



# Senate

General Assembly

**File No. 597**

*January Session, 2005*

Substitute Senate Bill No. 61

*Senate, May 2, 2005*

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT PROVIDING FOR COMPREHENSIVE CAMPAIGN FINANCE REFORM FOR STATE-WIDE CONSTITUTIONAL AND GENERAL ASSEMBLY OFFICES.***

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

1 Section 1. (NEW) (*Effective July 1, 2005*) There is established, within  
2 the General Fund, a separate, nonlapsing account to be known as the  
3 "Citizens' Election Fund". The fund may contain any moneys required  
4 by law to be deposited in the fund. Investment earnings credited to the  
5 assets of the fund shall become part of the assets of the fund. The State  
6 Treasurer shall administer the fund. Any balance remaining in the  
7 fund at the end of any fiscal year shall be carried forward in the fund  
8 for the next fiscal year. All moneys deposited in the fund shall be used  
9 for the purposes of sections 1 and 5 to 24, inclusive, of this act. The  
10 State Elections Enforcement Commission may deduct and retain from  
11 the moneys in the fund an amount equal to the costs incurred by the  
12 commission in administering the provisions of sections 1 and 5 to 24,  
13 inclusive, of this act provided said amount shall not exceed one per

14 cent of the moneys deposited in the fund in any fiscal year. Any  
15 portion of said one per cent allocation which exceeds said costs  
16 incurred by the commission in any fiscal year shall continue to be  
17 available for any said costs incurred by the commission in subsequent  
18 fiscal years.

19 Sec. 2. Section 12-812 of the general statutes is repealed and the  
20 following is substituted in lieu thereof (*Effective July 1, 2005*):

21 (a) The president of the corporation, subject to the direction of the  
22 board, shall conduct daily, weekly, multistate, special instant or other  
23 lottery games and shall determine the number of times a lottery shall  
24 be held each year, the form and price of the tickets and the aggregate  
25 amount of prizes, which shall not be less than [forty-five] forty-three  
26 and one-half per cent of the sales unless required by the terms of any  
27 agreement entered into for the conduct of multistate lottery games.  
28 The proceeds of the sale of tickets shall be deposited in the lottery fund  
29 of the corporation from which prizes shall be paid, upon vouchers  
30 signed by the president, or by either of two persons designated and  
31 authorized by him, in such numbers and amounts as the president  
32 determines. The corporation may limit its liability in games with fixed  
33 payouts and may cause a cessation of sales of tickets of certain  
34 designation when such liability limit has been reached.

35 (b) The president, subject to the direction of the board, may enter  
36 into agreements for the sale of product advertising on lottery tickets,  
37 play slips and other lottery media.

38 (c) On a weekly basis, the president shall estimate, and certify to the  
39 State Treasurer, that portion of the balance in the lottery fund which  
40 exceeds the current needs of the corporation for the payment of prizes,  
41 the payment of current operating expenses and funding of approved  
42 reserves of the corporation. The corporation shall transfer the amount  
43 so certified from the lottery fund of the corporation to the General  
44 Fund, upon notification of receipt of such certification by the  
45 Treasurer.

46       Sec. 3. (NEW) (*Effective July 1, 2005*) For the fiscal year ending June  
47 30, 2006, and each fiscal year thereafter, the Connecticut Lottery  
48 Corporation shall transfer one and one-half per cent of the revenue  
49 received from the sale of lottery tickets during such year to the  
50 Citizens' Election Fund established in section 1 of this act. Said  
51 corporation shall make such transfers by reducing the percentage of  
52 the revenue received from the sale of lottery tickets that the  
53 corporation awards in lottery game prizes during such years by one  
54 and one-half per cent of the revenue that the corporation received from  
55 the sale of lottery tickets during the fiscal year ending June 30, 2005.

56       Sec. 4. Subsection (e) of section 9-333j of the general statutes is  
57 repealed and the following is substituted in lieu thereof (*Effective July*  
58 *1, 2005*):

59       (e) (1) Notwithstanding any provisions of this chapter, [to the  
60 contrary,] in the event of a surplus the campaign treasurer of a  
61 candidate committee or of a political committee, other than a political  
62 committee formed for ongoing political activities or an exploratory  
63 committee, shall distribute or expend such surplus [within] not later  
64 than ninety days after a primary which results in the defeat of the  
65 candidate, an election or referendum not held in November or by  
66 January thirty-first following an election or referendum held in  
67 November, in the following manner:

68       (A) Such committees may distribute their surplus to a party  
69 committee, or a political committee organized for ongoing political  
70 activities, return such surplus to all contributors to the committee on a  
71 prorated basis of contribution, distribute all or any part of such surplus  
72 to the Citizens' Election Fund established in section 1 of this act or  
73 distribute such surplus to any charitable organization which is a tax-  
74 exempt organization under Section 501(c)(3) of the Internal Revenue  
75 Code of 1986, or any subsequent corresponding internal revenue code  
76 of the United States, as from time to time amended, provided (i) no  
77 candidate committee may distribute such surplus to a committee  
78 which has been established to finance future political campaigns of the

79 candidate, and (ii) a candidate committee which received moneys from  
80 the Citizens' Election Fund shall distribute such surplus to such fund;

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

84 (C) (i) Each political committee formed solely to aid or promote the  
85 success or defeat of any referendum question, which does not receive  
86 contributions from a business entity or an organization, shall distribute  
87 its surplus to a party committee, to a political committee organized for  
88 ongoing political activities, to a national committee of a political party,  
89 to all contributors to the committee on a prorated basis of contribution,  
90 to state or municipal governments or agencies or to any organization  
91 which is a tax-exempt organization under Section 501(c)(3) of the  
92 Internal Revenue Code of 1986, or any subsequent corresponding  
93 internal revenue code of the United States, as from time to time  
94 amended, [ (ii) each] (ii) Each political committee formed solely to aid  
95 or promote the success or defeat of any referendum question, which  
96 receives contributions from a business entity or an organization, shall  
97 distribute its surplus to all contributors to the committee on a prorated  
98 basis of contribution, to state or municipal governments or agencies, or  
99 to any organization which is tax-exempt under said provisions of the  
100 Internal Revenue Code. Notwithstanding the provisions of this  
101 subsection, a committee formed for a single referendum shall not be  
102 required to expend its surplus within ninety days after the referendum  
103 and may continue in existence if a substantially similar referendum  
104 question on the same issue will be submitted to the electorate within  
105 six months after the first referendum. If two or more substantially  
106 similar referenda on the same issue are submitted to the electorate,  
107 each no more than six months apart, the committee shall expend such  
108 surplus within ninety days following the date of the last such  
109 referendum;

110 (D) The campaign treasurer of the candidate committee of a  
111 candidate who is elected to office may, upon the authorization of such

112 candidate, expend surplus campaign funds to pay for the cost of  
113 clerical, secretarial or other office expenses necessarily incurred by  
114 such candidate in preparation for taking office; except such surplus  
115 shall not be distributed for the personal benefit of any individual or to  
116 any organization; and

117 (E) The campaign treasurer of a candidate committee, or of a  
118 political committee, other than a political committee formed for  
119 ongoing political activities or an exploratory committee, shall, prior to  
120 the dissolution of such committee, either (i) distribute any equipment  
121 purchased, including but not limited to computer equipment, to any  
122 recipient as set forth in subparagraph (A) of this subdivision, or (ii) sell  
123 any equipment purchased, including but not limited to computer  
124 equipment, to any person for fair market value and then distribute the  
125 proceeds of such sale to any recipient as set forth in said subparagraph  
126 (A).

127 (2) Notwithstanding any provisions of this chapter, [to the  
128 contrary,] the campaign treasurer of the candidate committee of a  
129 candidate who has withdrawn from a primary or election may, prior to  
130 the primary or election, distribute its surplus to any organization  
131 which is tax-exempt under Section 501(c)(3) of the Internal Revenue  
132 Code of 1986, or any subsequent corresponding internal revenue code  
133 of the United States, as from time to time amended, or return such  
134 surplus to all contributors to the committee on a prorated basis of  
135 contribution.

136 (3) [Within] Not later than seven days after such distribution or  
137 [within] not later than seven days after all funds have been expended  
138 in accordance with subparagraph (D) of subdivision (1) of this  
139 subsection, the campaign treasurer shall file a supplemental statement,  
140 sworn under penalty of false statement, with the proper authority,  
141 identifying all further contributions received since the previous  
142 statement and explaining how any surplus has been distributed or  
143 expended in accordance with this section. No surplus may be  
144 distributed or expended until after the election, primary or

145 referendum.

146 (4) In the event of a deficit the campaign treasurer shall file a  
147 supplemental statement ninety days after an election, primary or  
148 referendum not held in November or on the seventh calendar day in  
149 February, or the next business day if such day is a Saturday, Sunday or  
150 legal holiday, after an election or referendum held in November, with  
151 the proper authority and, thereafter, on the seventh day of each month  
152 following if on the last day of the previous month there was an  
153 increase or decrease in the deficit in excess of five hundred dollars  
154 from that reported on the last statement filed. The campaign treasurer  
155 shall file such supplemental statements as required until the deficit is  
156 eliminated. If any such committee does not have a surplus or a deficit,  
157 the statement required to be filed [within] not later than forty-five days  
158 following any election or referendum not held in November or on the  
159 seventh calendar day in January, or the next business day if such day is  
160 a Saturday, Sunday or legal holiday, following an election or  
161 referendum held in November, or [within] not later than thirty days  
162 following any primary shall be the last required statement.

163 Sec. 5. (NEW) (*Effective July 1, 2005, and applicable to primary and*  
164 *general election campaigns for elections in 2008, and thereafter*) As used in  
165 sections 1 and 5 to 8, inclusive, of this act:

166 (1) "Commission" means the State Elections Enforcement  
167 Commission.

168 (2) "Convention" has the same meaning as provided in section 9-372  
169 of the general statutes.

170 (3) "Eligible petitioning party candidate" means a candidate for  
171 election to an office pursuant to part III C of chapter 153 of the general  
172 statutes whose nominating petition has been approved by the  
173 Secretary of the State pursuant to subsection (c) of section 9-453o of the  
174 general statutes.

175 (4) "Fund" means the Citizens' Election Fund established in section 1

176 of this act.

177 (5) "General election period" means the period beginning on the  
178 date that a candidate files either a committee statement under  
179 subsection (a) of section 9-333f of the general statutes or a certification  
180 under subsection (b) of said section 9-333f, and ending on the day the  
181 campaign treasurer files the final statement for the election campaign  
182 pursuant to section 9-333j of the general statutes, provided, the election  
183 period shall not include the primary period in the case of a candidate  
184 who qualifies under section 9-400 of the general statutes to be a  
185 candidate in a primary held for nomination to an office pursuant to  
186 section 9-423 of the general statutes.

187 (6) "Major party" has the same meaning as provided in section 9-372  
188 of the general statutes.

189 (7) "Minor party" has the same meaning as provided in section 9-372  
190 of the general statutes.

191 (8) "Primary period" means the period (A) beginning (i) in the case  
192 of a candidate for nomination by a political party to the district office  
193 of state senator or state representative, on the day following the close  
194 of the district convention held for the purpose of nominating such  
195 party's candidate for such office, or (ii) in the case of a candidate for  
196 nomination by a political party to the municipal office of state senator  
197 or state representative, on the day following the making of the party's  
198 endorsement of a candidate for such office, and (B) ending on the day  
199 that a primary is held for nomination to an office pursuant to section 9-  
200 423 of the general statutes.

201 Sec. 6. (NEW) (*Effective July 1, 2005, and applicable to primary and*  
202 *general election campaigns for elections in 2008, and thereafter*) (a) There is  
203 established a program of voluntary campaign expenditure limits for  
204 major party, minor party and eligible petitioning party candidates for  
205 nomination or election to the office of state senator or state  
206 representative in 2008, and thereafter. Any such candidate who agrees  
207 to limit the amount of expenditures made or incurred by the candidate

208 committee for such candidate during the general election period and,  
209 in the event of a primary, during the primary period, shall be eligible  
210 to receive moneys from the Citizens' Election Fund, in accordance with  
211 section 8 of this act, if a candidate for election to the same office in said  
212 year does not agree to said limits and exceeds either the general  
213 election period limit or, in the event of a primary, the primary period  
214 limit.

215 (b) (1) For a candidate for election to the office of state senator in  
216 2008, the voluntary general election period expenditure limits shall be  
217 one hundred fifty thousand dollars and the voluntary primary period  
218 expenditure limits shall be fifty thousand dollars.

219 (2) For a candidate for election to the office of state representative in  
220 2008, the voluntary general election period expenditure limits shall be  
221 twenty-five thousand dollars and the voluntary primary period  
222 expenditure limits shall be fifteen thousand dollars.

223 (c) For elections held in 2010, and biennially thereafter, the  
224 expenditure limits in subsection (b) of this section shall be adjusted by  
225 the State Elections Enforcement Commission not later than January 15,  
226 2010, and biennially thereafter, in accordance with any change in the  
227 consumer price index for all urban consumers as published by the  
228 United States Department of Labor, Bureau of Labor Statistics, during  
229 the period beginning on January 1, 2008, and ending on December  
230 thirty-first in the year preceding the year in which said adjustment is  
231 to be made.

232 (d) No candidate whose primary period expenditures are less than  
233 the primary period expenditure limit may apply the difference  
234 between such limit and such expenditures to the general election  
235 expenditure limit.

236 Sec. 7. (NEW) (*Effective July 1, 2005, and applicable to primary and*  
237 *general election campaigns for elections in 2008, and thereafter*) Each  
238 candidate for nomination or election to the office of state  
239 representative or state senator in 2008, or thereafter, shall file an

240 affidavit with the State Elections Enforcement Commission at the same  
241 time that the candidate files either a committee statement under  
242 subsection (a) of section 9-333f of the general statutes or a certification  
243 under subsection (b) of said section 9-333f. The affidavit shall include a  
244 written certification that the candidate either intends to abide by the  
245 applicable expenditure limits under subsection (b) or (c) of section 6 of  
246 this act or does not intend to abide by said limits. If the candidate  
247 intends to abide by said limits, the affidavit shall also include written  
248 certifications (1) that the campaign treasurer of the candidate  
249 committee for said candidate shall expend any moneys received from  
250 the Citizens' Election Fund in accordance with the provisions of  
251 subsection (g) of section 9-333i of the general statutes and guidelines  
252 adopted by the State Elections Enforcement Commission under  
253 subsection (e) of section 14 of this act, (2) that the candidate shall repay  
254 to the fund any such moneys that are not expended in accordance with  
255 subsection (g) of said section 9-333i and said guidelines, and (3) stating  
256 the candidate's status as a major party, minor party or petitioning  
257 candidate and, in the case of a major party or minor party candidate,  
258 the name of such party. No candidate who changes such status or  
259 becomes a candidate of a different party during a campaign shall be  
260 eligible to receive a grant from the fund during the campaigns for  
261 which the affidavit is filed. A candidate who so certifies the candidate's  
262 intent to abide by said limits shall be referred to in section 8 of this act  
263 as a "participating candidate" and a candidate who so certifies the  
264 candidate's intent to not abide by said limits shall be referred to in  
265 section 8 of this act as a "nonparticipating candidate". The commission  
266 shall prepare a list of the participating candidates and a list of the  
267 nonparticipating candidates and shall make such lists available for  
268 public inspection.

