenditures in excess of  
846 the applicable permitted expenditure amount which the committee of  
847 an opposing candidate has made expenditures, but not more than one  
848 hundred per cent of the amount of moneys which the qualified

849 candidate committee has received from the fund, and (3) immediately  
850 following the commission's verification that the committee of an  
851 opposing candidate has made expenditures in excess of the applicable  
852 permitted expenditure amount. In the case of the candidate committee  
853 of a nonparticipating candidate making such excess expenditures,  
854 additional moneys shall not be paid to a qualified candidate committee  
855 under this subsection until the general election campaign. No qualified  
856 candidate committee which expends moneys in excess of the permitted  
857 expenditure amount shall receive additional moneys from the fund  
858 pursuant to this subsection.

859 (c) If a nonparticipating candidate makes or incurs the obligation to  
860 make an excess expenditure more than twenty days before the day of a  
861 convention, primary or election, the candidate shall file a declaration of  
862 excess expenditures not later than forty-eight hours after making or  
863 incurring the expenditure. If a nonparticipating candidate makes or  
864 incurs the obligation to make an excess expenditure twenty days or  
865 less before the day of a convention, primary or election, the candidate  
866 shall file a declaration of excess expenditures not later than twenty-  
867 four hours after making or incurring the expenditure. The commission  
868 may determine whether any expenditure by a nonparticipating  
869 candidate shall be deemed an excess expenditure.

870 Sec. 18. (NEW) (a) Any person who makes or obligates to make an  
871 independent expenditure, as defined in section 9-333a of the general  
872 statutes, as amended, intended to promote the success or defeat of a  
873 candidate for nomination or election to a state office, which exceeds  
874 five hundred dollars, in the aggregate, during the period for the  
875 selection and support of delegates to a convention, a primary  
876 campaign period or an election campaign period, shall file a report of  
877 such independent expenditure to the State Elections Enforcement  
878 Commission. If the person makes or obligates to make such  
879 independent expenditure more than twenty days before the day of a  
880 convention, primary or election, the person shall file such report not

881 later than forty-eight hours after such payment or obligation. If the  
882 person makes or obligates to make such independent expenditure  
883 twenty days or less before the day of a convention, primary or election,  
884 the person shall file such report not later than twenty-four hours after  
885 such payment or obligation. The report shall be filed under penalty of  
886 false statement.

887 (b) The independent expenditure report shall include a statement (1)  
888 identifying the candidate for whom the independent expenditure is  
889 intended to promote the success or defeat, (2) affirming that the  
890 expenditure is totally independent and involves no cooperation or  
891 coordination with or direction from a candidate or a political party,  
892 and (3) affirming that the individual making the expenditure has not  
893 served or does not serve as treasurer, deputy treasurer or chairperson  
894 of the candidate committee during the same election cycle.

895 (c) Any person may file a complaint with the commission upon the  
896 belief that (1) any such independent expenditure report or statement is  
897 false, or (2) any person who is required to file an independent  
898 expenditure report under subsection (a) of this section has failed to do  
899 so. The commission shall make a prompt determination on such a  
900 complaint.

901 (d) Upon the receipt of a report that such an independent  
902 expenditure has been made or obligated to be made, the commission  
903 shall immediately notify the State Comptroller that additional money,  
904 equal to the amount of the independent expenditure, shall be paid to  
905 the qualifying candidate committees of each participating candidate  
906 whom the independent expenditure is intended to oppose or defeat.  
907 Not later than three business days following notification by the  
908 commission, the State Comptroller shall draw an order on the State  
909 Treasurer for payment of such amount to each such qualified  
910 candidate committee from the fund. The provisions of this subsection  
911 shall be subject to the following:

912 (1) The maximum aggregate amount of funding that the qualified  
913 candidate committee of a participating candidate shall receive to  
914 match the independent expenditures made or obligated to be made on  
915 behalf of an opposing participating candidate shall not be greater than  
916 one hundred per cent of the total moneys that said candidate  
917 committee has received from the fund.

918 (2) The maximum aggregate amount of funding that the qualified  
919 candidate committee of a participating candidate shall receive to  
920 match the independent expenditures and the excess expenditures of a  
921 nonparticipating candidate shall not be greater than two hundred per  
922 cent of the total moneys that said candidate committee has received  
923 from the fund.

924 (3) Such additional funding shall be granted to the qualified  
925 candidate committee of a participating candidate opposed by a  
926 nonparticipating candidate only if the nonparticipating candidate's  
927 campaign expenditures, combined with the amount of the  
928 independent expenditures, exceed the applicable permitted  
929 expenditure amount for the participating candidate, during the general  
930 election campaign.

931 Sec. 19. (NEW) On the second Tuesday in July in any year in which  
932 a state office election is held, and on each subsequent Tuesday until  
933 and including the fourth Tuesday in October in such year, the  
934 campaign treasurer of each candidate committee organized to aid or  
935 promote the success of a candidate for nomination or election to a state  
936 office at such election shall file with the Secretary of the State and the  
937 commission a statement, sworn under penalty of false statement, of  
938 itemized receipts and expenditures for the preceding seven calendar  
939 days. If a campaign treasurer fails to file any statement required by this  
940 section (1) within the time required, or (2) with both the Secretary of  
941 the State and the commission, such campaign treasurer shall be subject  
942 to a civil penalty imposed by the commission, of not more than one

943 thousand dollars for each such failure under subdivision (1) or (2) of  
944 this section.

945 Sec. 20. (NEW) The Secretary of the State shall provide in electronic  
946 format, free of charge, to each committee which receives moneys from  
947 the Citizens' Elections Fund pursuant to section 12 of this act, a copy of  
948 the centralized computer list of registered voters in the state  
949 established pursuant to the plan authorized under section 1 of special  
950 act 91-45.

951 Sec. 21. (NEW) (a) Not later than March first in the year before any  
952 year in which a state office election is to be held, the commission shall  
953 determine whether the amount of moneys in the fund is sufficient to  
954 carry out the purposes of sections 1 to 4, inclusive, 6 to 22, inclusive,  
955 and 36 and 37 of this act, based on the information available to the  
956 commission at such time. If the commission determines at such time  
957 that the amount of moneys in the fund is not sufficient to carry out  
958 such purposes, the commission shall immediately issue a report. The  
959 General Assembly may authorize alternative sources of funding  
960 sufficient to carry out the purposes of sections 1 to 4, inclusive, 6 to 22,  
961 inclusive, and 36 and 37 of this act.

962 (b) Not later than January first in any year in which a state office  
963 election is to be held, the commission shall determine whether the  
964 amount of moneys in the fund is sufficient to carry out the purposes of  
965 sections 1 to 4, inclusive, 6 to 22, inclusive, and 36 and 37 of this act. If  
966 the commission determines that such amount is not sufficient to carry  
967 out such purposes, the commission shall, not later than three days after  
968 such later determination, (1) determine the percentage of the fund's  
969 obligations that can be met for such election, (2) recalculate the amount  
970 of each payment that a qualified candidate committee is entitled to  
971 receive under section 10 or 11 of this act by multiplying such  
972 percentage by the amount that the committee would have been  
973 entitled to receive under section 10 or 11 of this act if there were a

974 sufficient amount of moneys in the fund, and (3) notify each applicant  
975 for moneys from the fund of such insufficiency, percentage and  
976 applicable recalculation. After a qualified candidate committee first  
977 receives any such recalculated payment, the committee may resume  
978 accepting contributions and making expenditures from such  
979 contributions, provided no qualified candidate committee which  
980 receives such recalculated payments from the fund shall accept  
981 contributions in excess of the amount of moneys which the committee  
982 was entitled to receive from the fund but did not receive from the  
983 fund. The commission shall also issue a report on said determination.  
984 The General Assembly may authorize alternative sources of funding  
985 sufficient to carry out the purposes of sections 1 to 4, inclusive, 6 to 22,  
986 inclusive, and 36 and 37 of this act. If the commission issues such  
987 determination at a time when the General Assembly is not in session,  
988 the commission shall notify the president pro tempore of the Senate  
989 and the speaker of the House of Representatives who may call a  
990 special session of the General Assembly, in accordance with section 2-7  
991 of the general statutes, to consider authorizing such alternative sources  
992 of funding.

993 (c) The commission shall establish a reserve account in the fund. The  
994 first twenty-five thousand dollars deposited in the fund during any  
995 year shall be placed in said account. The commission shall use moneys  
996 in the reserve account only during the seven days preceding an  
997 election for payments to candidates (1) whose payments were reduced  
998 under subsection (b) of this section, or (2) who are entitled to funding  
999 to match independent expenditures pursuant to section 18 of this act  
1000 during said seven-day period.

1001 Sec. 22. (NEW) A candidate of a candidate committee which  
1002 receives moneys from the Citizens' Elections Fund may expend  
1003 personal moneys in an aggregate amount not exceeding one thousand  
1004 dollars to aid or promote the success of such candidate's campaign for  
1005 nomination or election to a state office. Any such expenditure shall be

1006 made and reported in accordance with the provisions of sections 9-333i  
1007 and 9-333j of the general statutes and shall be considered a qualifying  
1008 contribution for the purposes of section 9 of this act.

1009 Sec. 23. Section 9-333a of the general statutes, as amended by section  
1010 1 of public act 99-12, is repealed and the following is substituted in lieu  
1011 thereof:

1012 As used in this chapter and sections 1 to 4, inclusive, 6 to 22,  
1013 inclusive, and 36 and 37 of this act:

1014 (1) "Committee" means a party committee, political committee or a  
1015 candidate committee organized, as the case may be, for a single  
1016 primary, election or referendum, or for ongoing political activities, to  
1017 aid or promote the success or defeat of any political party, any one or  
1018 more candidates for public office or the position of convention  
1019 delegate or town committee member or any referendum question.

1020 (2) "Party committee" means a state central committee or a town  
1021 committee. "Party committee" does not mean a party-affiliated or  
1022 district, ward or borough committee which receives all of its funds  
1023 from the state central committee of its party or from a single town  
1024 committee with the same party affiliation. Any such committee so  
1025 funded shall be construed to be a part of its state central or town  
1026 committee for purposes of this chapter and sections 1 to 4, inclusive, 6  
1027 to 22, inclusive, and 36 and 37 of this act.

1028 (3) "Political committee" means (A) a committee organized by a  
1029 business entity or organization, (B) persons other than individuals, or  
1030 two or more individuals organized or acting jointly conducting their  
1031 activities in or outside the state, (C) a committee established by a  
1032 candidate to determine the particular public office to which [he] such  
1033 candidate shall seek nomination or election, and referred to in this  
1034 chapter as an exploratory committee, or (D) a committee established by  
1035 or on behalf of a slate of candidates in a primary for the position of

1036 convention delegate, but does not mean a candidate committee or a  
1037 party committee.

1038 (4) "Candidate committee" means any committee designated by a  
1039 single candidate, or established with the consent, authorization or  
1040 cooperation of a candidate, for the purpose of a single primary or  
1041 election and to aid or promote [his] such candidate's candidacy alone  
1042 for a particular public office or the position of town committee  
1043 member, but does not mean a political committee or a party  
1044 committee.

1045 (5) "National committee" means the organization which according to  
1046 the bylaws of a political party is responsible for the day-to-day  
1047 operation of the party at the national level.

1048 (6) "Organization" means all labor organizations, (A) as defined in  
1049 the Labor-Management Reporting and Disclosure Act of 1959, as from  
1050 time to time amended, or (B) as defined in subdivision (9) of section  
1051 31-101, employee organizations as defined in subsection (d) of section  
1052 5-270 and subdivision (6) of section 7-467, bargaining representative  
1053 organizations for teachers, any local, state or national organization, to  
1054 which a labor organization pays membership or per capita fees, based  
1055 upon its affiliation or membership, and trade or professional  
1056 associations which receive their funds exclusively from membership  
1057 dues, whether organized in or outside of this state, but does not mean  
1058 a candidate committee, party committee or a political committee.

1059 (7) "Business entity" means the following, whether organized in or  
1060 outside of this state: Stock corporations, banks, insurance companies,  
1061 business associations, bankers associations, insurance associations,  
1062 trade or professional associations which receive funds from  
1063 membership dues and other sources, partnerships, joint ventures,  
1064 private foundations, as defined in Section 509 of the Internal Revenue  
1065 Code of 1986, or any subsequent corresponding internal revenue code  
1066 of the United States, as from time to time amended; trusts or estates;

1067 corporations organized under sections 38a-175 to 38a-192, inclusive,  
1068 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, and  
1069 chapters 594 to 597, inclusive; cooperatives, and any other association,  
1070 organization or entity which is engaged in the operation of a business  
1071 or profit-making activity; but does not include professional service  
1072 corporations organized under chapter 594a and owned by a single  
1073 individual, nonstock corporations which are not engaged in business  
1074 or profit-making activity, organizations, as defined in subdivision (6)  
1075 of this section, candidate committees, party committees and political  
1076 committees as defined in this section. For purposes of this chapter,  
1077 corporations which are component members of a controlled group of  
1078 corporations, as those terms are defined in Section 1563 of the Internal  
1079 Revenue Code of 1986, or any subsequent corresponding internal  
1080 revenue code of the United States, as from time to time amended, shall  
1081 be deemed to be one corporation.

1082 (8) "Individual" means a human being, a sole proprietorship, or a  
1083 professional service corporation organized under chapter 594a and  
1084 owned by a single human being.

1085 (9) "Person" means an individual, committee, firm, partnership,  
1086 organization, association, syndicate, company trust, corporation,  
1087 limited liability company or any other legal entity of any kind but does  
1088 not mean the state or any political or administrative subdivision of the  
1089 state.

1090 (10) "Candidate" means an individual who seeks nomination for  
1091 election or election to public office whether or not such individual is  
1092 elected, and for the purposes of this chapter and sections 1 to 4,  
1093 inclusive, 6 to 22, inclusive, and 36 and 37 of this act an individual  
1094 shall be deemed to seek nomination for election or election if [he] such  
1095 individual has (A) been endorsed by a party or become eligible for a  
1096 position on the ballot at an election or primary, or (B) solicited or  
1097 received contributions or made expenditures or given [his] such

1098 individual's consent to any other person to solicit or receive  
1099 contributions or make expenditures with the intent to bring about [his]  
1100 such individual's nomination for election or election to any such office.  
1101 "Candidate" also means a slate of candidates which is to appear on the  
1102 ballot in a primary for the position of convention delegate. For the  
1103 purposes of sections 9-333 to 9-333l, inclusive, as amended by this act,  
1104 and section 9-333w, "candidate" also means an individual who is a  
1105 candidate in a primary for town committee members.

1106 (11) "Campaign treasurer" means the individual appointed by a  
1107 candidate or by the [chairman] chairperson of a party committee or a  
1108 political committee to receive and disburse funds on behalf of the  
1109 candidate or committee.

1110 (12) "Deputy campaign treasurer" means the individual appointed  
1111 by the candidate or by the [chairman] chairperson of a committee to  
1112 serve in the capacity of the campaign treasurer if the campaign  
1113 treasurer is unable to perform [his] the campaign treasurer's duties.

1114 (13) "Solicitor" means an individual appointed by a campaign  
1115 treasurer of a committee to receive, but not to disburse, funds on  
1116 behalf of the committee.

1117 (14) "Referendum question" means a question to be voted upon at  
1118 any election or referendum, including a proposed constitutional  
1119 amendment.

1120 (15) "Lobbyist" means a lobbyist as defined in subsection (l) of  
1121 section 1-91.

1122 (16) "Business with which he is associated" means any business in  
1123 which the contributor is a director, officer, owner, limited or general  
1124 partner or holder of stock constituting five per cent or more of the total  
1125 outstanding stock of any class. Officer refers only to the president,  
1126 executive or senior vice-president or treasurer of such business.

1127 (17) "Independent expenditure" means an expenditure that is made  
1128 without the consent, knowing participation, or consultation of, a  
1129 candidate or agent of the candidate committee. "Independent  
1130 expenditure" does not include an expenditure (A) if there is any  
1131 coordination or direction with respect to the expenditure between the  
1132 candidate or the treasurer, deputy treasurer or [chairman] chairperson  
1133 of [his] such candidate committee and the person making the  
1134 expenditure, or (B) if, during the same election cycle, the individual  
1135 making the expenditure serves or has served as the treasurer, deputy  
1136 treasurer or [chairman] chairperson of the candidate committee.

1137 (18) "Federal account" means a depository account that is subject to  
1138 the disclosure and contribution limits provided under the Federal  
1139 Election Campaign Act of 1971, as amended from time to time.

1140 (19) "Public funds" means funds belonging to, or under the control  
1141 of, the state or a political subdivision of the state.

1142 Sec. 24. Section 9-333b of the general statutes, as amended by public  
1143 act 99-264, is repealed and the following is substituted in lieu thereof:

1144 (a) As used in this chapter and sections 1 to 4, inclusive, 6 to 22,  
1145 inclusive, and 36 and 37 of this act, "contribution" means:

1146 (1) Any gift, subscription, loan, advance, payment or deposit of  
1147 money or anything of value, made for the purpose of influencing the  
1148 nomination for election, or election, of any person or for the purpose of  
1149 aiding or promoting the success or defeat of any referendum question  
1150 or on behalf of any political party;

1151 (2) A written contract, promise or agreement to make a contribution  
1152 for any such purpose;

1153 (3) The payment by any person, other than a candidate or campaign  
1154 treasurer, of compensation for the personal services of any other  
1155 person which are rendered without charge to a committee or candidate

1156 for any such purpose;

1157 (4) An expenditure when made by a person with the cooperation of,  
1158 or in consultation with, any candidate, candidate committee or  
1159 candidate's agent or which is made in concert with, or at the request or  
1160 suggestion of, any candidate, candidate committee or candidate's  
1161 agent; or

1162 (5) Funds received by a committee which are transferred from  
1163 another committee or other source for any such purpose.

1164 (b) As used in this chapter and sections 1 to 4, inclusive, 6 to 22,  
1165 inclusive, and 36 and 37 of this act, "contribution" does not mean:

1166 (1) A loan of money made in the ordinary course of business by a  
1167 national or state bank;

1168 (2) Any communication made by a corporation, organization or  
1169 association to its members, owners, stockholders, executive or  
1170 administrative personnel, or their families;

1171 (3) Nonpartisan voter registration and get-out-the-vote campaigns  
1172 by any corporation, organization or association aimed at its members,  
1173 owners, stockholders, executive or administrative personnel, or their  
1174 families;

1175 (4) Uncompensated services provided by individuals volunteering  
1176 their time;

1177 (5) The use of real or personal property, and the cost of invitations,  
1178 food or beverages, voluntarily provided by an individual to a  
1179 candidate or on behalf of a state central or town committee, in  
1180 rendering voluntary personal services for candidate or party-related  
1181 activities at the individual's residence, to the extent that the cumulative  
1182 value of the invitations, food or beverages provided by the individual  
1183 on behalf of any single candidate does not exceed two hundred dollars

1184 with respect to any single election, and on behalf of all state central  
1185 and town committees does not exceed four hundred dollars in any  
1186 calendar year;

1187 (6) The sale of food or beverage for use in a candidate's campaign or  
1188 for use by a state central or town committee at a discount, if the charge  
1189 is not less than the cost to the vendor, to the extent that the cumulative  
1190 value of the discount given to or on behalf of any single candidate does  
1191 not exceed two hundred dollars with respect to any single election,  
1192 and on behalf of all state central and town committees does not exceed  
1193 four hundred dollars in a calendar year;

1194 (7) Any unreimbursed payment for travel expenses made by an  
1195 individual who on [his] said individual's own behalf volunteers [his]  
1196 said individual's personal services to any single candidate to the extent  
1197 the cumulative value does not exceed two hundred dollars with  
1198 respect to any single election, and on behalf of all state central or town  
1199 committees does not exceed four hundred dollars in a calendar year;

1200 (8) The payment, by a party committee, political committee or an  
1201 individual, of the costs of preparation, display, mailing or other  
1202 distribution incurred by the committee or individual with respect to  
1203 any printed slate card, sample ballot or other printed list containing  
1204 the names of three or more candidates;

1205 (9) The donation of any item of personal property by an individual  
1206 to a committee for a fund-raising affair, including a tag sale or auction,  
1207 or the purchase by an individual of any such item at such an affair, to  
1208 the extent that the cumulative value donated or purchased does not  
1209 exceed fifty dollars;

1210 (10) The purchase of advertising space which clearly identifies the  
1211 purchaser, in a program for a fund-raising affair, provided the  
1212 cumulative purchase of such space does not exceed two hundred fifty  
1213 dollars from any single candidate or [his] committee of any single

1214 candidate with respect to any single election campaign or two hundred  
1215 fifty dollars from any single party committee or other political  
1216 committee in any calendar year if the purchaser is a business entity or  
1217 fifty dollars for purchases by any other person, except that the  
1218 purchase of advertising space described in this subdivision shall be  
1219 deemed to be a contribution for the purposes of sections 1 to 4,  
1220 inclusive, 6 to 22, inclusive, and 36 and 37 of this act;

1221 (11) The payment of money by a candidate to [his] said candidate's  
1222 candidate committee;

1223 (12) The donation of goods or services by a business entity to a  
1224 committee for a fund-raising affair, including a tag sale or auction, to  
1225 the extent that the cumulative value donated does not exceed one  
1226 hundred dollars;

1227 (13) The advance of a security deposit by an individual to a  
1228 telephone company, as defined in section 16-1, for telecommunications  
1229 service for a committee, provided the security deposit is refunded to  
1230 the individual; or

1231 (14) The provision of facilities, equipment, technical and managerial  
1232 support, and broadcast time by a community antenna television  
1233 company, as defined in section 16-1, for community access  
1234 programming pursuant to section 16-331a, unless (A) the major  
1235 purpose of providing such facilities, equipment, support and time is to  
1236 influence the nomination or election of a candidate, or (B) such  
1237 facilities, equipment, support and time are provided on behalf of a  
1238 political party.

1239 Sec. 25. Subsection (a) of section 9-333e of the general statutes is  
1240 repealed and the following is substituted in lieu thereof:

1241 (a) Statements filed by party committees, political committees  
1242 formed to aid or promote the success or defeat of a referendum

1243 question proposing a constitutional convention, constitutional  
1244 amendment or revision of the constitution, individual lobbyists, and  
1245 those political committees and candidate committees formed to aid or  
1246 promote the success or defeat of any candidate for the office of  
1247 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,  
1248 Comptroller, Attorney General, sheriff, judge of probate and members  
1249 of the General Assembly, shall be filed with the office of the Secretary  
1250 of the State. A copy of each statement filed by a candidate committee  
1251 formed to aid or promote the success of any candidate for the office of  
1252 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,  
1253 State Comptroller or Attorney General shall be filed at the same time  
1254 with the commission. A copy of each statement filed by a town  
1255 committee shall be filed at the same time with the town clerk of the  
1256 municipality in which the committee is situated. A political committee  
1257 formed for a slate of candidates in a primary for the position of  
1258 convention delegate shall file statements with both the Secretary of the  
1259 State and the town clerk of the municipality in which the primary is to  
1260 be held.

1261 Sec. 26. Subsection (a) of section 9-333m of the general statutes is  
1262 repealed and the following is substituted in lieu thereof:

1263 (a) No individual shall make a contribution or contributions to, for  
1264 the benefit of, or pursuant to the authorization or request of, a  
1265 candidate or a committee supporting or opposing any candidate's  
1266 campaign for nomination at a primary, or any candidate's campaign  
1267 for election, to the office of (1) Governor, in excess of [two thousand  
1268 five hundred] one thousand dollars; (2) Lieutenant Governor,  
1269 Secretary of the State, State Treasurer, State Comptroller or Attorney  
1270 General, in excess of [one thousand five hundred] seven hundred fifty  
1271 dollars; (3) sheriff or chief executive officer of a town, city or borough,  
1272 in excess of one thousand dollars; (4) state senator or probate judge, in  
1273 excess of five hundred dollars; or (5) state representative or any other  
1274 office of a municipality not [previously] specifically included in this

1275 subsection, in excess of two hundred fifty dollars. [The] Except for  
1276 contributions to, or for the benefit of, a candidate's campaign for the  
1277 office of Governor, Lieutenant Governor, Secretary of the State, State  
1278 Treasurer, State Comptroller or Attorney General, the limits imposed  
1279 by this subsection shall be applied separately to primaries and  
1280 elections.