269       Sec. 8. (NEW) (*Effective July 1, 2005, and applicable to primary and*  
270 *general election campaigns for elections in 2008, and thereafter*) (a) The  
271 campaign treasurer of the candidate committee for each candidate for  
272 the office of state representative or state senator shall file campaign  
273 finance statements with the office of the Secretary of the State (1)  
274 according to the same schedule as required of a campaign treasurer of

275 a candidate committee under section 9-333j of the general statutes until  
276 receiving contributions and receipts totaling seventy-five per cent of  
277 (A) the general election period expenditure limit in subsection (b) or (c)  
278 of section 6 of this act for the office to which the candidate is seeking  
279 election, or (B) the primary period expenditure limit in said subsection  
280 (b) or (c) if a primary is being held for nomination to said office, and  
281 (2) then, notwithstanding said schedule in said section 9-333j, on the  
282 second Thursday of each month between the beginning of the fourth  
283 month preceding the day of the election for said office and the  
284 beginning of the sixth week preceding the election and then on each  
285 Thursday until the day of the election. Said statements shall be  
286 prepared in the same manner as statements required under section 9-  
287 333j of the general statutes.

288 (b) (1) The State Elections Enforcement Commission shall review all  
289 statements filed by campaign treasurers under subsection (a) of this  
290 section and under section 9-333j of the general statutes.

291 (2) If a primary is being held for nomination to an office and the  
292 commission determines that (A) the candidate committee for a  
293 nonparticipating candidate has made or incurred campaign  
294 expenditures during the primary period that exceed the applicable  
295 primary period expenditure limit under subsection (b) or (c) of section  
296 6 of this act, and (B) the candidate committee for one or more  
297 participating candidates for the same office has not made or incurred  
298 such excess campaign expenditures during the primary period and has  
299 received contributions and receipts totaling, in the case of a candidate  
300 for nomination to the office of state senator, at least twenty-five  
301 thousand dollars, or in the case of a candidate for nomination to the  
302 office of state representative, at least five thousand dollars, subject to  
303 adjustment under subsection (d) of this section, the commission shall  
304 notify the State Comptroller that the candidate committee for each said  
305 participating candidate shall be entitled to payment in the amount of  
306 the nonparticipating candidate's excess expenditures, up to a  
307 maximum of one hundred per cent of such expenditure limit. Not later  
308 than two business days following notification by the commission, the

309 State Comptroller shall draw an order on the State Treasurer for  
310 payment of said amount to each said participating candidate.

311 (3) If the commission determines that (A) the candidate committee  
312 for a nonparticipating candidate has made or incurred campaign  
313 expenditures during the general election period that exceed the  
314 applicable election period expenditure limit under subsection (b) or (c)  
315 of section 6 of this act, and (B) the candidate committee for one or more  
316 participating candidates for the same office has not made or incurred  
317 such excess campaign expenditures during the general election period  
318 and has received contributions and receipts totaling, in the case of a  
319 candidate for election to the office of state senator, at least seventy-five  
320 thousand dollars, or in the case of a candidate for nomination to the  
321 office of state representative, at least eight thousand dollars, subject to  
322 adjustment under subsection (d) of this section, the commission shall  
323 notify the State Comptroller that the candidate committee for each said  
324 participating candidate shall be entitled to payment in the amount of  
325 the nonparticipating candidate's excess expenditures, up to a  
326 maximum of one hundred per cent of such expenditure limit. Not later  
327 than two business days following notification by the commission, the  
328 State Comptroller shall draw an order on the State Treasurer for  
329 payment of said amount to each said participating candidate.

330 (c) (1) Upon the receipt of a report under subsection (e) of section 9-  
331 333n of the general statutes, as amended by this act, that an  
332 independent expenditure has been made or obligated to be made  
333 during the primary period, with the intent to promote the defeat of a  
334 participating candidate who has received contributions and receipts  
335 totaling, in the case of a candidate for nomination to the office of state  
336 senator, at least twenty-five thousand dollars, or in the case of a  
337 candidate for nomination to the office of state representative, at least  
338 five thousand dollars, subject to adjustment under subsection (d) of  
339 this section, the commission shall immediately notify such  
340 participating candidate that the candidate may exceed the expenditure  
341 limit for the primary period, as set forth in subsection (b) or (c) of  
342 section 6 of this act, by the amount of the independent expenditure.

343 (2) Upon the receipt of a report under subsection (e) of section 9-  
344 333n of the general statutes, as amended by this act, that an  
345 independent expenditure has been made or obligated to be made  
346 during the general election period, with the intent to promote the  
347 defeat of a participating candidate who has received contributions and  
348 receipts totaling, in the case of a candidate for nomination to the office  
349 of state senator, at least seventy-five thousand dollars, or in the case of  
350 a candidate for nomination to the office of state representative, at least  
351 eight thousand dollars, subject to adjustment under subsection (d) of  
352 this section, the commission shall immediately notify such  
353 participating candidate that the candidate may exceed the expenditure  
354 limit for the general election period, as set forth in subsection (b) or (c)  
355 of section 6 of this act, by the amount of the independent expenditure.

356 (d) For elections held in 2010, and biennially thereafter, the total  
357 contributions and receipts required for participating candidates to  
358 qualify for a payment under subsection (b) of this section or an  
359 authorization under subsection (c) of this section to exceed a primary  
360 period or general election period expenditure limit shall be adjusted by  
361 the State Elections Enforcement Commission not later than January 15,  
362 2010, and biennially thereafter, in accordance with any change in the  
363 consumer price index for all urban consumers as published by the  
364 United States Department of Labor, Bureau of Labor Statistics, during  
365 the period beginning on January 1, 2008, and ending on December  
366 thirty-first in the year preceding the year in which said adjustment is  
367 to be made.

368 Sec. 9. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
369 *2010, and thereafter*) As used in sections 1 and 9 to 24, inclusive, of this  
370 act:

371 (1) "Commission" means the State Elections Enforcement  
372 Commission.

373 (2) "Convention" has the same meaning as provided in section 9-372  
374 of the general statutes.

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

379 (4) "Eligible petitioning party candidate" means a candidate for  
380 election to an office pursuant to part III C of chapter 153 of the general  
381 statutes whose nominating petition has been approved by the  
382 Secretary of the State pursuant to subsection (c) of section 9-453o of the  
383 general statutes.

384 (5) "Fund" means the Citizens' Election Fund established in section 1  
385 of this act.

386 (6) "General election campaign" means (A) in the case of a candidate  
387 nominated at a primary, the period beginning on the day following the  
388 primary and ending on the date the campaign treasurer files the final  
389 statement for such campaign pursuant to section 9-333j of the general  
390 statutes, as amended by this act, or (B) in the case of a candidate  
391 nominated without a primary, the period beginning on the day  
392 following the day on which the candidate is nominated and ending on  
393 the date the campaign treasurer files the final statement for such  
394 campaign pursuant to section 9-333j of the general statutes, as  
395 amended by this act.

396 (7) "Major party" has the same meaning as provided in section 9-372  
397 of the general statutes.

398 (8) "Minor party" has the same meaning as provided in section 9-372  
399 of the general statutes.

400 (9) "Primary campaign" means the period beginning on the day  
401 following the close of a convention and ending on the day of a primary  
402 held for the purpose of nominating a candidate for an office.

403 (10) "Qualified candidate committee" means a candidate committee  
404 (A) established to aid or promote the success of any candidate for  
405 nomination or election to a state office, and (B) approved by the

406 commission to receive a grant from the Citizens' Election Fund under  
407 section 12 of this act.

408 (11) "State office" means the office of Governor, Lieutenant  
409 Governor, Attorney General, State Comptroller, State Treasurer or  
410 Secretary of the State.

411 Sec. 10. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
412 *2010, and thereafter*) (a) There is established a Citizens' Election  
413 Program under which (1) the candidate committee of a major party or  
414 minor party candidate for nomination to the office of Governor,  
415 Lieutenant Governor, Attorney General, State Comptroller, Secretary  
416 of the State or State Treasurer in 2010, or thereafter, may receive a  
417 grant from the Citizens' Election Fund for the candidate's primary  
418 campaign for said nomination, and (2) the candidate committee of a  
419 candidate who is nominated by a major party or a minor party, or the  
420 candidate committee of an eligible petitioning party candidate, for  
421 election to the office of Governor, Attorney General, State Comptroller,  
422 Secretary of the State or State Treasurer in 2010, or thereafter, may  
423 receive a grant from the fund for the candidate's general election  
424 campaign for said office.

425 (b) Any such candidate committee is eligible to receive such grants  
426 for a primary campaign, if applicable, and a general election campaign  
427 if (1) the candidate certifies as a participating candidate under section  
428 11 of this act, (2) the candidate's candidate committee receives the  
429 required amount of qualifying contributions under section 12 of this  
430 act, (3) the candidate's candidate committee returns all contributions  
431 that do not meet the criteria for qualifying contributions under section  
432 12 of this act, (4) the candidate's exploratory committee, if any, returns  
433 all contributions that do not meet the criteria for qualifying  
434 contributions to a candidate committee under section 12 of this act, (5)  
435 the candidate agrees to limit the campaign expenditures of the  
436 candidate's candidate committee in accordance with the provisions of  
437 subdivision (1) of subsection (c) of this section, and (6) the candidate  
438 submits an application and the commission approves the application

439 in accordance with the provisions of section 14 of this act.

440 (c) (1) A candidate participating in the Citizens' Election Program  
441 shall limit the campaign expenditures of the candidate's candidate  
442 committee (A) before a primary campaign and a general election  
443 campaign, to the amount of qualifying contributions permitted in  
444 section 12 of this act, (B) for a primary campaign, to the sum of the  
445 amount of qualifying contributions permitted in section 12 of this act  
446 that have not been spent before the primary campaign, the amount of  
447 the grant for the primary campaign authorized under section 13 of this  
448 act and the total amount of contributions permitted in section 9-333s of  
449 the general statutes from the state central committee for the party in  
450 which the candidate is enrolled and all town committees, and (C) for a  
451 general election campaign, to the sum of the amount of qualifying  
452 contributions permitted in section 12 of this act that have not been  
453 spent before the general election campaign, any unexpended funds  
454 from any grant for a primary campaign, the amount of the grant for  
455 the general election campaign authorized under section 13 of this act  
456 and the total amount of contributions permitted in section 9-333s of the  
457 general statutes from the state central committee for the party in which  
458 the candidate is enrolled and all town committees, which party  
459 contributions have not been spent before the general election  
460 campaign.

461 (2) There shall be a rebuttable presumption that any expenditure by  
462 a party committee for the benefit of the candidate committee of a  
463 candidate shall be counted toward the applicable expenditure limit for  
464 such candidate committee under this subsection, except for any  
465 expenditures by a party committee that benefits all candidates  
466 nominated by the party. The State Elections Enforcement Commission  
467 shall adopt regulations, in accordance with the provisions of chapter  
468 54 of the general statutes, to carry out the purposes of this subdivision.

469 Sec. 11. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
470 *2010, and thereafter*) (a) Each candidate for nomination or election to a  
471 state office in 2010, or thereafter, shall file an affidavit with the State

472 Elections Enforcement Commission, at the same time that the  
473 candidate files either a committee statement under subsection (a) of  
474 section 9-333f of the general statutes or a certification under subsection  
475 (b) of said section 9-333f. The affidavit shall include a written  
476 certification that the candidate either intends to abide by the  
477 expenditure limits under the Citizens' Election Program set forth in  
478 subdivision (1) of subsection (c) of section 10 of this act, or does not  
479 intend to abide by said limits. If the candidate intends to abide by said  
480 limits, the affidavit shall also include written certifications (1) that the  
481 campaign treasurer of the candidate committee for said candidate shall  
482 expend any moneys received from the Citizens' Election Fund in  
483 accordance with the provisions of subsection (g) of section 9-333i of the  
484 general statutes and guidelines adopted by the State Elections  
485 Enforcement Commission under subsection (e) of section 14 of this act,  
486 (2) that the candidate shall repay to the fund any such moneys that are  
487 not expended in accordance with subsection (g) of said section 9-333i  
488 and said guidelines, and (3) stating the candidate's status as a major  
489 party, minor party or petitioning candidate and, in the case of a major  
490 party or minor party candidate, the name of such party. No candidate  
491 who changes such status or becomes a candidate of a different party  
492 during a campaign shall be eligible to receive a grant under the  
493 Citizens' Election Program during the campaigns for which the  
494 affidavit is filed.

495 (b) A candidate who so certifies the candidate's intent to abide by  
496 the expenditure limits under the Citizens' Election Program set forth in  
497 subdivision (1) of subsection (c) of section 10 of this act shall be  
498 referred to in sections 9 to 24, inclusive, of this act as a "participating  
499 candidate" and a candidate who so certifies the candidate's intent to  
500 not abide by said limits shall be referred to in sections 9 to 24,  
501 inclusive, of this act as a "nonparticipating candidate". The commission  
502 shall prepare a list of the participating candidates and a list of the  
503 nonparticipating candidates and shall make such lists available for  
504 public inspection.

505 Sec. 12. (NEW) (*Effective July 1, 2005, and applicable to elections held in*

506 2010, and thereafter) (a) The amount of qualifying contributions which  
507 the candidate committee of a candidate shall be required to receive in  
508 order to be eligible for grants from the Citizens' Election Fund shall be:

509 (1) In the case of a candidate for nomination or election to the office  
510 of Governor, contributions from individuals in the aggregate amount  
511 of two hundred fifty thousand dollars, of which two hundred twenty-  
512 five thousand dollars or more is contributed by individuals residing in  
513 the state, provided (A) the candidate committee shall return the  
514 portion of any contribution or contributions from an individual other  
515 than such candidate that exceeds one hundred dollars, and such excess  
516 portion shall not be considered in calculating such amounts, and (B) all  
517 contributions received by an exploratory committee that meet the  
518 criteria for qualifying contributions to candidate committees under this  
519 section shall be considered in calculating such amounts; and

520 (2) In the case of a candidate for nomination or election to the office  
521 of Lieutenant Governor, Attorney General, State Comptroller, State  
522 Treasurer or Secretary of the State, contributions from individuals in  
523 the aggregate amount of seventy-five thousand dollars, of which sixty-  
524 seven thousand five hundred dollars or more is contributed by  
525 individuals residing in the state, provided (A) the candidate committee  
526 shall return the portion of any contribution or contributions from an  
527 individual other than such candidate that exceeds one hundred  
528 dollars, and such excess portion shall not be considered in calculating  
529 such amounts, and (B) all contributions received by an exploratory  
530 committee that meet the criteria for qualifying contributions to  
531 candidate committees under this section shall be considered in  
532 calculating such amounts.