1281 Sec. 27. Section 9-333n of the general statutes is repealed and the  
1282 following is substituted in lieu thereof:

1283 (a) No individual shall make a contribution or contributions in any  
1284 one calendar year in excess of five thousand dollars to the state central  
1285 committee of any party, or for the benefit of such committee pursuant  
1286 to its authorization or request; or one thousand dollars to a town  
1287 committee of any political party, or for the benefit of such committee  
1288 pursuant to its authorization or request; or one thousand dollars to a  
1289 political committee other than (1) a political committee formed solely  
1290 to aid or promote the success or defeat of a referendum question, (2) an  
1291 exploratory committee, (3) a political committee established by an  
1292 organization, or for the benefit of such committee pursuant to its  
1293 authorization or request, or (4) a political committee formed by a slate  
1294 of candidates in a primary for the position of delegate to the same  
1295 convention. No individual who makes a contribution to a party  
1296 committee may direct such committee to contribute or expend any  
1297 portion of such contribution to, or for the benefit of, any candidate's  
1298 campaign for nomination or election to a state office, as defined in  
1299 section 1 of this act.

1300 (b) No individual shall make a contribution to a political committee  
1301 established by an organization which receives its funds from the  
1302 organization's treasury. With respect to a political committee  
1303 established by an organization which has complied with the provisions  
1304 of subsection (b) or (c) of section 9-333p, and has elected to receive  
1305 contributions, no individual other than a member of the organization

1306 may make contributions to the committee, in which case the individual  
1307 may contribute not more than five hundred dollars in any one calendar  
1308 year to such committee or for the benefit of such committee pursuant  
1309 to its authorization or request.

1310 (c) In no event may any individual make contributions to a  
1311 candidate committee and a political committee formed solely to  
1312 support one candidate other than an exploratory committee or for the  
1313 benefit of a candidate committee and a political committee formed  
1314 solely to support one candidate pursuant to the authorization or  
1315 request of any such committee, in an amount which in the aggregate is  
1316 in excess of the maximum amount which may be contributed to the  
1317 candidate.

1318 (d) Any individual may make unlimited contributions or  
1319 expenditures to aid or promote the success or defeat of any  
1320 referendum question, provided any individual who makes an  
1321 expenditure or expenditures in excess of one thousand dollars to  
1322 promote the success or defeat of any referendum question shall file  
1323 statements according to the same schedule and in the same manner as  
1324 is required of a campaign treasurer of a political committee under  
1325 section 9-333j.

1326 (e) Any individual acting alone may, independent of any candidate,  
1327 agent of the candidate, or committee, make unlimited expenditures to  
1328 promote the success or defeat of any candidate's campaign for election,  
1329 or nomination at a primary, to any office or position. [ , provided any]  
1330 Except for an individual who is subject to the provisions of subsection  
1331 (a) of section 18 of this act, any individual who makes an independent  
1332 expenditure or expenditures in excess of one thousand dollars to  
1333 promote the success or defeat of any candidate's campaign for election,  
1334 or nomination at a primary, to any such office or position shall file  
1335 statements according to the same schedule and in the same manner as  
1336 [is] required of a campaign treasurer of a candidate committee under

1337 section 9-333j.

1338 (f) As used in this subsection, "investment services" means legal  
1339 services, investment banking services, investment advisory services,  
1340 underwriting services, financial advisory services or brokerage firm  
1341 services. No individual who is an owner of a firm which provides  
1342 investment services and to which the State Treasurer pays  
1343 compensation, expenses or fees or issues a contract, and no individual  
1344 who is employed by such a firm as a manager, officer, director, partner  
1345 or employee with managerial or discretionary responsibilities to  
1346 invest, manage funds or provide investment services for brokerage,  
1347 underwriting and financial advisory activities which are in the  
1348 statutory and constitutional purview of the State Treasurer, shall make  
1349 a contribution on or after October 1, 1995, to, or solicit contributions on  
1350 or after said date on behalf of, an exploratory committee or candidate  
1351 committee established by a candidate for nomination or election to the  
1352 office of State Treasurer during the term of office of the State Treasurer  
1353 which pays compensation, expenses or fees or issues a contract to such  
1354 firm.

1355 Sec. 28. Subsection (d) of section 9-333o of the general statutes is  
1356 repealed and the following is substituted in lieu thereof:

1357 (d) A political committee organized by a business entity shall not  
1358 make a contribution or contributions to or for the benefit of any  
1359 candidate's campaign for nomination at a primary or any candidate's  
1360 campaign for election to the office of: (1) Governor, in excess of [five]  
1361 one thousand dollars; (2) Lieutenant Governor, Secretary of the State,  
1362 State Treasurer, State Comptroller or Attorney General, in excess of  
1363 [three thousand] seven hundred fifty dollars; (3) sheriff, in excess of  
1364 two thousand dollars; (4) state senator, probate judge or chief  
1365 executive officer of a town, city or borough, in excess of one thousand  
1366 dollars; (5) state representative, in excess of five hundred dollars; [or]  
1367 (6) any other office of a municipality not included in subdivision (4) of

1368 this subsection, in excess of two hundred fifty dollars; or (7) an  
1369 exploratory committee, in excess of two hundred fifty dollars. [The]  
1370 Except for contributions to, or for the benefit of, a candidate's  
1371 campaign for the office of Governor, Lieutenant Governor, Secretary of  
1372 the State, State Treasurer, State Comptroller or Attorney General, the  
1373 limits imposed by this subsection shall apply separately to primaries  
1374 and elections, and contributions by any such committee to candidates  
1375 designated in this subsection shall not exceed one hundred thousand  
1376 dollars in the aggregate for any single election and primary  
1377 preliminary thereto. Contributions to such committees shall also be  
1378 subject to the provisions of section 9-333t, as amended by this act, in  
1379 the case of committees formed for ongoing political activity or section  
1380 9-333u, as amended by this act, in the case of committees formed for a  
1381 single election or primary.

1382 Sec. 29. Section 9-333q of the general statutes is repealed and the  
1383 following is substituted in lieu thereof:

1384 (a) No political committee established by an organization shall  
1385 make a contribution or contributions to, or for the benefit of, any  
1386 candidate's campaign for nomination at a primary or for election to the  
1387 office of: (1) Governor, in excess of [two thousand five hundred] one  
1388 thousand dollars; (2) Lieutenant Governor, Secretary of the State, State  
1389 Treasurer, State Comptroller or Attorney General, in excess of [one  
1390 thousand five hundred] seven hundred fifty dollars; (3) sheriff or chief  
1391 executive officer of a town, city or borough, in excess of one thousand  
1392 dollars; (4) state senator or probate judge, in excess of five hundred  
1393 dollars; or (5) state representative or any other office of a municipality  
1394 not [previously] specifically included in this subsection, in excess of  
1395 two hundred fifty dollars.

1396 (b) No such committee shall make a contribution or contributions to,  
1397 or for the benefit of, an exploratory committee, in excess of two  
1398 hundred fifty dollars. Any such committee may make unlimited

1399 contributions to a political committee formed solely to aid or promote  
1400 the success or defeat of a referendum question.

1401 (c) [The] Except for contributions to, or for the benefit of, a  
1402 candidate's campaign for the office of Governor, Lieutenant Governor,  
1403 Secretary of the State, State Treasurer, State Comptroller or Attorney  
1404 General, the limits imposed by subsection (a) of this section shall apply  
1405 separately to primaries and elections. [and no] No such committee  
1406 shall make contributions to the candidates designated in this section  
1407 which in the aggregate exceed fifty thousand dollars for any single  
1408 election and primary preliminary thereto.

1409 (d) No political committee established by an organization shall  
1410 make contributions in any one calendar year to, or for the benefit of, (1)  
1411 the state central committee of a political party, in excess of five  
1412 thousand dollars; (2) a town committee, in excess of one thousand  
1413 dollars; or (3) any political committee, other than an exploratory  
1414 committee or a committee formed solely to aid or promote the success  
1415 or defeat of a referendum question, in excess of two thousand dollars.

1416 (e) No political committee established by an organization shall make  
1417 contributions to the committees designated in subsection (d) of this  
1418 section, which in the aggregate exceed fifteen thousand dollars in any  
1419 one calendar year. Contributions to a political committee established  
1420 by an organization shall also be subject to the provisions of section  
1421 9-333t, as amended by this act, in the case of a committee formed for  
1422 ongoing political activity or section 9-333u, as amended by this act, in  
1423 the case of a committee formed for a single election or primary.

1424 Sec. 30. Section 9-333s of the general statutes is repealed and the  
1425 following is substituted in lieu thereof:

1426 (a) A party committee may make unlimited contributions to, or for  
1427 the benefit of, any of the following: (1) Another party committee; (2) a  
1428 candidate committee other than a candidate committee established to

1429 aid or promote the success of one candidate for nomination at a  
1430 primary or election to the office of Governor, Lieutenant Governor,  
1431 Secretary of the State, State Treasurer, State Comptroller or Attorney  
1432 General; (3) a national committee of a political party; (4) a committee of  
1433 a candidate for federal or out-of-state office; or (5) a political  
1434 committee.

1435 (b) (1) No state central committee shall make a contribution in  
1436 excess of (A) fifty thousand dollars to a candidate committee  
1437 established to aid or promote the success of one candidate for  
1438 nomination at a primary or election to the office of Governor, and (B)  
1439 ten thousand dollars to a candidate committee established to aid or  
1440 promote the success of one candidate for nomination at a primary or  
1441 election to the office of Lieutenant Governor, Secretary of the State,  
1442 State Treasurer, State Comptroller or Attorney General.

1443 (2) No town committee shall make a contribution in excess of (A)  
1444 one thousand dollars to a candidate committee established to aid or  
1445 promote the success of one candidate for nomination at a primary or  
1446 election to the office of Governor, and (B) five hundred dollars to a  
1447 candidate committee established to aid or promote the success of one  
1448 candidate for nomination at a primary or election to the office of  
1449 Lieutenant Governor, Secretary of the State, State Treasurer, State  
1450 Comptroller or Attorney General.

1451 (3) The limits imposed by this subsection shall not apply separately  
1452 to primaries and elections.

1453 (c) (1) No candidate committee of a candidate for nomination or  
1454 election to the office of Governor shall receive more than (A) fifty  
1455 thousand dollars, in total, from state central committees, and (B)  
1456 seventy-five thousand dollars, in total, from town committees.

1457 (2) No candidate committee of a candidate for nomination or  
1458 election to the office of Lieutenant Governor, Attorney General, State

1459 Comptroller, State Treasurer or Secretary of the State shall receive  
1460 more than (A) ten thousand dollars, in total, from state central  
1461 committees, and (B) twenty thousand dollars, in total, from town  
1462 committees.

1463 (3) The limits imposed by this subsection shall not apply separately  
1464 to primaries and elections.

1465 (d) A party committee may also make contributions to a charitable  
1466 organization which is a tax-exempt organization under Section  
1467 501(c)(3) of the Internal Revenue Code, as from time to time amended,  
1468 or make memorial contributions.

1469 [(b)] (e) A party committee may receive contributions from a federal  
1470 account of a national committee of a political party, but may not  
1471 receive contributions from any other account of a national committee  
1472 of a political party or from a committee of a candidate for federal or  
1473 out-of-state office, for use in the election of candidates subject to the  
1474 provisions of this chapter.

1475 Sec. 31. Section 9-333t of the general statutes is repealed and the  
1476 following is substituted in lieu thereof:

1477 (a) No political committee organized for ongoing political activities  
1478 shall make contributions to, or for the benefit of, any candidate's  
1479 campaign for nomination at a primary or for election to the office of:  
1480 (1) Governor, in excess of one thousand dollars; or (2) Lieutenant  
1481 Governor, Secretary of the State, State Treasurer, State Comptroller or  
1482 Attorney General, in excess of seven hundred fifty dollars. The limits  
1483 imposed by this subsection shall not apply separately to primaries and  
1484 elections.

1485 [(a)] (b) A political committee organized for ongoing political  
1486 activities may make unlimited contributions to, or for the benefit of, a  
1487 party committee; any national committee of a political party; a

1488 candidate committee other than a candidate committee established to  
1489 aid or promote the success of one candidate for nomination at a  
1490 primary or election to the office of Governor, Lieutenant Governor,  
1491 Attorney General, Secretary of the State, State Treasurer or State  
1492 Comptroller; or a committee of a candidate for federal or out-of-state  
1493 office. No such political committee shall make a contribution or  
1494 contributions in excess of two thousand dollars to another political  
1495 committee in any calendar year except that a political committee  
1496 organized by a business entity may make unlimited contributions to,  
1497 or for the benefit of, another political committee organized by a  
1498 business entity. No political committee organized for ongoing political  
1499 activities shall make a contribution in excess of two hundred fifty  
1500 dollars to an exploratory committee. If such an ongoing committee is  
1501 established by an organization or a business entity, its contributions  
1502 shall be subject to the limits imposed by sections 9-333o to 9-333q,  
1503 inclusive, as amended by this act. A political committee organized for  
1504 ongoing political activities may make contributions to a charitable  
1505 organization which is a tax-exempt organization under Section  
1506 501(c)(3) of the Internal Revenue Code, as from time to time amended,  
1507 or make memorial contributions.

1508 [(b)] (c) A political committee organized for ongoing political  
1509 activities may receive contributions from the federal account of a  
1510 national committee of a political party, but may not receive  
1511 contributions from any other account of a national committee of a  
1512 political party or from a committee of a candidate for federal or  
1513 out-of-state office.

1514 Sec. 32. Section 9-333u of the general statutes is repealed and the  
1515 following is substituted in lieu thereof:

1516 (a) No political committee established for a single primary or  
1517 election shall make contributions to, or for the benefit of, any  
1518 candidate's campaign for nomination at a primary or for election to the

1519 office of: (1) Governor, in excess of one thousand dollars; or (2)  
1520 Lieutenant Governor, Secretary of the State, State Treasurer, State  
1521 Comptroller or Attorney General, in excess of seven hundred fifty  
1522 dollars. The limits imposed by this subsection shall not apply  
1523 separately to primaries and elections.

1524 [(a)] (b) A political committee established for a single primary or  
1525 election may make unlimited contributions to, or for the benefit of, a  
1526 party committee or a candidate committee other than a candidate  
1527 committee established to aid or promote the success of one candidate  
1528 for nomination at a primary or election to the office of Governor,  
1529 Lieutenant Governor, Attorney General, Secretary of the State, State  
1530 Treasurer or State Comptroller, but no such political committee shall  
1531 make contributions to a national committee, or a committee of a  
1532 candidate for federal or out-of-state office. If such a political committee  
1533 is established by an organization or a business entity, its contributions  
1534 shall also be subject to the limitations imposed by sections 9-333o to  
1535 9-333q, inclusive, as amended by this act. No political committee  
1536 formed for a single election or primary shall, with respect to such  
1537 election or primary make a contribution or contributions in excess of  
1538 two thousand dollars to another political committee, provided no such  
1539 political committee shall make a contribution in excess of two hundred  
1540 fifty dollars to an exploratory committee.

1541 [(b)] (c) A political committee established for a single primary or  
1542 election shall not receive contributions from a committee of a  
1543 candidate for federal or out-of-state office or from a national  
1544 committee.

1545 Sec. 33. Subsection (b) of section 9-333y of the general statutes is  
1546 repealed and the following is substituted in lieu thereof:

1547 (b) If any campaign treasurer or lobbyist fails to file the statements  
1548 required by section 9-333j or subsection (g) of section 9-333l, as the case  
1549 may be, within the time required, [he] the campaign treasurer or

1550 lobbyist shall pay a late filing fee of fifty-five dollars. In the case of a  
1551 statement that is required to be filed with the Secretary of the State, the  
1552 secretary shall, within ten days after the filing deadline, notify by  
1553 certified mail, return receipt requested, the person required to file that,  
1554 if such statement is not filed within twenty-one days after the deadline,  
1555 the person is in violation of said section or subsection. If the person  
1556 does not file such statement within twenty-one days after the deadline,  
1557 the secretary shall notify the State Elections Enforcement Commission  
1558 within twenty-eight days after the deadline. In the case of a copy of a  
1559 statement that is required to be filed with the State Elections  
1560 Enforcement Commission, the commission shall, not later than ten  
1561 days after the filing deadline, notify by certified mail, return receipt  
1562 requested, the person required to file that if such statement is not filed  
1563 within twenty-one days after the deadline the person is in violation of  
1564 section 9-333j. In the case of a statement that is required to be filed with  
1565 a town clerk, the town clerk shall forthwith after the filing deadline  
1566 notify by certified mail, return receipt requested, the person required  
1567 to file that, if such statement is not filed within seven days after  
1568 receiving such notice, the town clerk shall notify the State Elections  
1569 Enforcement Commission that the person is in violation of said section  
1570 or subsection. The penalty for any violation of said section or  
1571 subsection shall be a fine of not more than one thousand dollars or  
1572 imprisonment for not more than one year or both.

1573 Sec. 34. Section 9-7b of the general statutes is repealed and the  
1574 following is substituted in lieu thereof:

1575 (a) The State Elections Enforcement Commission shall have the  
1576 following duties and powers:

1577 (1) To make investigations on its own initiative or with respect to  
1578 statements filed with the commission by the Secretary of the State or  
1579 any town clerk, or upon written complaint under oath by any  
1580 individual, with respect to alleged violations of any provision of the

1581 general statutes or sections 1 to 4, inclusive, 6 to 22, inclusive, and 36  
1582 and 37 of this act, relating to any election or referendum, any primary  
1583 held pursuant to section 9-423, 9-424, 9-425 or 9-464 or any primary  
1584 held pursuant to a special act, and to hold hearings when the  
1585 commission deems necessary to investigate violations of any  
1586 provisions of the general statutes or sections 1 to 4, inclusive, 6 to 22,  
1587 inclusive, and 36 and 37 of this act, relating to any such election,  
1588 primary or referendum, and for the purpose of such hearings the  
1589 commission may administer oaths, examine witnesses and receive oral  
1590 and documentary evidence, and shall have the power to subpoena  
1591 witnesses under procedural rules the commission shall adopt, to  
1592 compel their attendance and to require the production for examination  
1593 of any books and papers which the commission deems relevant to any  
1594 matter under investigation or in question. In connection with its  
1595 investigation of any alleged violation of any provision of chapter 145,  
1596 or of any provision of section 9-359 or section 9-359a, the commission  
1597 shall also have the power to subpoena any municipal clerk and to  
1598 require the production for examination of any absentee ballot, inner  
1599 and outer envelope from which any such ballot has been removed,  
1600 depository envelope containing any such ballot or inner or outer  
1601 envelope as provided in sections 9-150a and 9-150b and any other  
1602 record, form or document as provided in section 9-150b, in connection  
1603 with the election, primary or referendum to which the investigation  
1604 relates. In case of a refusal to comply with any subpoena issued  
1605 pursuant to this subsection or to testify with respect to any matter  
1606 upon which that person may be lawfully interrogated, the superior  
1607 court for the judicial district of Hartford, on application of the  
1608 commission, may issue an order requiring such person to comply with  
1609 such subpoena and to testify; failure to obey any such order of the  
1610 court may be punished by the court as a contempt thereof. In any  
1611 matter under investigation which concerns the operation or inspection  
1612 of or outcome recorded on any voting machine, the commission may  
1613 issue an order to the municipal clerk to impound such machine until

1614 the investigation is completed;

1615 (2) To levy a civil penalty not to exceed (A) two thousand dollars  
1616 per offense against any person the commission finds to be in violation  
1617 of any provision of chapter 145, part V of chapter 146, part I of chapter  
1618 147, chapter 148, section 9-12, subsection (a) of section 9-17, section  
1619 9-19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a, 9-23g, 9-23h, 9-23j to  
1620 9-23o, inclusive, 9-26, 9-31a, 9-32, 9-35, 9-35b, 9-35c, 9-40a, 9-42, 9-43,  
1621 9-50a, 9-56, 9-59, 9-168d, 9-170, 9-171, 9-172, 9-409, 9-410, 9-412, 9-436,  
1622 9-436a, 9-453e to 9-453h, inclusive, 9-453k, [or] 9-453o or sections 1 to 4,  
1623 inclusive, 6 to 22, inclusive, and 36 and 37 of this act, or (B) two  
1624 thousand dollars per offense or twice the amount of any improper  
1625 payment or contribution, whichever is greater, against any person the  
1626 commission finds to be in violation of any provision of chapter 150.  
1627 The commission may levy a civil penalty against any person under  
1628 subparagraph (A) or (B) of this subdivision only after giving the  
1629 person an opportunity to be heard at a hearing conducted in  
1630 accordance with sections 4-176e to 4-184, inclusive. In the case of  
1631 failure to pay any such penalty levied pursuant to this subsection  
1632 [within] not later than thirty days of written notice sent by certified or  
1633 registered mail to such person, the superior court for the judicial  
1634 district of Hartford, on application of the commission, may issue an  
1635 order requiring such person to pay the penalty imposed and such  
1636 court costs, sheriff's fees and attorney's fees incurred by the  
1637 commission as the court may determine;

1638 (3) (A) To issue an order requiring any person the commission finds  
1639 to have received any contribution or payment which is prohibited by  
1640 any of the provisions of chapter 150, after an opportunity to be heard  
1641 at a hearing conducted in accordance with the provisions of sections  
1642 4-176e to 4-184, inclusive, to return such contribution or payment to  
1643 the donor or payor, or to remit such contribution or payment to the  
1644 state for deposit in the General Fund, whichever is deemed necessary  
1645 to effectuate the purposes of chapter 150;

1646 (B) To issue an order when the commission finds that an intentional  
1647 violation of any provision of chapter 150 has been committed, after an  
1648 opportunity to be heard at a hearing conducted in accordance with  
1649 sections 4-176e to 4-184, inclusive, which order may contain one or  
1650 more of the following sanctions: (i) Removal of a campaign treasurer,  
1651 deputy campaign treasurer or solicitor; or (ii) prohibition on serving as  
1652 a campaign treasurer, deputy campaign treasurer or solicitor, for a  
1653 period not to exceed four years;

1654 (C) To issue an order revoking any person's eligibility to be  
1655 appointed or serve as an election, primary or referendum official or  
1656 unofficial checker or in any capacity at the polls on the day of an  
1657 election, primary or referendum, when the commission finds such  
1658 person has intentionally violated any provision of the general statutes  
1659 relating to the conduct of an election, primary or referendum, after an  
1660 opportunity to be heard at a hearing conducted in accordance with  
1661 sections 4-176e to 4-184, inclusive;

1662 (4) To issue an order to a candidate committee which receives  
1663 moneys from the Citizens' Election Fund pursuant to sections 1 to 4,  
1664 inclusive, 6 to 22, inclusive, and 36 and 37 of this act, to comply with  
1665 the provisions of said sections 1 to 4, inclusive, 6 to 22, inclusive, and  
1666 36 and 37, after an opportunity to be heard at a hearing conducted in  
1667 accordance with the provisions of sections 4-176e to 4-184, inclusive;

1668 [(4)] (5) To inspect or audit at any reasonable time and upon  
1669 reasonable notice the accounts or records of any campaign treasurer or  
1670 principal campaign treasurer, as required by chapter 150 and sections 1  
1671 to 4, inclusive, 6 to 22, inclusive, and 36 and 37 of this act, and to audit  
1672 any such election, primary or referendum held within the state;  
1673 provided, it shall not audit any caucus, as defined in subdivision (1) of  
1674 section 9-372;

1675 [(5)] (6) To attempt to secure voluntary compliance, [by informal  
1676 methods of conference, conciliation and persuasion,] with any