533 (b) After a candidate committee receives the applicable aggregate  
534 amount of qualifying contributions under subsection (a) of this section,  
535 the candidate committee shall return any additional contributions that  
536 it receives.

537 (c) Each individual who makes a contribution to a candidate  
538 committee established to aid or promote the success of a participating

539 candidate for nomination or election to a state office shall include with  
540 the contribution a certification that (1) neither the individual nor any  
541 member of the immediate family of the individual is a lobbyist, and (2)  
542 neither the individual, any member of the immediate family of the  
543 individual nor an associated business of the individual or any such  
544 immediate family member has a contract with the state. A contribution  
545 from (A) a lobbyist or a member of the immediate family of a lobbyist,  
546 or (B) an individual who has a contract with the state, any member of  
547 the immediate family of such individual, or an associated business of  
548 such individual or any such immediate family member shall not be  
549 deemed to be a qualifying contribution under subsection (a) of this  
550 section and shall be returned by the candidate committee. As used in  
551 this subsection, "immediate family" means any spouse or child of an  
552 individual or any dependent relatives who reside in the individual's  
553 household.

554 (d) Each individual who makes a contribution to a candidate  
555 committee established to aid or promote the success of a participating  
556 candidate for nomination or election to a state office shall include the  
557 individual's name and address with the contribution. A contribution  
558 (1) from an individual that does not include such information, or (2)  
559 from an individual who does not reside in the state, in excess of the  
560 applicable limit on contributions from nonresidents in subsection (a) of  
561 this section, shall not be deemed to be a qualifying contribution under  
562 subsection (a) of this section and shall be returned by the candidate  
563 committee.

564 Sec. 13. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
565 *2010, and thereafter*) (a) (1) The qualified candidate committee of a  
566 major party or minor party candidate for the office of Governor who  
567 has a primary for nomination to said office shall be eligible to receive a  
568 grant from the Citizens' Election Fund for the primary campaign in the  
569 amount of one million two hundred fifty thousand dollars, provided,  
570 in the case of a primary held in 2014, or thereafter, said amount shall  
571 be adjusted under subsection (c) of this section.

572 (2) The qualified candidate committee of a major party or minor  
573 party candidate for the office of Governor who is nominated shall be  
574 eligible to receive a grant from the fund for the general election  
575 campaign in the amount of three million dollars, provided (A) in the  
576 case of an election held in 2014, or thereafter, said amount shall be  
577 adjusted under subsection (c) of this section, and (B) if a candidate is  
578 nominated at a primary and does not expend the entire grant from the  
579 fund for the primary campaign, the amount of the grant for the general  
580 election campaign shall be reduced by the amount of such unexpended  
581 primary grant funds.

582 (3) The qualified candidate committee of an eligible petitioning  
583 party candidate for the office of Governor shall be eligible to receive a  
584 grant from the fund for the general election campaign in the amount of  
585 three million dollars, provided in the case of an election held in 2014,  
586 or thereafter, said amount shall be adjusted under subsection (c) of this  
587 section.

588 (b) (1) The qualified candidate committee of a major party or minor  
589 party candidate for the office of Lieutenant Governor, Attorney  
590 General, State Comptroller, Secretary of the State or State Treasurer  
591 who has a primary for nomination to said office shall be eligible to  
592 receive a grant from the fund for the primary campaign in the amount  
593 of one hundred seventy-five thousand dollars, provided, in the case of  
594 a primary held in 2014, or thereafter, said amount shall be adjusted  
595 under subsection (c) of this section.

596 (2) The qualified candidate committee of a candidate for the office of  
597 Attorney General, State Comptroller, Secretary of the State or State  
598 Treasurer who is nominated shall be eligible to receive a grant from  
599 the fund for the general election campaign in the amount of five  
600 hundred thousand dollars, provided (A) in the case of an election held  
601 in 2014, or thereafter, said amount shall be adjusted under subsection  
602 (c) of this section, and (B) if a candidate is nominated at a primary and  
603 does not expend the entire grant from the fund for the primary  
604 campaign, the amount of the grant for the general election campaign

605 shall be reduced by the amount of such unexpended primary grant  
606 funds.

607 (3) The qualified candidate committee of an eligible petitioning  
608 party candidate for the office of Attorney General, State Comptroller,  
609 Secretary of the State or State Treasurer shall be eligible to receive a  
610 grant from the fund for the general election campaign in the amount of  
611 five hundred thousand dollars, provided in the case of an election held  
612 in 2014, or thereafter, said amount shall be adjusted under subsection  
613 (c) of this section.

614 (c) For elections held in 2014, and thereafter, the amount of the  
615 grants in subsections (a) and (b) of this section shall be adjusted by the  
616 State Elections Enforcement Commission not later than January 15,  
617 2014, and quadrennially thereafter, in accordance with any change in  
618 the consumer price index for all urban consumers as published by the  
619 United States Department of Labor, Bureau of Labor Statistics, during  
620 the period beginning on January 1, 2010, and ending on December  
621 thirty-first in the year preceding the year in which said adjustment is  
622 to be made.

623 (d) No grant under this section may be applied to a deficit incurred  
624 by a candidate committee.

625 Sec. 14. (NEW) *(Effective July 1, 2005, and applicable to elections held in*  
626 *2010, and thereafter)* (a) (1) A candidate for nomination to the office of  
627 Governor, Lieutenant Governor, Attorney General, State Comptroller,  
628 Secretary of the State or State Treasurer in 2010, or thereafter, may  
629 apply to the State Elections Enforcement Commission for a grant from  
630 the fund under the Citizens' Election Program for a primary campaign,  
631 after the close of the state convention of the candidate's party that is  
632 called for the purpose of choosing candidates for nomination for the  
633 office that the candidate is seeking, if a primary is required under  
634 chapter 153 of the general statutes, and (A) said party endorses the  
635 candidate for the office that the candidate is seeking, (B) the candidate  
636 receives at least fifteen per cent of the votes of the convention delegates  
637 present and voting on any roll-call vote taken on the endorsement or

638 proposed endorsement of a candidate for the office the candidate is  
639 seeking, or (C) the candidate circulates a petition and obtains the  
640 required number of signatures for filing a candidacy for nomination  
641 for said office pursuant to section 9-400 of the general statutes.

642 (2) A candidate for election to the office of Governor, Attorney  
643 General, State Comptroller, Secretary of the State or State Treasurer in  
644 2010, or thereafter, may apply to the State Elections Enforcement  
645 Commission for a grant from the fund under the Citizens' Election  
646 Program for a general election campaign, (A) after the close of the state  
647 convention of the candidate's party that is called for the purpose of  
648 choosing candidates for nomination for the office that the candidate is  
649 seeking, if (i) said party endorses said candidate for the office that the  
650 candidate is seeking and no other candidate of said party files a  
651 certificate of candidacy with the Secretary of the State in accordance  
652 with the provisions of section 9-400 of the general statutes, (ii) the  
653 candidate receives at least fifteen per cent of the votes of the  
654 convention delegates present and voting on any roll-call vote taken on  
655 the endorsement or proposed endorsement of a candidate for the office  
656 the candidate is seeking, no other candidate for said office at such  
657 convention either receives the party endorsement or said percentage of  
658 said votes for said endorsement or files a certificate of endorsement  
659 with the Secretary of the State in accordance with the provisions of  
660 section 9-388 of the general statutes or a certificate of candidacy with  
661 the Secretary of the State in accordance with the provisions of section  
662 9-400 of the general statutes, and no other candidate for said office  
663 circulates a petition and obtains the required number of signatures for  
664 filing a candidacy for nomination for said office pursuant to section 9-  
665 400 of the general statutes, or (iii) the candidate circulates a petition  
666 and obtains the required number of signatures for filing a candidacy  
667 for nomination for said office pursuant to section 9-400 of the general  
668 statutes and no other candidate for said office at such convention  
669 either receives the party endorsement or said percentage of said votes  
670 for said endorsement or files a certificate of endorsement with the  
671 Secretary of the State in accordance with the provisions of section 9-388  
672 of the general statutes or a certificate of candidacy with the Secretary

673 of the State in accordance with the provisions of section 9-400 of the  
674 general statutes, (B) after any primary held by such party for  
675 nomination for said office, if the Secretary of the State declares that the  
676 candidate is the party nominee in accordance with the provisions of  
677 section 9-440 of the general statutes, or (C) in the case of a petitioning  
678 party candidate, after approval by the Secretary of the State of such  
679 candidate's nominating petition pursuant to subsection (c) of section 9-  
680 453o of the general statutes.

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

682 (1) The candidate committee has received the required amount of  
683 qualifying contributions;

684 (2) The candidate committee has repaid all moneys borrowed on  
685 behalf of the campaign, as required by subsection (b) of section 18 of  
686 this act;

687 (3) The candidate committee has returned any contribution from an  
688 individual who does not include the individual's name and address  
689 with the contribution;

690 (4) The candidate committee and exploratory committee have  
691 returned all contributions or portions of contributions that do not meet  
692 the criteria for qualifying contributions under section 12 of this act;

693 (5) The campaign treasurer of the candidate committee shall comply  
694 with the provisions of sections 1 and 9 to 24, inclusive, of this act;

695 (6) All moneys received from the Citizens' Election Fund shall be  
696 deposited upon receipt into the depository account of the candidate  
697 committee;

698 (7) The campaign treasurer of the candidate committee shall expend  
699 all moneys received from the fund in accordance with the provisions of  
700 subsection (g) of section 9-333i of the general statutes and guidelines  
701 adopted by the State Elections Enforcement Commission under  
702 subsection (e) of this section; and

703 (8) If the candidate withdraws from the campaign, becomes  
704 ineligible or dies during the campaign, the candidate committee of the  
705 candidate shall return to the commission, for deposit in the fund, all  
706 moneys received from the fund pursuant to sections 1 and 9 to 24,  
707 inclusive, of this act which said candidate committee has not spent as  
708 of the date of such occurrence.

709 (c) The application shall be accompanied by a cumulative itemized  
710 accounting of all funds received, expenditures made and expenses  
711 incurred but not yet paid by the candidate committee as of three days  
712 before the date that the application is signed. Such accounting shall be  
713 sworn to under penalty of false statement by the campaign treasurer of  
714 the candidate committee. The commission shall prescribe the form of  
715 the application and the cumulative itemized accounting, after  
716 consulting with the Secretary of the State. The form for such  
717 accounting shall conform to the requirements of section 9-333j of the  
718 general statutes, as amended by this act. Both the candidate and the  
719 campaign treasurer of the candidate committee shall sign the  
720 application.

721 (d) Not later than three business days following receipt of any such  
722 application, the commission shall review the application, determine  
723 whether the candidate committee for the applicant (1) has received the  
724 required qualifying contributions, (2) in the case of an application for a  
725 grant from the fund for a primary campaign, the applicant has met the  
726 applicable condition under subsection (a) of this section for applying  
727 for such moneys and complied with the provisions of subsections (b)  
728 and (c) of this section, and at least either one other participating  
729 candidate for nomination in the primary, from the same party and for  
730 the same office as the applicant, has also received the required  
731 qualifying contributions or at least one nonparticipating candidate for  
732 nomination in the primary, from the same party and for the same  
733 office as the applicant, has received an amount of contributions equal  
734 to the amount of such qualifying contributions, and (3) in the case of  
735 an application for a grant from the fund for a general election  
736 campaign, the applicant has met the applicable condition under

737 subsection (a) of this section for applying for such moneys and  
738 complied with the provisions of subsections (b) and (c) of this  
739 subsection. If the commission approves an application, the commission  
740 shall determine the amount of the grant payable to the candidate  
741 committee for the applicant, from the fund, and notify the State  
742 Comptroller and the candidate of such candidate committee, of such  
743 amount. Not later than two business days following notification by the  
744 commission, the State Comptroller shall draw an order on the State  
745 Treasurer for payment of such amount to the qualified candidate  
746 committee from the fund.

747 (e) The State Elections Enforcement Commission shall establish  
748 guidelines on permissible expenditures under subsection (g) of section  
749 9-333i of the general statutes for qualified candidate committees  
750 receiving grants from the fund under sections 9 to 24, inclusive, of this  
751 act.

752 Sec. 15. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
753 *2010, and thereafter*) Following the initial deposit of moneys from the  
754 Citizens' Election Fund into the depository account of a qualified  
755 candidate committee, no contribution, loan, amount of the candidate's  
756 own moneys or any other moneys received by the candidate or the  
757 campaign treasurer on behalf of the committee shall be deposited into  
758 said depository account, except (1) grants from the fund, and (2) any  
759 additional moneys from the fund as provided in sections 20 and 21 of  
760 this act.

761 Sec. 16. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
762 *2010, and thereafter*) A qualified candidate committee that received  
763 moneys from the Citizens' Election Fund for a primary campaign and  
764 whose candidate is the party nominee shall receive moneys from the  
765 fund for a general election campaign. Upon receiving verification from  
766 the Secretary of the State of the declaration by the Secretary of the State  
767 in accordance with the provisions of section 9-440 of the general  
768 statutes of the results of the votes cast at the primary, the State  
769 Elections Enforcement Commission shall notify the State Comptroller

770 of the amount payable to such qualified candidate committee. Not  
771 later than two business days following notification by the commission,  
772 the State Comptroller shall draw an order on the State Treasurer for  
773 payment of the general election campaign grant to said committee  
774 from said fund.

775       Sec. 17. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
776 *2010, and thereafter*) (a) For purposes of this section, expenditures made  
777 to aid or promote the success of both a candidate for nomination or  
778 election to the office of Governor and a candidate for nomination or  
779 election to the office of Lieutenant Governor jointly, shall be  
780 considered expenditures made to aid or promote the success of a  
781 candidate for nomination or election to the office of Governor. The  
782 party-endorsed candidate for nomination or election to the office of  
783 Lieutenant Governor and the party-endorsed candidate for nomination  
784 or election to the office of Governor shall be deemed to be aiding or  
785 promoting the success of both candidates jointly upon the earliest of  
786 the following: (1) The primary, whether held for the office of Governor,  
787 the office of Lieutenant Governor, or both; (2) if no primary is held for  
788 the office of Governor or Lieutenant Governor, the convention; or (3) a  
789 declaration by the party-endorsed candidates that they shall campaign  
790 jointly. Any other candidate for nomination or election to the office of  
791 Lieutenant Governor shall be deemed to be aiding or promoting the  
792 success of such candidacy for the office of Lieutenant Governor and  
793 the success of a candidate for nomination or election to the office of  
794 Governor jointly upon a declaration by the candidates that they shall  
795 campaign jointly.

796       (b) The candidate committee formed to aid or promote the success  
797 of a candidate for nomination or election to the office of Lieutenant  
798 Governor, the candidate of which campaigns jointly with a candidate  
799 for nomination or election to the office of Governor, shall be dissolved  
800 as of the applicable date set forth in subsection (a) of this section. Not  
801 later than fifteen days after the applicable date set forth in subsection  
802 (a) of this section, the campaign treasurer of the candidate committee  
803 formed to aid or promote the success of said candidate for nomination

804 or election to the office of Lieutenant Governor shall file a statement  
805 with the proper authority under section 9-333e of the general statutes,  
806 as amended by this act, identifying all contributions received or  
807 expenditures made by the committee since the previous statement and  
808 the balance on hand or deficit, as the case may be. Not later than thirty  
809 days after the applicable date set forth in subsection (a) of this section,  
810 (1) the campaign treasurer of a qualified candidate committee formed  
811 to aid or promote the success of said candidate for nomination or  
812 election to the office of Lieutenant Governor shall distribute any  
813 surplus to the fund, and (2) the campaign treasurer of a nonqualified  
814 candidate committee formed to aid or promote the success of said  
815 candidate for nomination or election to the office of Lieutenant  
816 Governor shall distribute such surplus in accordance with the  
817 provisions of subsection (e) of section 9-333j of the general statutes, as  
818 amended by this act.

819 Sec. 18. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
820 *2010, and thereafter*) (a) A qualified candidate committee may borrow  
821 moneys on behalf of a campaign for a primary or a general election  
822 from one or more financial institutions, as defined in section 36a-41 of  
823 the general statutes, in an aggregate amount not to exceed one  
824 thousand dollars. The amount borrowed shall not constitute a  
825 qualifying contribution. No individual, political committee or party  
826 committee, except the candidate or, in a general election, the state  
827 central committee of a political party, shall endorse or guarantee such  
828 a loan in an aggregate amount in excess of five hundred dollars. An  
829 endorsement or guarantee of such a loan shall constitute a contribution  
830 by such individual or committee for so long as the loan is outstanding.  
831 The amount endorsed or guaranteed by such individual or committee  
832 shall cease to constitute a contribution upon repayment of the amount  
833 endorsed or guaranteed.

834 (b) All such loans shall be repaid in full prior to the date a candidate  
835 committee applies for the moneys from the Citizens' Election Fund  
836 pursuant to section 14 of this act. A candidate who fails to repay such  
837 loans or fails to certify such repayment to the State Elections

838 Enforcement Commission shall not be eligible to receive and shall not  
839 receive moneys from the fund.

840       Sec. 19. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
841 *2010, and thereafter*) (a) A qualified candidate committee that receives a  
842 grant from the Citizens' Election Fund pursuant to section 14 of this act  
843 and makes expenditures in excess of the sum of an expenditure limit  
844 set forth in subdivision (1) of subsection (c) of section 10 of this act and  
845 the amount of any additional moneys the candidate committee  
846 receives from the fund under section 20 or 21 of this act, (1) shall repay  
847 to the fund the full amount of such grant and moneys, (2) shall not  
848 receive any additional moneys from the fund for the remainder of the  
849 election cycle, (3) shall be subject to civil penalties under section 9-7b  
850 of the general statutes, as amended by this act, and (4) shall be deemed  
851 to be a nonparticipating candidate for the purposes of sections 1 and 9  
852 to 24, inclusive, of this act.

853       (b) A candidate whose candidate committee fails to return any  
854 surplus grant funds to the fund not later than ninety days after a  
855 primary or an election, whichever is applicable shall be subject to the  
856 penalties for larceny under sections 53a-122 to 53a-125b, inclusive, of  
857 the general statutes depending on the amount involved.

858       Sec. 20. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
859 *2010, and thereafter*) (a) Additional moneys from the Citizens' Election  
860 Fund shall be paid to a qualified candidate committee that received  
861 moneys from the fund if the committee of an opposing candidate  
862 makes expenditures in excess of an expenditure limit set forth in  
863 subdivision (1) of subsection (c) of section 10 of this act. Such  
864 additional moneys from the fund shall be paid to a qualified candidate  
865 committee that received moneys from the fund (1) regardless of  
866 whether the candidate committee that makes expenditures in excess of  
867 the applicable expenditure limit has received moneys from the fund,  
868 (2) in an amount equal to the greatest amount of expenditures in excess  
869 of the applicable expenditure limit that the committee of an opposing  
870 candidate has made, but not more than one hundred per cent of the

871 amount of moneys that the qualified candidate committee has received  
872 from the fund for the primary campaign or general election campaign  
873 for which such excess expenditures are made, and (3) immediately  
874 following the State Elections Enforcement Commission's verification  
875 that the committee of an opposing candidate has made expenditures in  
876 excess of the applicable expenditure limit.

877 (b) If a nonparticipating candidate makes or incurs the obligation to  
878 make an excess expenditure more than twenty days before the day of a  
879 primary or election, the candidate shall file a declaration of excess  
880 expenditures not later than forty-eight hours after making or incurring  
881 the expenditure. If a nonparticipating candidate makes or incurs the  
882 obligation to make an excess expenditure twenty days or less before  
883 the day of a primary or election, the candidate shall file a declaration of  
884 excess expenditures not later than twenty-four hours after making or  
885 incurring the expenditure. The commission may determine whether  
886 any expenditure by a nonparticipating candidate shall be deemed an  
887 excess expenditure.

888 Sec. 21. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
889 *2010, and thereafter*) Upon the receipt of a report under subsection (e) of  
890 section 9-333n of the general statutes, as amended by this act, that an  
891 independent expenditure has been made or obligated to be made, with  
892 the intent to promote the defeat of a candidate whose candidate  
893 committee has received a grant under the Citizens' Election Program,  
894 the State Elections Enforcement Commission shall immediately notify  
895 the State Comptroller that additional money, equal to the amount of  
896 the independent expenditure, shall be paid to said candidate  
897 committee. Not later than two business days following notification by  
898 the commission, the State Comptroller shall draw an order on the State  
899 Treasurer for payment of such amount to said candidate committee  
900 from the Citizens' Election Fund. The provisions of this section shall be  
901 subject to the following:

902 (1) The maximum aggregate amount of funding that the qualified  
903 candidate committee of a participating candidate shall receive to

904 match the independent expenditures made or obligated to be made on  
905 behalf of an opposing participating candidate shall not be greater than  
906 one hundred per cent of the total moneys that said candidate  
907 committee has received from the fund for the primary campaign or  
908 general election campaign for which such independent expenditures  
909 are made or obligated to be made.

910 (2) The maximum aggregate amount of funding that the qualified  
911 candidate committee of a participating candidate shall receive to  
912 match the independent expenditures and the excess expenditures of a  
913 nonparticipating candidate shall not be greater than two hundred per  
914 cent of the total moneys that said candidate committee has received  
915 from the fund for the primary campaign or general election campaign  
916 for which such independent expenditures and excess expenditures are  
917 made or obligated to be made.

918 (3) The additional moneys under this section to match independent  
919 expenditures shall be granted to the qualified candidate committee of a  
920 participating candidate opposed by a nonparticipating candidate only  
921 if the nonparticipating candidate's campaign expenditures, combined  
922 with the amount of the independent expenditures, exceed the  
923 applicable permitted expenditure amount for the participating  
924 candidate, during the primary campaign or the general election  
925 campaign.

926 (4) If a participating candidate receives additional moneys under  
927 this section to match independent expenditures made during a  
928 primary campaign and such candidate does not spend all of such  
929 additional moneys during such campaign, the candidate may carry  
930 over the moneys to the general election campaign. In such case, the  
931 general election grant shall be reduced by the amount of such moneys  
932 carried over.

933 Sec. 22. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
934 *2010, and thereafter*) The campaign treasurer for each candidate for  
935 election to state office in 2010, or thereafter shall file campaign finance  
936 statements with the office of the Secretary of the State (1) according to

937 the same schedules as required of a campaign treasurer of a candidate  
938 committee under section 9-333j of the general statutes, as amended by  
939 this act, until receiving contributions, receipts and grants totaling  
940 seventy-five per cent of the applicable expenditure limit for a general  
941 election campaign, as set forth in subdivision (1) of subsection (c) of  
942 section 10 of this act, and (2) then, notwithstanding said schedule in  
943 section 9-333j of the general statutes, as amended by this act, on the  
944 second Thursday of each month between the beginning of the fourth  
945 month preceding the day of the election for said office and the  
946 beginning of the sixth week preceding the election and then on each  
947 Thursday until the day of the election. Said statements shall be  
948 prepared in the same manner as statements required under section 9-  
949 333j of the general statutes, as amended by this act. If a campaign  
950 treasurer fails to file any statement required by this section (A) within  
951 the time required, or (B) with both the Secretary of the State and the  
952 State Elections Enforcement Commission, such campaign treasurer  
953 shall be subject to a civil penalty imposed by the commission, of not  
954 more than one thousand dollars for each such failure under  
955 subparagraph (A) or (B) of subdivisions (1) and (2) of this section.

956       Sec. 23. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
957 *2010, and thereafter*) The Secretary of the State shall provide to each  
958 committee whose candidate has filed an affidavit under subsection (a)  
959 of section 11 of this act certifying that the candidate intends to abide by  
960 the applicable expenditure limits under the Citizens' Election Program,  
961 a copy of the voter registration list for the state, which is generated  
962 from the state-wide centralized voter registration system established  
963 pursuant to the plan authorized under section 1 of special act 91-45  
964 and completed pursuant to section 9-50b of the general statutes. The  
965 Secretary shall provide the copy in electronic format, free of charge.

966       Sec. 24. (NEW) (*Effective July 1, 2005, and applicable to elections held in*  
967 *2008, and thereafter*) (a) Not later than June 1, 2006, and annually  
968 thereafter, the State Elections Enforcement Commission shall issue a  
969 report on the status of the Citizens' Election Fund during the previous  
970 calendar year. Such report shall include the amount of moneys

971 deposited in the fund, the sources of moneys received by category, the  
972 number of contributions, the number of contributors, the amount of  
973 moneys expended by category, the recipients of moneys distributed  
974 from the fund and an accounting of the costs incurred by the  
975 commission in administering the provisions of sections 1 and 5 to 24,  
976 inclusive, of this act.

977 (b) Not later than January first in any year in which a state election  
978 is to be held, the commission shall determine whether the amount of  
979 moneys in the fund is sufficient to carry out the purposes of sections 1  
980 and 5 to 24, inclusive, of this act. If the commission determines that  
981 such amount is not sufficient to carry out such purposes, the  
982 commission shall, not later than three days after such later  
983 determination, (1) determine the percentage of the fund's obligations  
984 that can be met for such election, (2) recalculate the amount of each  
985 payment that a candidate committee is entitled to receive under  
986 section 8 of this act and that a qualified candidate committee is entitled  
987 to receive under section 14 of this act by multiplying such percentage  
988 by the amount that such committees would have been entitled to  
989 receive under sections 1 and 5 to 24, inclusive, of this act if there were a  
990 sufficient amount of moneys in the fund, and (3) notify each such  
991 committee of such insufficiency, percentage and applicable  
992 recalculation. After a candidate committee under section 8 of this act or  
993 a qualified candidate committee under section 14 of this act first  
994 receives any such recalculated payment, the committee may resume  
995 accepting contributions and making expenditures from such  
996 contributions, up to the highest amount of expenditures made by a  
997 nonparticipating candidate for the same nomination or primary. The  
998 commission shall also issue a report on said determination.

999 (c) The commission shall establish a reserve account in the fund. The  
1000 first twenty-five thousand dollars deposited in the fund during any  
1001 year shall be placed in said account. The commission shall use moneys  
1002 in the reserve account only during the seven days preceding a primary  
1003 or an election for payments to candidates (1) whose payments were  
1004 reduced under subsection (b) of this section, or (2) who are entitled to

1005 funding to match, during said seven-day period, independent  
1006 expenditures pursuant to section 21 of this act.

1007 Sec. 25. Section 9-333a of the general statutes, is repealed and the  
1008 following is substituted in lieu thereof (*Effective July 1, 2005*):

1009 As used in this chapter and sections 5 to 24, inclusive, of this act:

1010 (1) "Committee" means a party committee, political committee or a  
1011 candidate committee organized, as the case may be, for a single  
1012 primary, election or referendum, or for ongoing political activities, to  
1013 aid or promote the success or defeat of any political party, any one or  
1014 more candidates for public office or the position of town committee  
1015 member or any referendum question.

1016 (2) "Party committee" means a state central committee or a town  
1017 committee. "Party committee" does not mean a party-affiliated or  
1018 district, ward or borough committee which receives all of its funds  
1019 from the state central committee of its party or from a single town  
1020 committee with the same party affiliation. Any such committee so  
1021 funded shall be construed to be a part of its state central or town  
1022 committee for purposes of this chapter and sections 5 to 24, inclusive,  
1023 of this act.

1024 (3) "Political committee" means (A) a committee organized by a  
1025 business entity or organization, (B) persons other than individuals, or  
1026 two or more individuals organized or acting jointly conducting their  
1027 activities in or outside the state, (C) a committee established by a  
1028 candidate to determine the particular public office to which [he] such  
1029 candidate shall seek nomination or election, and referred to in this  
1030 chapter as an exploratory committee, or (D) a committee established by  
1031 or on behalf of a slate of candidates in a primary for the office of justice  
1032 of the peace, but does not mean a candidate committee or a party  
1033 committee.

1034 (4) "Candidate committee" means any committee designated by a  
1035 single candidate, or established with the consent, authorization or

1036 cooperation of a candidate, for the purpose of a single primary or  
1037 election and to aid or promote [his] such candidate's candidacy alone  
1038 for a particular public office or the position of town committee  
1039 member, but does not mean a political committee or a party  
1040 committee.

1041 (5) "National committee" means the organization which according to  
1042 the bylaws of a political party is responsible for the day-to-day  
1043 operation of the party at the national level.

1044 (6) "Organization" means all labor organizations, (A) as defined in  
1045 the Labor-Management Reporting and Disclosure Act of 1959, as from  
1046 time to time amended, or (B) as defined in subdivision (9) of section  
1047 31-101, employee organizations as defined in subsection (d) of section  
1048 5-270 and subdivision (6) of section 7-467, bargaining representative  
1049 organizations for teachers, any local, state or national organization, to  
1050 which a labor organization pays membership or per capita fees, based  
1051 upon its affiliation or membership, and trade or professional  
1052 associations which receive their funds exclusively from membership  
1053 dues, whether organized in or outside of this state, but does not mean  
1054 a candidate committee, party committee or a political committee.