1677 provision of chapters 149 to 153, inclusive, or any other provision of  
1678 the general statutes relating to any such election, primary or  
1679 referendum by informal methods of conference, conciliation and  
1680 persuasion;

1681 [(6)] (7) To consult with the Secretary of the State, the Chief State's  
1682 Attorney or the Attorney General on any matter which the commission  
1683 deems appropriate;

1684 [(7)] (8) To refer to the Chief State's Attorney evidence bearing upon  
1685 violation of any provision of chapters 149 to 153, inclusive, or any  
1686 other provision of the general statutes or sections 1 to 4, inclusive, 6 to  
1687 22, inclusive, and 36 and 37 of this act, pertaining to or relating to any  
1688 such election, primary or referendum;

1689 [(8)] (9) To refer to the Attorney General evidence for injunctive  
1690 relief and any other ancillary equitable relief in the circumstances of  
1691 subdivision [(7)] (8) of this [section] subsection. Nothing in this  
1692 subdivision shall preclude a person who claims that [he] such person is  
1693 aggrieved by a violation of any provision of chapter 152 or any other  
1694 provision of the general statutes relating to referenda from pursuing  
1695 injunctive and any other ancillary equitable relief directly from the  
1696 Superior Court by the filing of a complaint;

1697 [(9)] (10) To refer to the Attorney General evidence pertaining to any  
1698 ruling which the commission finds to be in error made by election  
1699 officials in connection with any election, primary or referendum. Those  
1700 remedies and procedures available to parties claiming to be aggrieved  
1701 under the provisions of sections 9-323, 9-324, as amended by this act,  
1702 9-328 and 9-329a shall apply to any complaint brought by the Attorney  
1703 General as a result of the provisions of this subdivision;

1704 [(10)] (11) To consult with the United States Department of Justice  
1705 and the United States Attorney for Connecticut on any investigation  
1706 pertaining to a violation of this section, section 9-12, subsection (a) of

1707 section 9-17 or section 9-19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a,  
1708 9-23g, 9-23h, 9-23j to 9-23o, inclusive, 9-26, 9-31a, 9-32, 9-35, 9-35b,  
1709 9-35c, 9-40a, 9-42, 9-43, 9-50a, 9-56 or 9-59 and to refer to said  
1710 department and attorney evidence bearing upon any such violation for  
1711 prosecution under the provisions of the National Voter Registration  
1712 Act of 1993, P.L. 103-31, as amended from time to time;

1713 [(11)] (12) To inspect reports filed with the Secretary of the State and  
1714 with town clerks pursuant to chapter 150 and refer to the Chief State's  
1715 Attorney evidence bearing upon any violation of law therein if such  
1716 violation was committed knowingly and wilfully;

1717 [(12)] (13) To intervene in any action brought pursuant to the  
1718 provisions of sections 9-323, 9-324, as amended by this act, 9-328 and  
1719 9-329a upon application to the court in which such action is brought  
1720 when in the opinion of the court it is necessary to preserve evidence of  
1721 possible criminal violation of the election laws;

1722 [(13)] (14) To adopt and publish regulations pursuant to chapter 54  
1723 to carry out the provisions of section 9-7a, this section, sections 1 to 4,  
1724 inclusive, 6 to 22, inclusive, and 36 and 37 of this act, and chapter 150;  
1725 to issue upon request and publish advisory opinions in the  
1726 Connecticut Law Journal upon the requirements of chapter 150 and  
1727 sections 1 to 4, inclusive, 6 to 22, inclusive, and 36 and 37 of this act,  
1728 and to make recommendations to the General Assembly concerning  
1729 suggested revisions of the election laws;

1730 [(14)] (15) To the extent that the Elections Enforcement Commission  
1731 is involved in the investigation of alleged or suspected criminal  
1732 violations of any provision of the general statutes or sections 1 to 4,  
1733 inclusive, 6 to 22, inclusive, and 36 and 37 of this act, pertaining to or  
1734 relating to any such election, primary or referendum and is engaged in  
1735 such investigation for the purpose of presenting evidence to the Chief  
1736 State's Attorney, the Elections Enforcement Commission shall be  
1737 deemed a law enforcement agency for purposes of subdivision (3) of

1738 subsection (b) of section 1-210, provided nothing in this section shall be  
1739 construed to exempt the Elections Enforcement Commission in any  
1740 other respect from the requirements of the Freedom of Information  
1741 Act, as defined in section 1-200;

1742 [(15)] (16) To enter into such contractual agreements as may be  
1743 necessary for the discharge of its duties, within the limits of its  
1744 appropriated funds and in accordance with established procedures;  
1745 and

1746 [(16)] (17) To provide the Secretary of the State with notice and  
1747 copies of all decisions rendered by the commission in contested cases,  
1748 advisory opinions and declaratory judgments, at the time such  
1749 decisions, judgments and opinions are made or issued.

1750 (b) In the case of a refusal to comply with an order of the  
1751 commission issued pursuant to subdivision (3) of subsection (a) of this  
1752 section, the superior court for the judicial district of Hartford, on  
1753 application of the commission, may issue a further order to comply.  
1754 Failure to obey such further order may be punished by the court as a  
1755 contempt thereof.

1756 Sec. 35. Section 9-324 of the general statutes is repealed and the  
1757 following is substituted in lieu thereof:

1758 Any elector or candidate who claims that [he] such elector or  
1759 candidate is aggrieved by any ruling of any election official in  
1760 connection with any election for Governor, Lieutenant Governor,  
1761 Secretary of the State, State Treasurer, Attorney General, State  
1762 Comptroller, sheriff or judge of probate, held in [his] such elector or  
1763 candidate's town, or that there has been a mistake in the count of the  
1764 votes cast at such election for candidates for said offices or any of  
1765 them, at any voting district in [his] such elector or candidate's town, or  
1766 any candidate for such an office who claims that [he] such candidate is  
1767 aggrieved by a violation of any provision of [sections] section 9-355,

1768 9-357 to 9-361, inclusive, 9-364, 9-364a or 9-365 in the casting of  
1769 absentee ballots at such election or any candidate for the office of  
1770 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,  
1771 Attorney General or State Comptroller, who claims that such candidate  
1772 is aggrieved by a violation of any provision of sections 1 to 4, inclusive,  
1773 6 to 22, inclusive, and 36 and 37 of this act, may bring [his] such elector  
1774 or candidate's complaint to any judge of the Superior Court, in which  
1775 [he] such elector or candidate shall set out the claimed errors of such  
1776 election official, the claimed errors in the count or the claimed  
1777 violations of said sections. In any action brought pursuant to the  
1778 provisions of this section, the complainant shall send a copy of the  
1779 complaint by first-class mail, or deliver a copy of the complaint by  
1780 hand, to the State Elections Enforcement Commission. If such  
1781 complaint is made prior to such election, such judge shall proceed  
1782 expeditiously to render judgment on the complaint and shall cause  
1783 notice of the hearing to be given to the Secretary of the State and the  
1784 State Elections Enforcement Commission. If such complaint is made  
1785 subsequent to the election, it shall be brought [within] not later than  
1786 fourteen days of the election and such judge shall forthwith order a  
1787 hearing to be had upon such complaint, upon a day not more than five  
1788 nor less than three days from the making of such order, and shall cause  
1789 notice of not less than three nor more than five days to be given to any  
1790 candidate or candidates whose election may be affected by the decision  
1791 upon such hearing, to such election official, the Secretary of the State,  
1792 the State Elections Enforcement Commission and to any other party or  
1793 parties whom such judge deems proper parties thereto, of the time and  
1794 place for the hearing upon such complaint. Such judge shall, on the  
1795 day fixed for such hearing and without unnecessary delay, proceed to  
1796 hear the parties. If sufficient reason is shown, [he] such judge may  
1797 order any voting machines to be unlocked or any ballot boxes to be  
1798 opened and a recount of the votes cast, including absentee ballots, to  
1799 be made. Such judge shall thereupon, in case [he] such judge finds any  
1800 error in the rulings of the election official, any mistake in the count of

1801 the votes or any violation of said sections, certify the result of [his]  
1802 such judge's finding or decision to the Secretary of the State before the  
1803 fifteenth day of the next succeeding December. Such judge may order a  
1804 new election or a change in the existing election schedule. Such  
1805 certificate of such judge of [his] such judge's finding or decision shall  
1806 be final and conclusive upon all questions relating to errors in the  
1807 rulings of such election officials, to the correctness of such count, and,  
1808 for the purposes of this section only, such claimed violations, and shall  
1809 operate to correct the returns of the moderators or presiding officers,  
1810 so as to conform to such finding or decision, unless the same is  
1811 appealed from as provided in section 9-325.

1812 Sec. 36. (NEW) (a) Not later than May 15, 2006, and annually  
1813 thereafter, the State Elections Enforcement Commission shall issue a  
1814 report on the status of the Citizens' Election Fund during the previous  
1815 calendar year. Such report shall include the amount of moneys  
1816 deposited in the fund, the sources of moneys received by category, the  
1817 number of contributions, the number of contributors, the amount of  
1818 moneys expended by category, the recipients of moneys distributed  
1819 from the fund and an accounting of the costs incurred by the  
1820 commission in administering the provisions of sections 1 to 4,  
1821 inclusive, 6 to 22, inclusive, and 36 and 37 of this act. Not later than  
1822 May 1, 2006, and annually thereafter, the Commissioner of Revenue  
1823 Services shall submit to the commission the information in the  
1824 possession of the commissioner which the commission needs to  
1825 complete such report.

1826 (b) Not later than June 1, 2006, and annually thereafter, the joint  
1827 standing committee of the General Assembly having cognizance of  
1828 matters relating to elections shall submit a report to the General  
1829 Assembly on the implementation of the provisions of this act. The  
1830 report shall include (1) a summary of the report on the status of the  
1831 fund submitted to the committee under subsection (a) of this section,  
1832 and (2) any recommendations for amending the provisions of this act,

1833 including, but not limited to, extending the provisions of sections 1 to  
1834 4, inclusive, 6 to 22, inclusive, and 36 and 37 of this act to other elected  
1835 offices. The report submitted not later than June 1, 2007, and every four  
1836 years thereafter, shall also include a review of the implementation of  
1837 the provisions of this act with regard to the election held during the  
1838 preceding calendar year for the offices of Governor, Lieutenant  
1839 Governor, Attorney General, State Comptroller, State Treasurer and  
1840 Secretary of the State.

1841 Sec. 37. (NEW) If a court of competent jurisdiction determines that  
1842 any provision of this act is unconstitutional, such action shall not affect  
1843 the implementation of all remaining provisions of this act.

1844 Sec. 38. This act shall take effect July 1, 2000, and sections 3 and 4  
1845 shall be applicable to taxable years commencing on or after January 1,  
1846 2000, and this act shall apply to convention, primary and general  
1847 election campaigns for elections to the offices of Governor, Lieutenant  
1848 Governor, Attorney General, State Comptroller, Secretary of the State  
1849 and State Treasurer in 2006, and thereafter.

**GAE Committee Vote:** Yea 14 Nay 8 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** Unrestricted General Fund Revenue Loss, Citizens Election Fund Revenue Gain, Cost (Citizen’s Election Fund)

**Affected Agencies:** State Elections Enforcement Commission, Secretary of the State, Department of Revenue Services

**Municipal Impact:** None

**Explanation**

**State Impact:**

The bill establishes a separate non-lapsing fund, known as the Citizens’ Election Fund which is financed through: 1) income and corporate tax check-offs and refund contributions; 2) voluntary contributions; 3) donations of candidate or certain political committee surpluses; 4) penalties and late fees for election law violations imposed by State Elections Enforcement Commission (SEEC) and the Secretary of State; and 5) investment earnings. The SEEC directs the Comptroller to disburse grants from the fund to participating candidates.