1055 (7) "Business entity" means the following, whether organized in or  
1056 outside of this state: Stock corporations, banks, insurance companies,  
1057 business associations, bankers associations, insurance associations,  
1058 trade or professional associations which receive funds from  
1059 membership dues and other sources, partnerships, joint ventures,  
1060 private foundations, as defined in Section 509 of the Internal Revenue  
1061 Code of 1986, or any subsequent corresponding internal revenue code  
1062 of the United States, as from time to time amended; trusts or estates;  
1063 corporations organized under sections 38a-175 to 38a-192, inclusive,  
1064 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, and  
1065 chapters 594 to 597, inclusive; cooperatives, and any other association,  
1066 organization or entity which is engaged in the operation of a business  
1067 or profit-making activity; but does not include professional service  
1068 corporations organized under chapter 594a and owned by a single

1069 individual, nonstock corporations which are not engaged in business  
1070 or profit-making activity, organizations, as defined in subdivision (6)  
1071 of this section, candidate committees, party committees and political  
1072 committees as defined in this section. For purposes of this chapter,  
1073 corporations which are component members of a controlled group of  
1074 corporations, as those terms are defined in Section 1563 of the Internal  
1075 Revenue Code of 1986, or any subsequent corresponding internal  
1076 revenue code of the United States, as from time to time amended, shall  
1077 be deemed to be one corporation.

1078 (8) "Individual" means a human being, a sole proprietorship, or a  
1079 professional service corporation organized under chapter 594a and  
1080 owned by a single human being.

1081 (9) "Person" means an individual, committee, firm, partnership,  
1082 organization, association, syndicate, company trust, corporation,  
1083 limited liability company or any other legal entity of any kind but does  
1084 not mean the state or any political or administrative subdivision of the  
1085 state.

1086 (10) "Candidate" means an individual who seeks nomination for  
1087 election or election to public office whether or not such individual is  
1088 elected, and for the purposes of this chapter and sections 5 to 24,  
1089 inclusive, of this act an individual shall be deemed to seek nomination  
1090 for election or election if [he] such individual has (A) been endorsed by  
1091 a party or become eligible for a position on the ballot at an election or  
1092 primary, or (B) solicited or received contributions, made expenditures  
1093 or given [his] such individual's consent to any other person to solicit or  
1094 receive contributions or make expenditures with the intent to bring  
1095 about [his] such individual's nomination for election or election to any  
1096 such office. "Candidate" also means a slate of candidates which is to  
1097 appear on the ballot in a primary for the office of justice of the peace.  
1098 For the purposes of sections 9-333 to 9-333l, inclusive, as amended by  
1099 this act, and section 9-333w, "candidate" also means an individual who  
1100 is a candidate in a primary for town committee members.

1101 (11) "Campaign treasurer" means the individual appointed by a

1102 candidate or by the [chairman] chairperson of a party committee or a  
1103 political committee to receive and disburse funds on behalf of the  
1104 candidate or committee.

1105 (12) "Deputy campaign treasurer" means the individual appointed  
1106 by the candidate or by the [chairman] chairperson of a committee to  
1107 serve in the capacity of the campaign treasurer if the campaign  
1108 treasurer is unable to perform [his] the campaign treasurer's duties.

1109 (13) "Solicitor" means an individual appointed by a campaign  
1110 treasurer of a committee to receive, but not to disburse, funds on  
1111 behalf of the committee.

1112 (14) "Referendum question" means a question to be voted upon at  
1113 any election or referendum, including a proposed constitutional  
1114 amendment.

1115 (15) "Lobbyist" means a lobbyist as defined in subsection (l) of  
1116 section 1-91.

1117 (16) "Business with which he is associated" means any business in  
1118 which the contributor is a director, officer, owner, limited or general  
1119 partner or holder of stock constituting five per cent or more of the total  
1120 outstanding stock of any class. Officer refers only to the president,  
1121 executive or senior vice-president or treasurer of such business.

1122 (17) "Independent expenditure" means an expenditure that is made  
1123 without the consent, knowing participation, or consultation of, a  
1124 candidate or agent of the candidate committee. "Independent  
1125 expenditure" does not include an expenditure (A) if there is any  
1126 coordination or direction with respect to the expenditure between the  
1127 candidate or the treasurer, deputy treasurer or [chairman] chairperson  
1128 of [his] such candidate committee and the person making the  
1129 expenditure, or (B) if, during the same election cycle, the individual  
1130 making the expenditure serves or has served as the treasurer, deputy  
1131 treasurer or [chairman] chairperson of the candidate committee.

1132 (18) "Federal account" means a depository account that is subject to

1133 the disclosure and contribution limits provided under the Federal  
1134 Election Campaign Act of 1971, as amended from time to time.

1135 (19) "Public funds" means funds belonging to, or under the control  
1136 of, the state or a political subdivision of the state.

1137 Sec. 26. Section 9-333b of the general statutes is repealed and the  
1138 following is substituted in lieu thereof (*Effective January 1, 2007*):

1139 (a) As used in this chapter and sections 5 to 24, inclusive, of this act,  
1140 "contribution" means:

1141 (1) Any gift, subscription, loan, advance, payment or deposit of  
1142 money or anything of value, made for the purpose of influencing the  
1143 nomination for election, or election, of any person or for the purpose of  
1144 aiding or promoting the success or defeat of any referendum question  
1145 or on behalf of any political party;

1146 (2) A written contract, promise or agreement to make a contribution  
1147 for any such purpose;

1148 (3) The payment by any person, other than a candidate or campaign  
1149 treasurer, of compensation for the personal services of any other  
1150 person which are rendered without charge to a committee or candidate  
1151 for any such purpose;

1152 (4) An expenditure when made by a person with the cooperation of,  
1153 or in consultation with, any candidate, candidate committee or  
1154 candidate's agent or which is made in concert with, or at the request or  
1155 suggestion of, any candidate, candidate committee or candidate's  
1156 agent; or

1157 (5) Funds received by a committee which are transferred from  
1158 another committee or other source for any such purpose.

1159 (b) As used in this chapter and sections 5 to 24, inclusive, of this act,  
1160 "contribution" does not mean:

1161 (1) A loan of money made in the ordinary course of business by a

1162 national or state bank;

1163 (2) Any communication made by a corporation, organization or  
1164 association to its members, owners, stockholders, executive or  
1165 administrative personnel, or their families;

1166 (3) Nonpartisan voter registration and get-out-the-vote campaigns  
1167 by any corporation, organization or association aimed at its members,  
1168 owners, stockholders, executive or administrative personnel, or their  
1169 families;

1170 (4) Uncompensated services provided by individuals volunteering  
1171 their time;

1172 (5) The use of real or personal property, and the cost of invitations,  
1173 food or beverages, voluntarily provided by an individual to a  
1174 candidate or on behalf of a state central or town committee, in  
1175 rendering voluntary personal services for candidate or party-related  
1176 activities at the individual's residence, to the extent that the cumulative  
1177 value of the invitations, food or beverages provided by the individual  
1178 on behalf of any single candidate does not exceed two hundred dollars  
1179 with respect to any single election, and on behalf of all state central  
1180 and town committees does not exceed four hundred dollars in any  
1181 calendar year;

1182 (6) The sale of food or beverage for use in a candidate's campaign or  
1183 for use by a state central or town committee at a discount, if the charge  
1184 is not less than the cost to the vendor, to the extent that the cumulative  
1185 value of the discount given to or on behalf of any single candidate does  
1186 not exceed two hundred dollars with respect to any single election,  
1187 and on behalf of all state central and town committees does not exceed  
1188 four hundred dollars in a calendar year;

1189 (7) Any unreimbursed payment for travel expenses made by an  
1190 individual who on the individual's own behalf volunteers the  
1191 individual's personal services to any single candidate to the extent the  
1192 cumulative value does not exceed two hundred dollars with respect to

1193 any single election, and on behalf of all state central or town  
1194 committees does not exceed four hundred dollars in a calendar year;

1195 (8) The payment, by a party committee, political committee or an  
1196 individual, of the costs of preparation, display, mailing or other  
1197 distribution incurred by the committee or individual with respect to  
1198 any printed slate card, sample ballot or other printed list containing  
1199 the names of three or more candidates;

1200 (9) The donation of any item of personal property by an individual  
1201 to a committee for a fund-raising affair, including a tag sale or auction,  
1202 or the purchase by an individual of any such item at such an affair, to  
1203 the extent that the cumulative value donated or purchased does not  
1204 exceed fifty dollars;

1205 (10) (A) The purchase of advertising space which clearly identifies  
1206 the purchaser, in a program for a fund-raising affair, provided the  
1207 cumulative purchase of such space does not exceed (i) two hundred  
1208 fifty dollars from any single candidate or the candidate's committee  
1209 with respect to any single election campaign or two hundred fifty  
1210 dollars from any single party committee or other political committee in  
1211 any calendar year if the purchaser is a business entity that is not a  
1212 client lobbyist and does not employ a lobbyist; (ii) one hundred dollars  
1213 from any single candidate or the candidate's committee with respect to  
1214 any single election campaign or one hundred dollars from any single  
1215 party committee or other political committee in any calendar year if  
1216 the purchaser is a business entity that is either a client lobbyist or  
1217 employs a lobbyist; or (iii) fifty dollars for purchases by any other  
1218 person;

1219 (B) The exclusion under subparagraph (A) of this subdivision shall  
1220 not apply to (i) the purchase of advertising space by a communicator  
1221 lobbyist, (ii) in the case of a business entity or person that has a  
1222 contract with the state valued at two hundred fifty thousand dollars or  
1223 more, the purchase of advertising space by such business entity or  
1224 person from a candidate for the office of Governor or Lieutenant  
1225 Governor or said candidate's committee, (iii) in the case of a business

1226 entity or person that has a contract with the office of the Attorney  
1227 General, State Comptroller, Secretary of the State or State Treasurer  
1228 valued at two hundred fifty thousand dollars or more, the purchase of  
1229 advertising space by such business entity or person from a candidate  
1230 for said office or said candidate's committee, and (iv) in the case of a  
1231 business entity or person that has a contract with the General  
1232 Assembly valued at two hundred fifty thousand dollars or more, the  
1233 purchase of advertising space by such business entity or person from a  
1234 candidate for the office of state senator or state representative or said  
1235 candidate's committee;

1236 (C) As used in this subdivision, "client lobbyist" and "communicator  
1237 lobbyist" have the same meanings as provided in section 1-91;

1238 (11) The payment of money by a candidate to the candidate's  
1239 candidate committee;

1240 (12) The donation of goods or services by a business entity to a  
1241 committee for a fund-raising affair, including a tag sale or auction, to  
1242 the extent that the cumulative value donated does not exceed one  
1243 hundred dollars;

1244 (13) The advance of a security deposit by an individual to a  
1245 telephone company, as defined in section 16-1, for telecommunications  
1246 service for a committee, provided the security deposit is refunded to  
1247 the individual;

1248 (14) The provision of facilities, equipment, technical and managerial  
1249 support, and broadcast time by a community antenna television  
1250 company, as defined in section 16-1, for community access  
1251 programming pursuant to section 16-331a, unless (A) the major  
1252 purpose of providing such facilities, equipment, support and time is to  
1253 influence the nomination or election of a candidate, or (B) such  
1254 facilities, equipment, support and time are provided on behalf of a  
1255 political party; or

1256 (15) The sale of food or beverage by a town committee to an

1257 individual at a town fair, county fair or similar mass gathering held  
1258 within the state, to the extent that the cumulative payment made by  
1259 any one individual for such items does not exceed fifty dollars.

1260 Sec. 27. Subsection (a) of section 9-333e of the general statutes, is  
1261 repealed and the following is substituted in lieu thereof (*Effective July*  
1262 *1, 2005*):

1263 (a) Statements filed by party committees, political committees  
1264 formed to aid or promote the success or defeat of a referendum  
1265 question proposing a constitutional convention, constitutional  
1266 amendment or revision of the Constitution, individual lobbyists, and  
1267 those political committees and candidate committees formed to aid or  
1268 promote the success or defeat of any candidate for the office of  
1269 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,  
1270 Comptroller, Attorney General, judge of probate and members of the  
1271 General Assembly, shall be filed with the office of the Secretary of the  
1272 State. On and after January 1, 2008, a copy of each statement filed by a  
1273 candidate committee formed to aid or promote the success of any  
1274 candidate for the office of Governor, Lieutenant Governor, Secretary of  
1275 the State, State Treasurer, State Comptroller, Attorney General, state  
1276 senator or state representative shall be filed at the same time with the  
1277 State Elections Enforcement Commission. A copy of each statement  
1278 filed by a town committee shall be filed at the same time with the town  
1279 clerk of the municipality in which the committee is situated. A political  
1280 committee formed for a slate of candidates in a primary for the office  
1281 of justice of the peace shall file statements with both the Secretary of  
1282 the State and the town clerk of the municipality in which the primary  
1283 is to be held.

1284 Sec. 28. Subsection (a) of section 9-333m of the general statutes is  
1285 repealed and the following is substituted in lieu thereof (*Effective July*  
1286 *1, 2005*):

1287 (a) No individual shall make a contribution or contributions to, for  
1288 the benefit of, or pursuant to the authorization or request of, a  
1289 candidate or a committee supporting or opposing any candidate's

1290 campaign for nomination at a primary, or any candidate's campaign  
1291 for election, to the office of (1) Governor, in excess of two thousand  
1292 five hundred dollars for a primary or an election held in 2006, and in  
1293 excess of one thousand five hundred dollars for a primary and an  
1294 election held in 2010, or thereafter; (2) Lieutenant Governor, Secretary  
1295 of the State, State Treasurer, State Comptroller or Attorney General, in  
1296 excess of one thousand five hundred dollars for a primary or an  
1297 election held in 2006, and in excess of one thousand dollars for a  
1298 primary and an election held in 2010, or thereafter; (3) chief executive  
1299 officer of a town, city or borough, in excess of one thousand dollars; (4)  
1300 state senator or probate judge, in excess of five hundred dollars; or (5)  
1301 state representative or any other office of a municipality not  
1302 [previously] specifically included in this subsection, in excess of two  
1303 hundred fifty dollars. [The] Except for contributions to, or for the  
1304 benefit of, a candidate's campaign for election in 2010, or thereafter to  
1305 the office of Governor, Lieutenant Governor, Secretary of the State,  
1306 State Treasurer, State Comptroller or Attorney General, the limits  
1307 imposed by this subsection shall be applied separately to primaries  
1308 and elections.

1309 Sec. 29. Subsection (e) of section 9-333n of the general statutes is  
1310 repealed and the following is substituted in lieu thereof (*Effective July*  
1311 *1, 2005*):

1312 (e) (1) Any individual acting alone may, independent of any  
1313 candidate, agent of the candidate, or committee, make unlimited  
1314 expenditures to promote the success or defeat of any candidate's  
1315 campaign for election, or nomination at a primary, to any office or  
1316 position. [, provided] Except as provided in subdivision (2) of this  
1317 subsection, any individual who makes an independent expenditure or  
1318 expenditures in excess of one thousand dollars to promote the success  
1319 or defeat of any candidate's campaign for election, or nomination at a  
1320 primary, to any such office or position shall file statements according  
1321 to the same schedule and in the same manner as is required of a  
1322 campaign treasurer of a candidate committee under section 9-333j, as  
1323 amended by this act.