The bill is anticipated to result in a revenue gain to the Citizens’ Election Fund (CEF) of between \$3.95 and \$9.5 million per year. The majority of revenue is anticipated to come from the personal and corporate income check offs pursuant to sections 3(a)(1) and 4(a)(2) of

the bill. The check-off provisions earmark revenue that currently along with the penalties and fees collected by the State Election Enforcement Commission and the secretary of the state is deposited into the General Fund where it is combined with other revenue sources to fund the programs of the General Fund. Therefore, these provisions have the effect of transferring unrestricted General Fund revenue to a restricted account within the General Fund thus reducing the revenue available to balance the General Fund budget. All other revenue sources (various donations and interest earnings) have no impact on the state’s current revenue stream. The following table shows the anticipated revenue sources of the CEF.

<b>Source</b>	<b>Annual Revenue</b>
Personal Income Tax Check Off	\$1.0 to \$2.4 million {1}
Corporate Income Tax Check Off	\$2.6 to \$5.2 million {2}
Penalties & Fees (current & new)	\$.05 to \$.1 million {3}
<b>Total - Transfers to CEF from GF Unrestricted Revenue</b>	<b>\$3.65 to \$7.7 million</b>
Other Revenue Sources (various donations & interest earnings)	\$.3 to \$1.8 million {4}
<b>Total Revenue to CEF</b>	<b>\$3.95 to \$9.5 million</b>

The following are the assumptions used to arrive at the estimates in the table above:

{1} The lower range (\$1 million) is the average of other states participation rates that have a check off. The upper range (\$2.4 million) is based on Connecticut’s latest participation rate in the Presidential Election Fund program.

{2} Since no other states have a check off for business tax filers, it was assumed that at the low end (\$2.6 million) that at least 25% of eligible filers would participate and designate the maximum check off of \$200 and at the high end (\$5.2 million) 50% of eligible filers would participate.

{3} Under current law, the Secretary of State assessed penalties averaging \$18,000 during the previous two fiscal years and the SEEC imposed penalties averaging \$46,113 during the same two-year period.

{4} The range is based on other states experiences with add-ons and various voluntary contributions.

Sections 3(4)(f) and 4(f) of the bill allow a deduction against the personal income and corporate tax for donations made to the CEF and are expected to have a minimal revenue impact (less than \$100,000 per year).

If the State Elections Enforcement Commission (SEEC) determines that there are insufficient monies in the CEF, the SEEC must issue a report. The bill, permits, but does not require the General Assembly to authorize alternative sources of funding sufficient to implement the program. Additionally, if the SEEC determines there are insufficient monies in the fund when the General Assembly is not in session, the bill permits the President pro Tempore of the Senate and the Speaker of House to call a special session to consider authorizing alternative funding sufficient to implement this program. In the event that a special session is called the Office of Legislative Management will incur costs of approximately \$8,000 per day of the special session. These costs result from mileage reimbursements for legislators, overtime for staff and printing costs. It is anticipated that any such costs that result can be handled within the normal operating resources of the agency.

**State Elections Enforcement Commission**

The bill provides the SEEC with additional responsibilities and extends some of the commission's existing responsibilities to administer and enforce the provisions of the public financing program.

The SEEC may retain up to 3% of receipts to the CEF for administration of the program. Any unspent portion of these funds may be carried forward by the SEEC for future use. Because the anticipated annual receipts to the CEF varies significantly from \$3.95 to \$9.5 million, the amount the SEEC may receive will vary correspondingly. It is anticipated that the SEEC will incur recurring, annual costs only to the extent the CEF can support such costs.

It is anticipated that beginning in FY 01, the SEEC will need to direct approximately \$10,000 - \$15,000 of its retained percentage of the CEF to promote the fund and attract additional contributions. The costs are associated with developing public service announcements, promotional materials, printing and production costs, and postage costs.

Beginning in FY 04, the SEEC will incur annual expenses of \$154,216, and a one-time start up cost of \$13,000 related to equipment for new employees. It is anticipated that the SEEC will need two full time staff: a Director of Public Finance Program with salary, fringe benefits and associated other expenses costs of \$94,768; and an Accountant Trainee position with salary, fringe benefits and associated other expenses of \$59,448.

During an election year of publicly financed candidates, the SEEC may incur additional costs for temporary staff, and a link to the Comptroller's accounting system. If the current SEEC staff cannot handle the workload increase, additional paralegal or clerical staff may be needed with an estimated cost of \$35,000. Additionally, the SEEC will need to direct approximately \$5,000 - \$10,000 of its retained

percentage of the fund to support the costs of using the direct link to the Comptroller's accounting system necessary for making timely grants to participating candidates.

Under this bill, the Elections Enforcement Commission may impose civil penalties for violations, therefore, a revenue gain of \$50,000 - \$100,000 is expected to result. The bill directs these revenues to the CEF, rather than the General Fund.

### **Secretary of State**

The Secretary of State maintains the automated State Voter Registration List. Providing electronic or paper copies of this list free of charge to qualifying candidate committees may result in a workload increase to the office and a minimal cost. The extent of the cost is dependent on the number of lists which are requested and must be reproduced. Whereas electronic files can be easily reproduced, providing paper copies of the list will require additional staff time and printing costs, and may result in a minimal, yet absorbable, cost to the agency.

Recoding the Campaign Finance Information System (CFIS) to distinguish candidates, who receive public funds from those who do not, may require an outside vendor to reprogram the system. If the Secretary of State's office is not able to handle this recoding with existing resources, a minimal cost estimated between \$10,000 - \$20,000 may result from having an outside vendor reprogram the system. It is anticipated that any potential costs can be handled within existing resources.

### **Department of Revenue Services**

It is anticipated that the Department of Revenue Services (DRS) will have initial one-time costs of \$152,000. This expense includes development and programming and costs to revise the tax return

forms. Annual administrative expenses of \$394,000 are also estimated to result. The annual expenses include the costs of processing, additional postage and printing, and auditing the fund in compliance with the provisions of the bill. Since the bill authorizes DRS to retain up to 4% of contributions to implement this program, and because the anticipated annual receipts to the CEF varies significantly, it is unlikely that funds will be sufficient to cover identified costs in FY 01 and uncertain whether funds will be sufficient to cover the recurring out-year costs.

### **OFA Comment**

Whether the CEF is subject to the spending cap is a matter of interpretation, however, under the current interpretation, the fund would not be subject to the spending cap since the fund will not be subject to appropriation. This would be consistent with current spending cap calculations.

Pursuant to CGS 2-33a, the spending cap applies to “expenditures from appropriated funds authorized by public or special act.” Whereas expenditures from the CEF do not require appropriation from the General Assembly, the fund would be considered an “off budget” or non-appropriated fund and would be interpreted to be exempt from the spending cap. However CGS 4-69 subsection (4) defines an appropriation as “an authorization by the General Assembly to make expenditures and incur liabilities.” Under this definition there is no distinction between “on” or “off budget” expenditures. Additionally, the CEF is authorized by a public act and on that basis therefore could be interpreted to be subject to the spending cap.

For the purposes of current spending cap calculations only the ten funds appropriated in the budget bill are considered appropriated funds. Treating the CEF in a manner consistent with current practice, the fund would not be subject to the spending cap.

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**OLR Bill Analysis**

sHB 5102

***AN ACT PROPOSING COMPREHENSIVE CAMPAIGN FINANCE REFORM FOR STATE-WIDE CONSTITUTIONAL OFFICES.*****SUMMARY:**

This bill establishes a voluntary campaign financing program for candidates for state constitutional offices beginning in 2006. Candidates who receive qualifying contributions and agree to limit their spending and comply with other program requirements are eligible to receive state grants for their campaigns. The bill creates a Citizens' Election Fund to fund the program. It:

1. limits campaign spending to the amount of a participating candidate's qualifying contributions, contributions from party committees, and grants from the fund;
2. sets an aggregate contribution amount that qualifies candidates to receive public funds;
3. establishes the amounts a candidate can receive from the fund for four different phases of a campaign;
4. reduces certain contribution limits;
5. provides money from the fund to participating candidates whose opponents exceed the spending limits;
6. establishes additional procedures for reporting independent expenditures in connection with statewide office races and increases grants from the fund to candidates who are subject to independent expenditures over \$500 opposing their nomination or election; and
7. provides incentives and penalties to promote compliance.

Under the bill, the Citizens' Election Fund is funded through (1) income and corporate tax checkoffs and add-ons, (2) voluntary contributions, (3) donations of candidate or certain political committee (PAC) surpluses, (4) penalties and late fees for election law violations, and (5) its investment earnings.

Qualifying candidates can receive a grant for each portion of the campaign in which they are eligible to run. Major or minor party and petitioning candidates can qualify. Grants are calculated on the basis of a dollar amount times the number of electors (registered voters) in the state (currently approximately 1.9 million). A gubernatorial candidate can receive as much as \$1.75 per elector; other constitutional officers, \$0.22.

A gubernatorial candidate can qualify by receiving \$500,000 in total contributions of up to \$250 each, \$450,000 of which must come from individuals within the state. Generally, he can apply to receive up to \$3.325 million in installments for (1) convention delegate selection (\$665,000), (2) the party convention (\$171,000), and (3) the general election (\$2.489 million). Candidates who run in a primary receive \$836,000 for the primary and \$1.985 million for the general election, which is the same as a candidate with no primary, plus a 10% supplemental grant for the general election campaign.

The bill also establishes the qualifying contribution thresholds and fund payments for each phase of the campaign for candidates for the other state offices of attorney general, comptroller, treasurer, and secretary of the state. Candidates for lieutenant governor can apply for grants for the delegate selection, convention, and primary phases of a campaign or for petition circulating, but not the general election.

In the year before the election year, if the fund balance is insufficient to fully fund all qualifying candidates, the SEEC must report that fact. The General Assembly may authorize additional funding. If the SEEC later discovers that the fund cannot cover its obligations to participating candidates, the commission distributes money in equal shares to all of them and the candidates can resume accepting contributions and spend up to the program limits.

The bill establishes procedures for applying for the program's financing and for allocating and distributing funds. A candidate who receives program funds must comply with its restrictions on spending and borrowing money. As soon as it is determined that candidates for governor and lieutenant governor are running together, the gubernatorial candidate's committee handles campaign financing. The lieutenant governor's committee must be dissolved and its surplus

funds distributed depending on whether the candidate participated in the program or not.

A participating candidate can receive additional public funds if an opponent exceeds the spending limits or he is the target of independent expenditures over \$500. A program participant receives the additional funding during the general election campaign.

The bill requires all candidate committees for state offices to file (1) copies of their campaign finance statements with the SEEC in addition to the secretary of the state and (2) additional weekly campaign finance statements with both the secretary and the SEEC for three months before the general election. It requires reporting to the commission, rather than to the secretary, the independent expenditures that exceed an aggregate of \$500 made in connection with candidates for statewide office.

The bill creates penalties for violating program requirements and gives candidates the opportunity to have a hearing conducted by the SEEC. Candidates for state offices can file a complaint in Superior Court if they claim they have been harmed with respect to this program in the same way they may currently complain about other election violations.

The bill requires the secretary of the state to provide qualifying candidate committees with a free electronic copy of the statewide computerized voter registry list.

The SEEC is charged with administering and enforcing the new program provisions. It must annually report on the status of the fund. The Government Administration and Elections (GAE) Committee must report annually to the General Assembly on the status of the fund and implementation of the program.

The bill includes a severability clause, under which a court ruling that any of its provisions is unconstitutional does not affect the other provisions.

EFFECTIVE DATE: July 1, 2000. The tax provisions apply to tax years beginning January 1, 2000. The Citizens' Election Fund Program begins with the 2006 state election cycle.

## **CITIZENS' ELECTION FUND SOURCES (§§ 2-7)**

The bill establishes a Citizens' Election Fund from which payments to participating candidates are made. It includes proceeds from (1) income and corporate tax add-ons or refund contributions, (2) income and corporate tax checkoffs, (3) voluntary contributions, (4) contributions of campaign committee surpluses and of certain other committees that dissolve, (5) participating candidates' committee surplus distributions, (6) all civil penalties and late fees the SEEC and the secretary of the state impose for election law violations, and (7) the fund's own investment earnings. The fund is a separate, nonlapsing account in the General Fund.