1324       (2) Any person who makes or obligates to make an independent  
1325 expenditure, as defined in section 9-333a, as amended by this act,  
1326 intended to promote the success or defeat of a candidate for (A) the  
1327 office of state senator or state representative, which exceeds one  
1328 thousand dollars, in the aggregate, during a primary period or a  
1329 general election period, as defined in section 5 of this act, on or after  
1330 January 1, 2008, or (B) the office of Governor, Lieutenant Governor,  
1331 Secretary of the State, State Treasurer, State Comptroller or Attorney  
1332 General, during a primary campaign or a general election campaign, as  
1333 defined in section 9 of this act, on or after January 1, 2010, shall file a  
1334 report of such independent expenditure to the State Elections  
1335 Enforcement Commission. The report shall be in the same form as  
1336 statements filed under section 9-333j, as amended by this act. If the  
1337 person makes or obligates to make such independent expenditure  
1338 more than twenty days before the day of a primary or election, the  
1339 person shall file such report not later than forty-eight hours after such  
1340 payment or obligation. If the person makes or obligates to make such  
1341 independent expenditure twenty days or less before the day of a  
1342 primary or election, the person shall file such report not later than  
1343 twenty-four hours after such payment or obligation. The report shall  
1344 be filed under penalty of false statement.

1345       (3) The independent expenditure report in subdivision (2) of this  
1346 subsection shall include a statement (A) identifying the candidate for  
1347 whom the independent expenditure is intended to promote the success  
1348 or defeat, and (B) affirming that the expenditure is totally independent  
1349 and involves no cooperation or coordination with or direction from a  
1350 candidate or a political party.

1351       (4) Any person may file a complaint with the commission upon the  
1352 belief that (A) any such independent expenditure report or statement  
1353 is false, or (B) any person who is required to file an independent  
1354 expenditure report under subdivision (2) of this subsection has failed  
1355 to do so. The commission shall make a prompt determination on such  
1356 a complaint.

1357 Sec. 30. Section 9-333n of the general statutes is amended by adding  
1358 subsections (g) and (h) as follows (*Effective January 1, 2007*):

1359 (NEW) (g) No lobbyist shall make a contribution or contributions to,  
1360 or for the benefit of, any candidate's campaign for nomination at a  
1361 primary or election to the office of Governor, Lieutenant Governor,  
1362 Secretary of the State, Treasurer, Comptroller, Attorney General, state  
1363 senator, or state representative, in excess of one hundred dollars.

1364 (NEW) (h) (1) No executive head of a state agency in the executive  
1365 branch, executive head of a quasi-public agency, deputy of any such  
1366 executive head, or other full-time official or employee of any such state  
1367 agency or quasi-public agency who is appointed by the Governor shall  
1368 make a contribution or contributions to, or for the benefit of, any  
1369 candidate's campaign for nomination at a primary or election to the  
1370 office of Governor or Lieutenant Governor, in excess of one hundred  
1371 dollars. As used in this section, "quasi-public agency" has the same  
1372 meaning as provided in section 1-120.

1373 (2) No official or employee of the office of the Attorney General,  
1374 State Comptroller, Secretary of the State or State Treasurer shall make  
1375 a contribution or contributions to, or for the benefit of, any candidate's  
1376 campaign for nomination at a primary or election to the office in which  
1377 such official or employee serves, in excess of one hundred dollars.

1378 (3) No member of a caucus staff for a major party in the Senate or  
1379 House of Representatives shall make a contribution or contributions to,  
1380 or for the benefit of, any candidate's campaign for nomination at a  
1381 primary or election to the office of state senator or state representative,  
1382 in excess of one hundred dollars.

1383 Sec. 31. Subsection (d) of section 9-333o of the general statutes is  
1384 repealed and the following is substituted in lieu thereof (*Effective July*  
1385 *1, 2005*):

1386 (d) A political committee organized by a business entity shall not  
1387 make a contribution or contributions to or for the benefit of any

1388 candidate's campaign for nomination at a primary or any candidate's  
1389 campaign for election to the office of: (1) Governor, in excess of five  
1390 thousand dollars for a primary or an election held in 2006, and in  
1391 excess of three thousand seven hundred fifty dollars for a primary and  
1392 an election held in 2010, or thereafter; (2) Lieutenant Governor,  
1393 Secretary of the State, State Treasurer, State Comptroller or Attorney  
1394 General, in excess of three thousand dollars for a primary or an  
1395 election held in 2006, and in excess of two thousand two hundred fifty  
1396 dollars for a primary and an election held in 2010, or thereafter; (3)  
1397 [state senator,] probate judge or chief executive officer of a town, city  
1398 or borough, in excess of one thousand dollars; (4) state senator, in  
1399 excess of one thousand dollars for a primary or an election held in  
1400 2006, and in excess of seven hundred fifty dollars for a primary and an  
1401 election held in 2008, or thereafter; (5) state representative, in excess of  
1402 five hundred dollars for a primary or an election held in 2006, and in  
1403 excess of three hundred seventy-five dollars for a primary and an  
1404 election held in 2008, or thereafter; or [(5)] (6) any other office of a  
1405 municipality not included in subdivision (3) of this subsection, in  
1406 excess of two hundred fifty dollars; or an exploratory committee, in  
1407 excess of two hundred fifty dollars. [The] Except for contributions to,  
1408 or for the benefit of, a candidate's campaign for election in 2010, or  
1409 thereafter to the office of Governor, Lieutenant Governor, Secretary of  
1410 the State, State Treasurer, State Comptroller or Attorney General, the  
1411 limits imposed by this subsection shall apply separately to primaries  
1412 and elections and contributions by any such committee to candidates  
1413 designated in this subsection shall not exceed one hundred thousand  
1414 dollars in the aggregate for any single election and primary  
1415 preliminary thereto. Contributions to such committees shall also be  
1416 subject to the provisions of section 9-333t, as amended by this act, in  
1417 the case of committees formed for ongoing political activity or section  
1418 9-333u, as amended by this act, in the case of committees formed for a  
1419 single election or primary.

1420 Sec. 32. Section 9-333q of the general statutes is repealed and the  
1421 following is substituted in lieu thereof (*Effective January 1, 2005*):

1422 (a) No political committee established by an organization shall  
1423 make a contribution or contributions to, or for the benefit of, any  
1424 candidate's campaign for nomination at a primary or for election to the  
1425 office of: (1) Governor, in excess of two thousand five hundred dollars  
1426 for a primary or an election held in 2006, and in excess of three  
1427 thousand seven hundred fifty dollars for a primary and an election  
1428 held in 2010, or thereafter; (2) Lieutenant Governor, Secretary of the  
1429 State, State Treasurer, State Comptroller or Attorney General, in excess  
1430 of one thousand five hundred dollars for a primary or an election held  
1431 in 2006, and in excess of two thousand two hundred fifty dollars for a  
1432 primary and an election held in 2010, or thereafter; (3) chief executive  
1433 officer of a town, city or borough, in excess of one thousand dollars; (4)  
1434 [state senator or] probate judge, in excess of five hundred dollars; [or]  
1435 (5) state senator, in excess of five hundred dollars for a primary or an  
1436 election held in 2006, and in excess of seven hundred fifty dollars for a  
1437 primary and an election held in 2008, or thereafter; (6) state  
1438 representative, in excess of two hundred fifty dollars for a primary or  
1439 an election held in 2006, and in excess of three hundred seventy-five  
1440 dollars for a primary and an election held in 2008, or thereafter; or (7)  
1441 any other office of a municipality not [previously] specifically included  
1442 in this subsection, in excess of two hundred fifty dollars.

1443 (b) No such committee shall make a contribution or contributions to,  
1444 or for the benefit of, an exploratory committee, in excess of two  
1445 hundred fifty dollars. Any such committee may make unlimited  
1446 contributions to a political committee formed solely to aid or promote  
1447 the success or defeat of a referendum question.

1448 (c) [The] Except for contributions to, or for the benefit of, a  
1449 candidate's campaign for election in 2010, or thereafter to the office of  
1450 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,  
1451 State Comptroller or Attorney General, the limits imposed by  
1452 subsection (a) of this section shall apply separately to primaries and  
1453 elections and no such committee shall make contributions to the  
1454 candidates designated in this section which in the aggregate exceed  
1455 fifty thousand dollars for any single election and primary preliminary

1456 thereto.

1457 (d) No political committee established by an organization shall  
1458 make contributions in any one calendar year to, or for the benefit of, (1)  
1459 the state central committee of a political party, in excess of five  
1460 thousand dollars; (2) a town committee, in excess of one thousand  
1461 dollars; or (3) any political committee, other than an exploratory  
1462 committee or a committee formed solely to aid or promote the success  
1463 or defeat of a referendum question, in excess of two thousand dollars.

1464 (e) No political committee established by an organization shall make  
1465 contributions to the committees designated in subsection (d) of this  
1466 section, which in the aggregate exceed fifteen thousand dollars in any  
1467 one calendar year. Contributions to a political committee established  
1468 by an organization shall also be subject to the provisions of section 9-  
1469 333t, as amended by this act, in the case of a committee formed for  
1470 ongoing political activity or section 9-333u, as amended by this act, in  
1471 the case of a committee formed for a single election or primary.

1472 Sec. 33. Section 9-333s of the general statutes is repealed and the  
1473 following is substituted in lieu thereof (*Effective July 1, 2005*):

1474 (a) A party committee may make unlimited contributions to, or for  
1475 the benefit of, any of the following: (1) Another party committee; (2) a  
1476 candidate committee, except as provided in subsections (b) and (c) of  
1477 this section; (3) a national committee of a political party; (4) a  
1478 committee of a candidate for federal or out-of-state office; or (5) a  
1479 political committee. A party committee may also make contributions to  
1480 a charitable organization which is a tax-exempt organization under  
1481 Section 501(c)(3) of the Internal Revenue Code, as from time to time  
1482 amended, or make memorial contributions. A town committee may  
1483 also contribute to a scholarship awarded by a high school on the basis  
1484 of objective criteria.

1485 (b) (1) On and after January 1, 2007, no state central committee shall  
1486 make a contribution or contributions in excess of (A) fifty thousand  
1487 dollars to a candidate committee established to aid or promote the

1488 success of one candidate for nomination at a primary or election to the  
1489 office of Governor, or (B) ten thousand dollars to a candidate  
1490 committee established to aid or promote the success of one candidate  
1491 for nomination at a primary or election to the office of Lieutenant  
1492 Governor, Secretary of the State, State Treasurer, State Comptroller or  
1493 Attorney General.

1494 (2) On and after January 1, 2007, no state central committee shall  
1495 make a contribution or contributions in excess of (A) five thousand  
1496 dollars to a candidate committee established to aid or promote the  
1497 success of one candidate for nomination at a primary or election to the  
1498 office of state senator, or (B) two thousand five hundred dollars to a  
1499 candidate committee established to aid or promote the success of one  
1500 candidate for nomination at a primary or election to the office of state  
1501 representative.

1502 (3) On and after January 1, 2007, no town committee shall make a  
1503 contribution or contributions in excess of (A) one thousand dollars to a  
1504 candidate committee established to aid or promote the success of one  
1505 candidate for nomination at a primary or election to the office of  
1506 Governor, or (B) five hundred dollars to a candidate committee  
1507 established to aid or promote the success of one candidate for  
1508 nomination at a primary or election to the office of Lieutenant  
1509 Governor, Secretary of the State, State Treasurer, State Comptroller or  
1510 Attorney General.

1511 (4) The limits imposed by this subsection shall not apply separately  
1512 to primaries and elections.

1513 (c) (1) On and after January 1, 2007, no candidate committee of a  
1514 candidate for nomination or election to the office of Governor shall  
1515 receive more than seventy-five thousand dollars in total contributions  
1516 from town committees.

1517 (2) On and after January 1, 2007, no candidate committee of a  
1518 candidate for nomination or election to the office of Lieutenant  
1519 Governor, Attorney General, State Comptroller, State Treasurer or

1520 Secretary of the State shall receive more than twenty thousand dollars  
1521 in total contributions from town committees.

1522 (3) The limits imposed by this subsection shall not apply separately  
1523 to primaries and elections.

1524 [(b)] (d) A party committee may receive contributions from a federal  
1525 account of a national committee of a political party, but may not  
1526 receive contributions from any other account of a national committee  
1527 of a political party or from a committee of a candidate for federal or  
1528 out-of-state office, for use in the election of candidates subject to the  
1529 provisions of this chapter.

1530 Sec. 34. Section 9-333t of the general statutes is repealed and the  
1531 following is substituted in lieu thereof (*Effective July 1, 2007*):

1532 (a) A political committee organized for ongoing political activities  
1533 may make unlimited contributions to, or for the benefit of, a party  
1534 committee; any national committee of a political party; a candidate  
1535 committee, except as provided in subsection (b) of this section; or a  
1536 committee of a candidate for federal or out-of-state office. No such  
1537 political committee shall make a contribution or contributions in excess  
1538 of two thousand dollars to another political committee in any calendar  
1539 year except that a political committee organized by a business entity  
1540 may make unlimited contributions to, or for the benefit of, another  
1541 political committee organized by a business entity. No political  
1542 committee organized for ongoing political activities shall make a  
1543 contribution in excess of two hundred fifty dollars to an exploratory  
1544 committee. If such an ongoing committee is established by an  
1545 organization or a business entity, its contributions shall be subject to  
1546 the limits imposed by sections 9-333o to 9-333q, inclusive. A political  
1547 committee organized for ongoing political activities may make  
1548 contributions to a charitable organization which is a tax-exempt  
1549 organization under Section 501(c)(3) of the Internal Revenue Code, as  
1550 from time to time amended, or make memorial contributions.

1551 (b) No political committee organized for ongoing political activities

1552 shall make a contribution or contributions to, or for the benefit of, any  
1553 candidate's campaign for nomination at a primary or election to the  
1554 office of (1) Governor, in excess of one hundred thousand dollars; (2)  
1555 Lieutenant Governor, Secretary of the State, State Treasurer, State  
1556 Comptroller or Attorney General, in excess of seventy-five thousand  
1557 dollars; or (3) state senator or state representative, in excess of thirty  
1558 per cent of the applicable primary period or general election period  
1559 expenditure limits under subsection (b) or (c) of section 6 of this act.  
1560 The limits imposed under subdivision (1) and (2) of this subsection  
1561 shall not apply separately to primaries and elections.

1562 [(b)] (c) A political committee organized for ongoing political  
1563 activities may receive contributions from the federal account of a  
1564 national committee of a political party, but may not receive  
1565 contributions from any other account of a national committee of a  
1566 political party or from a committee of a candidate for federal or out-of-  
1567 state office.