### ***Tax Add-On***

The bill creates an income tax and corporation business tax add-on system, which taxpayers can use to contribute to the fund. They can contribute either an amount from their tax refund, an additional amount of money, or both, up to \$5,000 (\$10,000 for a corporation or a husband and wife filing a joint return) by indicating the amount on their tax returns, beginning with tax year 2000. The taxpayer can count the amount of an add-on or contribution as a deduction against income for the tax year. Contributions taken from a refund count as a refund when determining a subsequent year's tax obligation.

The revenue services commissioner must revise the tax return forms and include in accompanying instructions a description of the fund's purposes. He can keep up to 4% of the money contributed in a fiscal year (but no more than his costs) to pay for the department's program implementation costs if the Office of Policy and Management secretary approves.

### ***Tax Checkoff***

The bill permits individual income taxpayers to designate a \$5 tax checkoff (\$10 for both husband and wife who file a joint return) for the fund. The taxpayer must have a tax liability of at least \$5 (or \$10) before individuals apply any property tax credit and corporations apply all tax credits. The designation does not increase the amount of

taxes due. Corporate taxpayers can designate the full amount of their tax liability to the fund if it is less than \$200. A corporation whose tax liability is \$200 or more can designate a \$200 checkoff to the fund.

### ***Voluntary Contributions***

The bill allows a person, firm, corporation, party committee, or PAC to contribute directly to the fund. Contributions must be sent to the SEEC and be paid by check or money order.

### ***Donations of Committee Surplus***

Any candidate committee or a political committee, other than an ongoing PAC or an exploratory committee, can contribute some or all of its surplus to the fund when it dissolves. The law requires committee treasurers to spend or distribute surplus funds within 90 days of (1) a primary when a candidate loses, (2) an election, or (3) a referendum. The bill adds the fund to the following current eligible recipients: party committees, ongoing PACs, charitable organizations, or contributors on a prorated basis.

Any candidate committee that receives money from the fund must return any surplus to it. Any surplus of a participating lieutenant governor candidate's committee must be turned over to the fund when the candidate joins a gubernatorial candidate's campaign.

### **INSUFFICIENT FUNDS (§ 21)**

By March 1 of the year before a state election year, the SEEC must determine whether the amount of money in the fund is sufficient to meet the expenses for making grants to candidates. If the money is inadequate, it must report that fact. The General Assembly may authorize the use of other funding sources to meet the program's obligations.

If the commission decides by the following January 1 that there is not enough money in the fund to pay for the program, it has three days to recalculate the amount of money qualified candidates can receive and notify the candidates. After the candidates receive their share of money from the fund, they can resume accepting contributions up to

the amount they would have received from the fund.

The bill requires the SEEC to report on its determination that there has been a shortage permitting candidates to resume raising money. In this case, too, the legislature may authorize the use of other funding for the program. The bill gives the Senate president pro tempore and the House speaker authority to call a special session to consider program funding when there is a shortfall report and the legislature is not in session.

The SEEC must set aside the first \$25,000 deposited in the fund each year in a reserve account. The reserve account must be used during the last week of the campaign for candidates who received partial payments or who are the targets of independent expenditures and entitled to matching funds. The commission can adopt regulations establishing implementation procedures for the program when it is not fully funded.

#### **ELIGIBLE CANDIDATES (§ 8)**

A candidate who wants to participate in the Citizens' Election Program must have received the required amount of qualifying contributions (see below) and returned all contributions over that threshold. He must have returned all of his exploratory committee's contributions that do not meet the criteria for qualifying contributions. He must agree to limit his campaign spending to no more than the specified cap and comply with program requirements.

#### **QUALIFYING CONTRIBUTIONS (§ 9)**

Candidates who want to participate in the program must qualify by raising a specified amount from individual donors, with a minimum coming from individuals who are state residents (at least 90%), in maximum amounts that vary by office (see Table 1). Every contributor must provide his name and address. A contributor or his spouse cannot be a registered lobbyist nor can either have a contract with the state or be associated with a business that has a state contract (see BACKGROUND). Contributors must certify their eligibility in this regard. Only the contributions to a candidate's exploratory committee that meet the criteria for qualifying contributions are counted toward

the qualifying thresholds.

**Table 1: Qualifying Contributions**

<i>Candidates for</i>	<i>Qualifying Total</i>	<i>Including In-State Contributions of at Least:</i>	<i>Counting Amount from Separate Contributions Up To:</i>
Governor	\$500,000	\$450,000	\$250
Other state offices	75,000	67,500	150

**GRANTS FROM THE FUND (§§ 10-11)**

Candidates who agree to limit spending are entitled to receive grants from the Citizens' Election Fund (see Tables 2 and 3). Candidates for the office of lieutenant governor can receive grants for the delegate selection, convention, and primary phases of a campaign or for petitioning for ballot access, but not for the general election when they must run together with a gubernatorial candidate whose committee may participate in the program.

**Table 2: Grants from the Citizens' Election Fund - Per Voter**

<i>Governor</i>					
	<i>Delegate Selection</i>	<i>Convention</i>	<i>Primary</i>	<i>General Election</i>	<i>Total</i>
No primary	\$0.35	\$0.09	--	\$1.31	\$1.75
Primary	0.35	0.09	0.44	0.87 +0.175	1.93
<i>Ballot Access</i>					
Petitioning	\$0.61			1.14	1.75

<i>Other State Offices*</i>					
	<i>Delegate Selection</i>	<i>Convention</i>	<i>Primary</i>	<i>General Election</i>	<i>Total</i>
No primary	\$0.04	\$0.01	--	\$0.17	\$0.22
Primary	0.04	0.01	\$0.06	0.11 +0.02	0.24

	<i>Ballot Access</i>		
Petitioning	\$0.08	0.14	0.22

\*Candidates running for the office of lieutenant governor are eligible for grants for the delegate selection, convention, primary, and petitioning for ballot access phases only.

**Table 3: Grants from the Citizens’ Election Fund – Assuming 1.9 Million Registered Voters**

<i>Governor</i>					
	<i>Delegate Selection</i>	<i>Convention</i>	<i>Primary</i>	<i>General Election</i>	<i>Total</i>
No Primary	\$665,000	\$171,000	--	\$2,489,000	\$3,325,000
Primary	665,000	171,000	\$836,000	1,653,000 + 332,500	3,657,500
<i>Ballot Access</i>					
Petitioning	\$1,159,000			2,166,000	3,325,000

<i>Other State Offices*</i>					
	<i>Delegate Selection</i>	<i>Convention</i>	<i>Primary</i>	<i>General Election</i>	<i>Total</i>
No Primary	\$76,000	\$19,000	--	\$323,000	\$418,000
Primary	76,000	19,000	114,000	209,000 +38,000	456,000
<i>Ballot Access</i>					
Petitioning	\$152,000			266,000	418,000

\*Candidates running for the office of lieutenant governor are eligible for grants for the delegate selection, convention, primary, and petitioning for ballot access phases only.

**SPENDING LIMITS (§ 8)**

Generally, a participating candidate’s spending is limited to the sum of his qualifying contributions, the amount of the state grant, and the amount of permitted party contributions.

The state grant is a dollar amount for each registered voter in the state: \$1.75 for gubernatorial candidates and \$0.22 for candidates for other statewide offices. The secretary of the state must report the number of

voters to the SEEC by November 15 of the second year before a state office election. She must use the registration figures that registrars of voters send to her in October.

**Table 4: Campaign Spending Limits With No Primary**

<i>Candidates for</i>	<i>Qualifying Contributions</i>	<i>Fund Grants*</i>	<i>Party Contributions</i>	<i>Total</i>
Governor	\$500,000	\$3,325,000	\$125,000	\$3,950,000
Other State Offices	75,000	418,000	30,000	523,000

\*Based on 1.9 million registered voters in the state.

**Table 5: Campaign Spending Limits With A Primary**

<i>Candidates for</i>	<i>Qualifying Contributions</i>	<i>Fund Grants*</i>	<i>Party Contributions</i>	<i>Total</i>
Governor	\$500,000	\$3,657,500	\$125,000	\$4,282,500
Other State Offices	75,000	456,000	30,000	561,000

\*Based on 1.9 million registered voters in the state.

**POLITICAL PARTY COMMITTEE CONTRIBUTIONS (§§ 27 AND 30)**

Current law permits party committees to give unlimited amounts to candidate committees. The bill establishes party committee contribution limits for candidates for statewide offices covered by the public financing program. It increases the amount of those candidates' permissible expenditures by the amount that parties give them. The limits (and additions to the spending caps) follow:

**Table 6: Limits on Party Contributions Participating Candidates Can Accept**

<i>Candidates for</i>	<i>Limits for State Central Committees</i>	<i>Limits for All Town Committees</i>	<i>Total</i>
Governor	\$50,000	\$75,000	\$125,000
Other State Offices	10,000	20,000	30,000

In addition to the limits on what certain candidates can receive, the bill establishes the following limits on what party committees can

contribute to those candidates. They are aggregate limits that apply to both a primary and the general election.

**Table 7: Party Committee Contribution Limits**

<i>To Candidates for</i>	<i>From a State Central Committee</i>	<i>From a Town Committee</i>
Governor	\$50,000	\$1,000
Other State Offices	10,000	500

The bill prohibits an individual from directing any of his party committee contributions to a state office candidate.

**APPLICATION PROCESS (§§ 12-14)**

In the year of the election, a qualified candidate may apply to the SEEC for campaign funds:

1. after January 1 for the delegate selection process,
2. after January 1 for ballot access in a petitioning campaign,
3. 60 days before the convention for the convention vote,
4. after the close of the convention for a primary,
5. after the close of the convention for an endorsed candidate who will not have to run in a primary,
6. after the close of the convention for a candidate who is the only one to qualify for a primary and there is no endorsement,
7. after a primary for the winner, or
8. after the secretary of the state approves the nominating petition for a petitioning candidate.

The commission must review each application and has five business days to determine the amount of funds for which the candidate is eligible and notify the comptroller and the candidate. The comptroller has three business days to issue a check for that amount to the candidate’s committee.

The candidate’s application must include written certification, signed by both the candidate and the campaign treasurer, that:

1. the candidate’s committee has received the required qualifying contributions;

2. the committee has repaid all loans;
3. the committee has returned excess portions of contributions (see below) and those contributions received after it has reached the qualifying threshold;
4. the committee and any exploratory committee have returned contributions from ineligible donors and those without the person's name and address;
5. the committee will refuse to accept additional contributions other than those permitted from party committees;
6. the campaign committee treasurer will comply with the program's requirements;
7. public funds for the candidate committee will be deposited in the committee's bank account as soon as they are received;
8. the treasurer will spend program funds only for items permitted under existing law;
9. each contributor has certified that he and his spouse are not lobbyists or state contractors (and that their businesses have no state contracts);
10. the treasurer will file all campaign finance statements in electronic form; and
11. if the candidate withdraws, becomes ineligible, or dies, his committee will return unspent grants it received from the fund.

A candidate for lieutenant governor must certify that he is not yet running jointly with a gubernatorial candidate.

The bill requires candidates who want to accept funds to return the portion of contributions they have received that exceed the qualifying contribution limit. Thus, candidates for the following offices can accept the qualifying contributions indicated but must return the amount of any contribution over the amount shown.

**Table 8: Qualifying Contribution Limits**

<i>Candidates for</i>	<i>Contributions Qualify Up To</i>	<i>Return Contribution Amounts Over</i>
Governor	\$250	\$250
Other State Offices	150	150

Along with the application for program funds, the committee must include a sworn cumulative itemized accounting of its receipts and

expenditures (those paid and encumbered) for the period up to three days before the application date. The candidate must also file a surety bond in an amount equal to the first installment of the funds he is eligible to receive. The SEEC must adopt regulations relating to the surety bond.

Candidates who run for their party's nomination or in the general election as the party nominee are eligible to receive campaign funds under this program. In addition, a qualified petitioning candidate can apply for funds to circulate petitions and get access to the ballot and for the general election. A party candidate can apply anytime in the process after he receives the qualifying contributions, but he receives subsequent installments automatically if he proceeds successfully from the convention delegate selection phase, through the primary, to the general election. Only successful candidates in each phase of the campaign are entitled to receive funds for a subsequent phase.

When a previously funded candidate receives the party endorsement or at least 15% of the convention vote, the commission must notify the comptroller and the comptroller must make a payment. When the secretary of the state declares the winner of a primary or approves a candidate's nominating petition, the commission notifies the comptroller who must make a payment for the general election.

If the party-endorsed candidate is not challenged and there is no primary, the endorsed candidate receives funds for the general election, minus any he may have already received for a primary. When a scheduled primary is cancelled, a candidate who received funds is eligible to receive funds for the general election if he becomes the party's nominee. The general election grant is reduced by the amount of the primary grant that has not yet been spent.

If there is no primary because no one other than the party-endorsed candidate received the required convention support, a previously funded nominee (or when there is no endorsement, the only candidate to file for the nomination) is eligible to receive program funds for the general election.

#### **NONPARTICIPATING CANDIDATES (§ 17(C))**

The bill requires a nonparticipating candidate to file with the SEEC a declaration of excess expenditures within 48 hours of spending any amount over the allocation that participating candidates receive from the fund when the spending occurs more than 20 days before a convention, primary, or election. When such spending occurs within the 20 days before these events, he must file with the commission within 24 hours.

### **REMEDY FOR AN AGGRIEVED CANDIDATE (§ 35)**

The bill permits any state office candidate who claims he has been harmed by a violation of the laws establishing the public financing program to file a complaint in Superior Court.

### **RESTRICTIONS ON PARTICIPATING CANDIDATES**

#### ***Contributor Certification (§ 9)***

Anyone contributing to a participating candidate must certify that (1) he and his spouse are not lobbyists and (2) neither he, his spouse, nor any of their associated businesses have a contract with the state. The bill specifies the content, but not the form, of the certification, which must be included with the contribution. Every contribution must include the donor's name and address.

#### ***Spending Limits (§ 13)***

A candidate who receives program financing can spend only his qualifying contributions, political party contributions (from a state central or town committees), and money received from the Citizens' Election Fund.

#### ***Personal Expenditures (§ 22)***

A candidate who receives public funds can spend up to \$1,000 of his own money in support of his nomination or election. If he chooses to make such a contribution, he must do so before receiving money from the fund. A candidate's own money is considered a qualifying contribution.

**Loans (§ 16)**

A candidate committee that receives funds can borrow up to \$1,000. Other than the candidate or, for a general election, a state central committee, no person or committee can endorse or guarantee more than a \$250 loan, which is the maximum amount considered to be a qualifying contribution to a gubernatorial campaign. As long as the loan is outstanding, the endorsement or guarantee is considered to be a contribution and no additional contribution from the person or committee is allowed. Borrowed funds cannot be included as contributions for the purpose of reaching the qualifying threshold. Repayment of all loans and certification of repayment are required before a candidate is eligible to apply for or receive funds.

**No Additional Deposits (§ 13(a))**

After a candidate deposits program funds in his campaign account, he cannot deposit any other contribution, loan, personal funds, or other funds into it. But he can deposit party contributions and money he is entitled to because he is the target of an independent expenditure or an opponent exceeds the limit.

**GOVERNOR AND LIEUTENANT GOVERNOR (§ 15)**

The bill requires a party's candidates for governor and lieutenant governor to be considered as running jointly for purposes of participating in the gubernatorial financing program as soon as that determination can be made. That occurs as soon as (1) the results of a primary are known, if there is a primary for either or both offices; (2) at the convention, if there is no primary; or (3) when party-endorsed candidates declare that they will campaign as a single ticket, that is they will run together in the general election so that electors can cast a single vote for both candidates. Candidates other than party-endorsed candidates can also declare that they are campaigning jointly. When filing an application for funds as a candidate for lieutenant governor, a candidate must certify that he is not supporting a joint candidacy with any gubernatorial candidate.

Under the bill, any candidate for the office of lieutenant governor must dissolve his own candidate committee if he is running jointly with a

gubernatorial candidate. As soon as the candidates' status determination is made, the treasurer of the lieutenant governor candidate's campaign committee must:

1. within 15 days, file a statement with the secretary of the state listing the committee's contributions and expenditures since the last filed report and showing the balance or deficit and
2. within 30 days, return any surplus to (a) the fund if the candidate participated in the program or (b) contributors on a prorated basis or a charitable organization.

## **DISREGARD OF SPENDING LIMITS (§ 17)**

### ***Penalties***

The bill penalizes a candidate committee that receives program money and exceeds the spending limits by:

1. requiring it to repay the amount overspent to the fund and
2. prohibiting it from receiving additional program funds for the remainder of the election cycle.

If a candidate intentionally exceeds the spending limit by more than 1% of the permitted amount, he must repay it and is prohibited from receiving additional funds. Furthermore, he has committed a class D felony and is subject to a fine of up to \$5,000, one to five years in prison, or both.

### ***Opponent Exceeds Spending Limits***

A qualified candidate who receives program funds is entitled to additional money from the fund if his opponent exceeds the spending limits (whether his opponent is receiving program funds or financing his campaign from other sources). The additional money is equal to the excess amount spent by the opponent, up to the amount the participating candidate has received from the fund. The extra funding must be paid as soon as feasible after the commission verifies a violation but not until the general election campaign. A participating candidate who exceeds the spending limit cannot receive additional payments because his opponent overspends.

***Independent Expenditures***

When SEEC receives a report that someone has made an independent expenditure in an effort to oppose a participating candidate, it must notify the comptroller directing her to provide the candidate with additional money equal to the independent expenditure. The candidate can receive up to the total amount of money from the fund that he has already received from it. The additional payments a candidate receives in response to both an opponent's overspending and independent expenditures can be no more than double the amount the participating candidate has received from the fund.

**CONTRIBUTION LIMITS*****Ad Books (§ 24)***

For participating candidates, the bill makes the purchase of advertising space in a campaign fund raising program a campaign contribution. Thus, it prohibits businesses from buying ads and subjects the individuals who buy them to contribution limits and disclosure requirements. Ads that individuals buy are counted toward the qualifying contributions.

***Gubernatorial Candidates (§§ 26-29 and 31-32)***

The bill reduces to \$1,000 the limit on contributions to all gubernatorial campaign committees. The \$1,000 limit represents a reduction from (1) \$2,500 for an individual, (2) \$5,000 for a business PAC, (3) \$2,500 for a labor PAC, and (4) an unlimited amount for an ongoing PAC and a committee established for a single primary or election.

***Other Statewide Office Candidates (§§ 26-29 and 31-32)***

The bill reduces the maximum contribution to all candidates for the five constitutional officials other than governor. It establishes a \$750 limit that represents a reduction from: (1) \$1,500 for an individual; (2) \$3,000 for a business PAC; (3) \$1,500 for a labor PAC; and (4) an unlimited amount for an ongoing PAC and a committee established for a single primary or election.

***Election Cycle Limit (§§ 26, 28-29, and 31-32)***

Current law applies the contribution limits to primaries and elections separately thereby allowing contributions from each contributor up to the limit for both a primary and the election. For example, the current \$2,500 limit means an individual can donate as much as \$5,000 to a gubernatorial candidate who runs in both a primary and the general election. For individuals and those committees for which the bill reduces or sets contribution limits for state office candidates, the bill imposes the limit as an aggregate for the entire election cycle. In effect, taking the example, the bill reduces an individual's contribution limit to a gubernatorial candidate from \$5,000 to \$1,000.

**CAMPAIGN FINANCE REPORTS*****Candidate Committees (§§ 19 and 25)***

The bill requires each candidate for statewide office covered by the bill to file a copy of every campaign finance statement with the commission, in addition to the original that he files with the secretary of the state.

In addition to the campaign finance reports that committee treasurers must file with the secretary of the state, the bill requires the treasurers of candidate committees for state offices to file sworn weekly statements during the final three and a half months of the campaign. The weekly statements must be filed every Tuesday, from the middle of July until the end of October. They must show the committee's itemized receipts and expenditures for the preceding week. The statements go to the secretary and the SEEC. The committee treasurer is subject to a penalty of up to \$1,000 (imposed by the commission) for failure to file on time.

***Independent Expenditures (§ 18)***

The bill establishes procedures for reporting independent expenditures over \$500 made to promote the success or defeat of a statewide candidate. It applies to an individual, committee, corporation, or any other legal entity. It requires the reports of such spending for

statewide office campaigns to go to the SEEC rather than to the secretary of the state or town clerks. The person making the payment must file the report within 48 hours of doing so, rather than by the deadlines for candidate committee and PAC statements. Within 20 days of a convention, primary, or election, anyone making an independent expenditure must report it within 24 hours. The report must include a statement (1) identifying the candidate who is the beneficiary or target of the expenditure; (2) affirming that the expenditure is truly independent; and (3) affirming that the spender is not or has not served as the candidate's treasurer, deputy treasurer, or committee chairman during the same election cycle. The person files the statement under penalty for false statement, which is a fine of up to \$2,000, up to one year in prison, or both (the punishment for a class A misdemeanor). Anyone can file a complaint with SEEC alleging a false report or statement or that a report was not filed at all.

The reporting provision applies to spending in a campaign for state offices. The current requirement to report quarterly on an individual's independent spending over \$1,000 remains unchanged, but under the bill applies to independent spending in other campaigns.

### **SEEC POWERS AND DUTIES (§§ 17 AND 33-34)**

The SEEC must decide whether there is enough money in the Citizens' Election Fund to fund state office candidates' campaigns and must report if the amount is insufficient.

The commission must prescribe the program application form and the one used for itemized accounting, after consulting with the secretary of the state. It must receive and process candidates' applications for program funds, make the determination that a candidate is eligible, and notify the comptroller of the amount due and payable to each qualified candidate's committee. Under the bill, the commission is authorized to decide whether a nonparticipating candidate's spending exceeds the spending cap. It can deduct from the fund money to pay its program implementation costs, up to 3% of the funds contribution in a fiscal year. If the commission does not spend 3% of the funds in a year, it can use the balance to pay costs in subsequent years.

The bill extends some of SEEC's existing authority to enforce the

provisions of the public financing program. With respect to the program, the SEEC can (1) investigate complaints and alleged violations and hold hearings, (2) impose civil penalties up to \$2,000, (3) issue an order to a recipient candidate committee to comply with program requirements after granting an opportunity for a hearing under the Uniform Administrative Procedure Act, (4) inspect and audit campaign records and accounts, (5) attempt to secure voluntary compliance with program requirements, (6) adopt regulations, and (7) refer evidence to the chief state's attorney or the attorney general.

It extends the designation of law enforcement agency to the SEEC for its investigations of possible criminal violation of the bill for certain purposes under the Freedom of Information Act.

The bill also gives the SEEC the authority to decide on a complaint alleging failure to file or falsehood in the statement that a person making an independent expenditure must file with the commission. It must notify a committee treasurer who has failed to file the copy of a campaign finance statement with the SEEC that he is in violation of the law if the report is not sent within 21 days of the deadline.

The bill makes the commission responsible for computing an increase in the amount of state grants for future elections. Annually, beginning January 15, 2007, the grants must be increased by the same percentage as the most recent calendar year's increase in the average bulk mail rates set by the United States Postal Service.

### **REPORTS (§ 36)**

Beginning by May 15, 2006, the SEEC must annually report on the status of the fund. The report must include an accounting of the deposits, fund sources, number of contributions and contributors, expenditures, fund recipients, and administrative costs. The revenue services commissioner must provide the SEEC the information it needs by May 1 each year, beginning in 2006.

Beginning no later than June 1, 2006, the GAE Committee must report each year to the General Assembly on the public financing program, summarizing the status of the fund, and recommending legislative changes in the program. Beginning June 1, 2007, and every four years

thereafter, GAE's report must also include a review of the program's application to statewide office campaigns in the prior year.

**BACKGROUND**

***Associated Business***

The bill defines "associated business" by reference to "business with which he is associated" in the campaign finance law (CGS § 9-333a(16)). That means any business in which a campaign contributor is a director, officer, owner, limited or general partner or holder of stock constituting at least 5% of the total outstanding stock of any class.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 14    Nay 8