1568 Sec. 35. Subsection (b) of section 9-333y of the general statutes is  
1569 repealed and the following is substituted in lieu thereof (*Effective*  
1570 *January 1, 2005*):

1571 (b) If any campaign treasurer or lobbyist fails to file the statements  
1572 required by section 9-333j, as amended by this act, or subsection (g) of  
1573 section 9-333l, as the case may be, within the time required, [he] the  
1574 campaign treasurer or lobbyist shall pay a late filing fee of fifty-five  
1575 dollars. In the case of a statement that is required to be filed with the  
1576 Secretary of the State, the secretary shall, within ten days after the  
1577 filing deadline, notify by certified mail, return receipt requested, the  
1578 person required to file that, if such statement is not filed within  
1579 twenty-one days after the deadline, the person is in violation of said  
1580 section or subsection. If the person does not file such statement within  
1581 twenty-one days after the deadline, the secretary shall notify the State  
1582 Elections Enforcement Commission within twenty-eight days after the  
1583 deadline. In the case of a copy of a statement that is required to be filed  
1584 with the State Elections Enforcement Commission, the commission

1585 shall, not later than ten days after the filing deadline, notify, by  
1586 certified mail, return receipt requested, the person required to file that  
1587 if such statement is not filed not later than twenty-one days after the  
1588 deadline the person is in violation of section 9-333j, as amended by this  
1589 act. In the case of a statement that is required to be filed with a town  
1590 clerk, the town clerk shall forthwith after the filing deadline notify by  
1591 certified mail, return receipt requested, the person required to file that,  
1592 if such statement is not filed within seven days after receiving such  
1593 notice, the town clerk shall notify the State Elections Enforcement  
1594 Commission that the person is in violation of said section or  
1595 subsection. The penalty for any violation of said section or subsection  
1596 shall be a fine of not more than one thousand dollars or imprisonment  
1597 for not more than one year or both.

1598 Sec. 36. Section 9-7b of the general statutes is repealed and the  
1599 following is substituted in lieu thereof (*Effective January 1, 2005*):

1600 (a) The State Elections Enforcement Commission shall have the  
1601 following duties and powers:

1602 (1) To make investigations on its own initiative or with respect to  
1603 statements filed with the commission by the Secretary of the State or  
1604 any town clerk, or upon written complaint under oath by any  
1605 individual, with respect to alleged violations of any provision of the  
1606 general statutes and sections 5 to 24, inclusive, of this act, relating to  
1607 any election or referendum, any primary held pursuant to section 9-  
1608 423, 9-425 or 9-464 or any primary held pursuant to a special act, and  
1609 to hold hearings when the commission deems necessary to investigate  
1610 violations of any provisions of the general statutes or sections 5 to 24,  
1611 inclusive, of this act, relating to any such election, primary or  
1612 referendum, and for the purpose of such hearings the commission may  
1613 administer oaths, examine witnesses and receive oral and  
1614 documentary evidence, and shall have the power to subpoena  
1615 witnesses under procedural rules the commission shall adopt, to  
1616 compel their attendance and to require the production for examination  
1617 of any books and papers which the commission deems relevant to any

1618 matter under investigation or in question. In connection with its  
1619 investigation of any alleged violation of any provision of chapter 145,  
1620 or of any provision of section 9-359 or section 9-359a, the commission  
1621 shall also have the power to subpoena any municipal clerk and to  
1622 require the production for examination of any absentee ballot, inner  
1623 and outer envelope from which any such ballot has been removed,  
1624 depository envelope containing any such ballot or inner or outer  
1625 envelope as provided in sections 9-150a and 9-150b and any other  
1626 record, form or document as provided in section 9-150b, in connection  
1627 with the election, primary or referendum to which the investigation  
1628 relates. In case of a refusal to comply with any subpoena issued  
1629 pursuant to this subsection or to testify with respect to any matter  
1630 upon which that person may be lawfully interrogated, the superior  
1631 court for the judicial district of Hartford, on application of the  
1632 commission, may issue an order requiring such person to comply with  
1633 such subpoena and to testify; failure to obey any such order of the  
1634 court may be punished by the court as a contempt thereof. In any  
1635 matter under investigation which concerns the operation or inspection  
1636 of or outcome recorded on any voting machine, the commission may  
1637 issue an order to the municipal clerk to impound such machine until  
1638 the investigation is completed;

1639 (2) To levy a civil penalty not to exceed (A) two thousand dollars  
1640 per offense against any person the commission finds to be in violation  
1641 of any provision of chapter 145, part V of chapter 146, part I of chapter  
1642 147, chapter 148, section 9-12, subsection (a) of section 9-17, section 9-  
1643 19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a, 9-23g, 9-23h, 9-23j to 9-  
1644 23o, inclusive, 9-23r, 9-26, 9-31a, 9-32, 9-35, 9-35b, 9-35c, 9-40a, 9-42, 9-  
1645 43, 9-50a, 9-56, 9-59, 9-168d, 9-170, 9-171, 9-172, 9-232i to 9-232o,  
1646 inclusive, 9-404a to 9-404c, inclusive, 9-409, 9-410, 9-412, 9-436, 9-436a,  
1647 9-453e to 9-453h, inclusive, 9-453k or 9-453o, or (B) two thousand  
1648 dollars per offense or twice the amount of any improper payment or  
1649 contribution, whichever is greater, against any person the commission  
1650 finds to be in violation of any provision of chapter 150 or sections 5 to  
1651 24, inclusive, of this act. The commission may levy a civil penalty  
1652 against any person under subparagraph (A) or (B) of this subdivision

1653 only after giving the person an opportunity to be heard at a hearing  
1654 conducted in accordance with sections 4-176e to 4-184, inclusive. In the  
1655 case of failure to pay any such penalty levied pursuant to this  
1656 subsection within thirty days of written notice sent by certified or  
1657 registered mail to such person, the superior court for the judicial  
1658 district of Hartford, on application of the commission, may issue an  
1659 order requiring such person to pay the penalty imposed and such  
1660 court costs, state marshal's fees and attorney's fees incurred by the  
1661 commission as the court may determine. Any civil penalties paid,  
1662 collected or recovered under subparagraph (B) of this subdivision for a  
1663 violation of any provision of chapter 150 applying to the office of the  
1664 Treasurer shall be deposited on a pro rata basis in any trust funds, as  
1665 defined in section 3-13c, affected by such violation;

1666 (3) (A) To issue an order requiring any person the commission finds  
1667 to have received any contribution or payment which is prohibited by  
1668 any of the provisions of chapter 150, after an opportunity to be heard  
1669 at a hearing conducted in accordance with the provisions of sections 4-  
1670 176e to 4-184, inclusive, to return such contribution or payment to the  
1671 donor or payor, or to remit such contribution or payment to the state  
1672 for deposit in the General Fund, whichever is deemed necessary to  
1673 effectuate the purposes of chapter 150;

1674 (B) To issue an order when the commission finds that an intentional  
1675 violation of any provision of chapter 150 has been committed, after an  
1676 opportunity to be heard at a hearing conducted in accordance with  
1677 sections 4-176e to 4-184, inclusive, which order may contain one or  
1678 more of the following sanctions: (i) Removal of a campaign treasurer,  
1679 deputy campaign treasurer or solicitor; (ii) prohibition on serving as a  
1680 campaign treasurer, deputy campaign treasurer or solicitor, for a  
1681 period not to exceed four years; and (iii) in the case of a party  
1682 committee or a political committee, suspension of all political  
1683 activities, including, but not limited to, the receipt of contributions and  
1684 the making of expenditures, provided the commission may not order  
1685 such a suspension unless the commission has previously ordered the  
1686 removal of the campaign treasurer and notifies the officers of the

1687 committee that the commission is considering such suspension;

1688 (C) To issue an order revoking any person's eligibility to be  
1689 appointed or serve as an election, primary or referendum official or  
1690 unofficial checker or in any capacity at the polls on the day of an  
1691 election, primary or referendum, when the commission finds such  
1692 person has intentionally violated any provision of the general statutes  
1693 relating to the conduct of an election, primary or referendum, after an  
1694 opportunity to be heard at a hearing conducted in accordance with  
1695 sections 4-176e to 4-184, inclusive;

1696 (D) To issue an order to enforce the provisions of the Help America  
1697 Vote Act, P.L. 107-252, as amended from time to time, as the  
1698 commission deems appropriate;

1699 (4) To issue an order to a candidate committee that receives moneys  
1700 from the Citizens' Election Fund pursuant to sections 1 and 5 to 24,  
1701 inclusive, of this act, to comply with the provisions of sections 1 and 5  
1702 to 24, inclusive, of this act after an opportunity to be heard at a hearing  
1703 conducted in accordance with the provisions of sections 4-176e to 4-  
1704 184, inclusive;

1705 [(4)] (5) To inspect or audit at any reasonable time and upon  
1706 reasonable notice the accounts or records of any campaign treasurer or  
1707 principal campaign treasurer, as required by chapter 150 and to audit  
1708 any such election, primary or referendum held within the state;  
1709 provided, (A) (i) not later than two months preceding the day of an  
1710 election at which a candidate is seeking election, the commission shall  
1711 complete any audit it has initiated in the absence of a complaint that  
1712 involves a committee of the same candidate from a previous election,  
1713 and (ii) during the two-month period preceding the day of an election  
1714 at which a candidate is seeking election, the commission shall not  
1715 initiate an audit in the absence of a complaint that involves a  
1716 committee of the same candidate from a previous election, and (B) the  
1717 commission shall not audit any caucus, as defined in subdivision (1) of  
1718 section 9-372;

1719 [(5)] (6) To attempt to secure voluntary compliance, by informal  
1720 methods of conference, conciliation and persuasion, with any  
1721 provision of chapters 149 to 153, inclusive, or any other provision of  
1722 the general statutes relating to any such election, primary or  
1723 referendum;

1724 [(6)] (7) To consult with the Secretary of the State, the Chief State's  
1725 Attorney or the Attorney General on any matter which the commission  
1726 deems appropriate;

1727 [(7)] (8) To refer to the Chief State's Attorney evidence bearing upon  
1728 violation of any provision of chapters 149 to 153, inclusive, or any  
1729 other provision of the general statutes pertaining to or relating to any  
1730 such election, primary or referendum;

1731 [(8)] (9) To refer to the Attorney General evidence for injunctive  
1732 relief and any other ancillary equitable relief in the circumstances of  
1733 subdivision [(7)] (8) of this subsection. Nothing in this subdivision  
1734 shall preclude a person who claims that he is aggrieved by a violation  
1735 of any provision of chapter 152 or any other provision of the general  
1736 statutes relating to referenda from pursuing injunctive and any other  
1737 ancillary equitable relief directly from the Superior Court by the filing  
1738 of a complaint;

1739 [(9)] (10) To refer to the Attorney General evidence pertaining to any  
1740 ruling which the commission finds to be in error made by election  
1741 officials in connection with any election, primary or referendum. Those  
1742 remedies and procedures available to parties claiming to be aggrieved  
1743 under the provisions of sections 9-323, 9-324, 9-328 and 9-329a shall  
1744 apply to any complaint brought by the Attorney General as a result of  
1745 the provisions of this subdivision;

1746 [(10)] (11) To consult with the United States Department of Justice  
1747 and the United States Attorney for Connecticut on any investigation  
1748 pertaining to a violation of this section, section 9-12, subsection (a) of  
1749 section 9-17 or section 9-19b, 9-19e, 9-19g, 9-19h, 9-19i, 9-20, 9-21, 9-23a,  
1750 9-23g, 9-23h, 9-23j to 9-23o, inclusive, 9-26, 9-31a, 9-32, 9-35, 9-35b, 9-

1751 35c, 9-40a, 9-42, 9-43, 9-50a, 9-56 or 9-59 and to refer to said department  
1752 and attorney evidence bearing upon any such violation for prosecution  
1753 under the provisions of the National Voter Registration Act of 1993,  
1754 P.L. 103-31, as amended from time to time;

1755 [(11)] (12) To inspect reports filed with the Secretary of the State and  
1756 with town clerks pursuant to chapter 150 and refer to the Chief State's  
1757 Attorney evidence bearing upon any violation of law therein if such  
1758 violation was committed knowingly and wilfully;

1759 [(12)] (13) To intervene in any action brought pursuant to the  
1760 provisions of sections 9-323, 9-324, 9-328 and 9-329a upon application  
1761 to the court in which such action is brought when in the opinion of the  
1762 court it is necessary to preserve evidence of possible criminal violation  
1763 of the election laws;

1764 [(13)] (14) To adopt and publish regulations pursuant to chapter 54  
1765 to carry out the provisions of section 9-7a, this section and chapter 150;  
1766 to issue upon request and publish advisory opinions in the  
1767 Connecticut Law Journal upon the requirements of chapter 150, and to  
1768 make recommendations to the General Assembly concerning  
1769 suggested revisions of the election laws;

1770 [(14)] (15) To the extent that the Elections Enforcement Commission  
1771 is involved in the investigation of alleged or suspected criminal  
1772 violations of any provision of the general statutes pertaining to or  
1773 relating to any such election, primary or referendum and is engaged in  
1774 such investigation for the purpose of presenting evidence to the Chief  
1775 State's Attorney, the Elections Enforcement Commission shall be  
1776 deemed a law enforcement agency for purposes of subdivision (3) of  
1777 subsection (b) of section 1-210, provided nothing in this section shall be  
1778 construed to exempt the Elections Enforcement Commission in any  
1779 other respect from the requirements of the Freedom of Information  
1780 Act, as defined in section 1-200;

1781 [(15)] (16) To enter into such contractual agreements as may be  
1782 necessary for the discharge of its duties, within the limits of its

1783 appropriated funds and in accordance with established procedures;

1784 [(16)] (17) To provide the Secretary of the State with notice and  
1785 copies of all decisions rendered by the commission in contested cases,  
1786 advisory opinions and declaratory judgments, at the time such  
1787 decisions, judgments and opinions are made or issued;

1788 [(17)] (18) To receive and determine complaints filed under the Help  
1789 America Vote Act, P.L. 107-252, as amended from time to time, by any  
1790 person who believes there is a violation of any provision of Title III of  
1791 P.L. 107-252, as amended. Any complaint filed under this subdivision  
1792 shall be in writing, notarized and signed and sworn by the person  
1793 filing the complaint. At the request of the complainant, there shall be a  
1794 hearing on the record, conducted in accordance with sections 4-167e to  
1795 4-184, inclusive. The commission shall make a final determination with  
1796 respect to a complaint prior to the expiration of the ninety-day period  
1797 beginning on the date the complaint is filed, unless the complainant  
1798 consents to a longer period for making such determination. If the  
1799 commission fails to meet the applicable deadline under this  
1800 subdivision with respect to a complaint, the commission shall resolve  
1801 the complaint within sixty days after the expiration of such ninety-day  
1802 period under an alternative dispute resolution procedure established  
1803 by the commission.

1804 (b) In the case of a refusal to comply with an order of the  
1805 commission issued pursuant to subdivision (3) of subsection (a) of this  
1806 section, the superior court for the judicial district of Hartford, on  
1807 application of the commission, may issue a further order to comply.  
1808 Failure to obey such further order may be punished by the court as a  
1809 contempt thereof.

1810 Sec. 37. Section 9-324 of the general statutes is repealed and the  
1811 following is substituted in lieu thereof (*Effective January 1, 2007*):

1812 Any elector or candidate who claims that [he] such elector or  
1813 candidate is aggrieved by any ruling of any election official in  
1814 connection with any election for Governor, Lieutenant Governor,

1815 Secretary of the State, State Treasurer, Attorney General, State  
1816 Comptroller or judge of probate, held in [his] such elector's or  
1817 candidate's town, or that there has been a mistake in the count of the  
1818 votes cast at such election for candidates for said offices or any of  
1819 them, at any voting district in [his] such elector's or candidate's town,  
1820 or any candidate for such an office who claims that [he] such candidate  
1821 is aggrieved by a violation of any provision of [sections] section 9-355,  
1822 9-357 to 9-361, inclusive, 9-364, 9-364a or 9-365 in the casting of  
1823 absentee ballots at such election or any candidate for the office of  
1824 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,  
1825 Attorney General or State Comptroller, who claims that such candidate  
1826 is aggrieved by a violation of any provision of sections and sections 9  
1827 to 24, inclusive, of this act, may bring [his] such elector's or candidate's  
1828 complaint to any judge of the Superior Court, in which [he] such  
1829 elector or candidate shall set out the claimed errors of such election  
1830 official, the claimed errors in the count or the claimed violations of said  
1831 sections. In any action brought pursuant to the provisions of this  
1832 section, the complainant shall send a copy of the complaint by first-  
1833 class mail, or deliver a copy of the complaint by hand, to the State  
1834 Elections Enforcement Commission. If such complaint is made prior to  
1835 such election, such judge shall proceed expeditiously to render  
1836 judgment on the complaint and shall cause notice of the hearing to be  
1837 given to the Secretary of the State and the State Elections Enforcement  
1838 Commission. If such complaint is made subsequent to the election, it  
1839 shall be brought [within] not later than fourteen days of the election  
1840 and such judge shall forthwith order a hearing to be had upon such  
1841 complaint, upon a day not more than five nor less than three days  
1842 from the making of such order, and shall cause notice of not less than  
1843 three nor more than five days to be given to any candidate or  
1844 candidates whose election may be affected by the decision upon such  
1845 hearing, to such election official, the Secretary of the State, the State  
1846 Elections Enforcement Commission and to any other party or parties  
1847 whom such judge deems proper parties thereto, of the time and place  
1848 for the hearing upon such complaint. Such judge shall, on the day  
1849 fixed for such hearing and without unnecessary delay, proceed to hear

1850 the parties. If sufficient reason is shown, [he] such judge may order  
1851 any voting machines to be unlocked or any ballot boxes to be opened  
1852 and a recount of the votes cast, including absentee ballots, to be made.  
1853 Such judge shall thereupon, in case [he] such judge finds any error in  
1854 the rulings of the election official, any mistake in the count of the votes  
1855 or any violation of said sections, certify the result of [his] such judge's  
1856 finding or decision to the Secretary of the State before the fifteenth day  
1857 of the next succeeding December. Such judge may order a new election  
1858 or a change in the existing election schedule. Such certificate of such  
1859 judge of [his] such judge's finding or decision shall be final and  
1860 conclusive upon all questions relating to errors in the rulings of such  
1861 election officials, to the correctness of such count, and, for the purposes  
1862 of this section only, such claimed violations, and shall operate to  
1863 correct the returns of the moderators or presiding officers, so as to  
1864 conform to such finding or decision, unless the same is appealed from  
1865 as provided in section 9-325.

1866 Sec. 38. (NEW) (*Effective July 1, 2005*) (a) (1) No candidate for the  
1867 office of Governor or Lieutenant Governor shall solicit contributions,  
1868 on behalf of a candidate committee established by a candidate for  
1869 nomination or election to any public office or on behalf of any political  
1870 committee or party committee, or accept contributions (A) from any  
1871 individual who (i) is an officer, director, owner, limited or general  
1872 partner or holder of stock constituting five per cent or more of the total  
1873 outstanding stock of any class of a business which has a contract with  
1874 the state valued at two hundred fifty thousand dollars or more, and (ii)  
1875 has substantial policy or decision-making authority related to the  
1876 administration of said contract, or (B) from a political committee  
1877 established by such business.

1878 (2) No such individual from such business and no political  
1879 committee established by such business shall make a contribution to  
1880 any candidate committee established by a candidate for the office of  
1881 Governor or Lieutenant Governor, during the term of such contract. If  
1882 any such individual or political committee makes such a contribution,  
1883 the business shall be prohibited from being awarded a state contract,

1884 or an extension or an amendment to a state contract, for one year after  
1885 the election for which such contribution is made.

1886 (b) (1) No candidate for the office of Attorney General, State  
1887 Comptroller or Secretary of the State shall solicit contributions, on  
1888 behalf of a candidate committee established by a candidate for  
1889 nomination or election to any public office or on behalf of any political  
1890 committee or party committee, or accept contributions (A) from any  
1891 individual who (i) is an officer, director, owner, limited or general  
1892 partner or holder of stock constituting five per cent or more of the total  
1893 outstanding stock of any class of a business which has a contract with  
1894 such official's office valued at two hundred fifty thousand dollars or  
1895 more, and (ii) has substantial policy or decision-making authority  
1896 related to the administration of said contract, or (B) from a political  
1897 committee established by such business.

1898 (2) No such individual from such business and no political  
1899 committee established by such business shall make a contribution to  
1900 any candidate committee established by a candidate for the office with  
1901 which the business has a contract, during the term of such contract. If  
1902 any such individual or political committee makes such a contribution,  
1903 the business shall be prohibited from being awarded a contract from  
1904 such office, or an extension or an amendment to such a contract, for  
1905 one year after the election for which such contribution is made.

1906 (3) The provisions of this subsection shall also apply to the State  
1907 Treasurer to the extent such provisions are not inconsistent with the  
1908 provisions of subsection (f) of section 9-333n of the general statutes, as  
1909 amended by this act.

1910 (c) (1) No candidate for the office of state senator or state  
1911 representative shall solicit contributions, on behalf of a candidate  
1912 committee established by a candidate for nomination or election to any  
1913 public office or on behalf of any political committee or party  
1914 committee, or accept contributions (A) from any individual who (i) is  
1915 an officer, director, owner, limited or general partner or holder of stock  
1916 constituting five per cent or more of the total outstanding stock of any

1917 class of a business which has a contract with the General Assembly  
 1918 valued at two hundred fifty thousand dollars or more, and (ii) has  
 1919 substantial policy or decision-making authority related to the  
 1920 administration of said contract, or (B) from a political committee  
 1921 established by such business.

1922 (2) No such individual from such business and no political  
 1923 committee established by such business shall make a contribution to  
 1924 any candidate committee established by a candidate for the office of  
 1925 state senator or state representative, during the term of such contract.  
 1926 If any such individual or political committee makes such a  
 1927 contribution, the business shall be prohibited from being awarded a  
 1928 contract by the General Assembly, or an extension or an amendment to  
 1929 such a contract, for one year after the election for which such  
 1930 contribution is made.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	New section
Sec. 2	<i>July 1, 2005</i>	12-812
Sec. 3	<i>July 1, 2005</i>	New section
Sec. 4	<i>July 1, 2005</i>	9-333j(e)
Sec. 5	<i>July 1, 2005, and applicable to primary and general election campaigns for elections in 2008, and thereafter</i>	New section
Sec. 6	<i>July 1, 2005, and applicable to primary and general election campaigns for elections in 2008, and thereafter</i>	New section
Sec. 7	<i>July 1, 2005, and applicable to primary and general election campaigns for elections in 2008, and thereafter</i>	New section

Sec. 8	<i>July 1, 2005, and applicable to primary and general election campaigns for elections in 2008, and thereafter</i>	New section
Sec. 9	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 10	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 11	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 12	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 13	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 14	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 15	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 16	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 17	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 18	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 19	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 20	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section

Sec. 21	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 22	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 23	<i>July 1, 2005, and applicable to elections held in 2010, and thereafter</i>	New section
Sec. 24	<i>July 1, 2005, and applicable to elections held in 2008, and thereafter</i>	New section
Sec. 25	<i>July 1, 2005</i>	9-333a
Sec. 26	<i>January 1, 2007</i>	9-333b
Sec. 27	<i>July 1, 2005</i>	9-333e(a)
Sec. 28	<i>July 1, 2005</i>	9-333m(a)
Sec. 29	<i>July 1, 2005</i>	9-333n(e)
Sec. 30	<i>January 1, 2007</i>	9-333n
Sec. 31	<i>July 1, 2005</i>	9-333o(d)
Sec. 32	<i>January 1, 2005</i>	9-333q
Sec. 33	<i>July 1, 2005</i>	9-333s
Sec. 34	<i>July 1, 2007</i>	9-333t
Sec. 35	<i>January 1, 2005</i>	9-333y(b)
Sec. 36	<i>January 1, 2005</i>	9-7b
Sec. 37	<i>January 1, 2007</i>	9-324
Sec. 38	<i>July 1, 2005</i>	New section

**GAE**      *Joint Favorable Subst. C/R*

APP

**APP**      *Joint Favorable*

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:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Resources of the General Fund	GF - Revenue Loss	\$15.6 million	\$15.6 million
Elect. Enforcement Com.	Citizens' Election Fund - Revenue Gain	\$12.6 million	\$12.6 million
Secretary of the State	GF - Cost	Significant	Significant
Elect. Enforcement Com.; Comptroller Misc. Accounts (Fringe Benefits)	GF - Cost	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

This bill establishes a two-part system of public financing for election campaigns, one for candidates for statewide elected offices (beginning in 2010) and the other for legislative candidates (beginning in 2008). In the first part, candidates for state offices who receive qualifying contributions and agree to limit their spending and comply with other requirements are eligible to receive state grants for their campaigns. State office candidates are those running for Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer, and Secretary of the State.

The second part sets up a voluntary spending limit program for the primary and general election that grants state funding to legislative candidates only after (1) a participating candidate's opponent exceeds the spending limit or (2) a participating candidate is the target of an independent expenditure. To participate in the program, a candidate must agree to the spending limits and receive a threshold level of contributions and receipts.

The bill establishes the Citizens' Election Fund (CEF), a separate nonlapsing fund within the General Fund, which provides grants to candidates who comply with certain program requirements.

The bill requires the Connecticut Lottery Corporation (CLC) to transfer 1.5% of total lottery sales, or approximately \$12.6 million, to the Citizens' Election Fund (CEF) annually, which will be taken out of lottery prize payouts. The increase to the CEF from prize payouts is expected to result in an annual General Fund revenue loss of \$15.6 million beginning in FY 06.

The revenue estimates are based on two factors: (1) the 1.5% transfer to the CEF and (2) a negative reaction by lottery players to smaller prize payouts, which will reduce lottery ticket sales by 5.8%<sup>1</sup>. The current FY 06 estimate for total lottery ticket sales is \$893 million with a total prize payout of approximately \$536 million and a General Fund transfer by the CLC<sup>2</sup> of \$267.9 million (approximately 30% of lottery ticket sales). The General Fund estimate was calculated by reducing the \$893 million in projected lottery ticket sales by 5.8% (\$841 million), which results in a General Fund transfer of \$252.3 million (a \$15.6 million reduction.) The estimated CEF transfer of \$12.6 million is 1.5% of the new total lottery sales estimate of \$841 million.

To estimate whether the revenues of the CEF are sufficient to fund the potential grant obligations in the 2010 state office campaigns, three scenarios are considered for candidates who intend on participating in

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<sup>1</sup> The 5.8% figure is based on information from two states. In 1997, Texas attempted to increase revenue by reducing the amount returned to winners by 7.7%. In FY 98, total lottery sales decreased by 17.5%, which led the Texas legislature to reverse the payout reduction in 1999. Lottery ticket sales increased in FY 00 reversing the declining trend experienced in FY 98 and FY 99. The state of Vermont increased the percentage of lottery payouts and saw a resulting increase. The 1.5% transfer to the CEF will result in a 2.6% reduction in prize payout. Based on the Texas information, the anticipated behavioral effect related to the prize payout reduction is expected to be 5.8%.

<sup>2</sup> The CLC transfers revenue derived from lottery ticket sales to the General Fund net of administrative costs.

the voluntary program by receiving qualifying contributions and adhering to the spending limits.

<b>Combined Grants from the Citizens' Election Fund (CEF) for Campaigns for Each State Office<sup>3</sup></b>							
	Governor	Lt. Gov.	Sec. of State	Comptroller	Attorney General	Treasurer	<b>TOTAL</b>
A. 2 Candidates; No Primaries	\$6,000,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	<b>\$8,000,000</b>
B. One Party Primary	\$8,500,000	\$350,000	\$1,350,000	\$1,350,000	\$1,350,000	\$1,350,000	<b>\$14,250,000</b>
C. Two Party Primaries	\$11,000,000	\$700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	<b>\$18,500,000</b>

In scenario A, it is assumed that there will be no primaries for state office, and only one candidate from each of the major parties for each state office for the general election. In this scenario, \$8 million in CEF grants would be needed.

In scenario B, it is assumed that there will be two candidates from only one of the major parties in primaries for every state office, and one candidate from each of the major parties for each state office for the general election. Under this scenario, \$14.25 million in CEF grants would be required.

In scenario C, it is assumed that there will be two candidates from each of the major parties in a primary for every state office, and one candidate from each of the major parties for each state office for the general election. Under this scenario, \$18.5 million in CEF grants would be required.

It is anticipated that there will be a small number of participating legislative candidates who will be eligible to receive CEF grants in 2008, resulting in a minimal cost to the CEF. Nebraska has implemented a similar plan and has given out a minimal number of grants since the inception of their plan. Under the bill, a participating legislative candidate must have had an independent expenditure used

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<sup>3</sup> Assumes each qualifying candidate receives the maximum grant for delegate selection, convention, primary, and general election (Under the bill, Lt. Governor candidates are not eligible for grants for the general election). Unsuccessful participating primary candidates receive the maximum grant only through the primary.

to promote his defeat or his nonparticipating opponent exceed the program spending limit before receiving a CEF grant.

It should be noted that if the State Elections Enforcement Commission (SEEC) determines that the CEF cannot cover its grant obligations, the SEEC can distribute money in percentage shares to all participating candidates and the candidates can resume accepting contributions and spend up to the program limits. The bill requires the SEEC, by January 15, 2014, and every four years thereafter, to adjust the grant amounts in accordance with any change during the four preceding calendar years in the Consumer Price Index for urban consumers as published by the U.S. Department of Labor.

The bill charges 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 1% of receipts to the CEF for administration of the program, which is anticipated to be \$126,000 annually.

It is anticipated that the SEEC will need \$350,000 for four full time staff: a Director for the Public Finance Program with a salary of \$68,000; two Accountant positions with salaries of \$51,000 each; and a paralegal with a salary of \$43,000.<sup>4</sup> There will also be one-time start up costs of \$20,000 related to purchasing equipment and supplies for the new employees. It is anticipated that these positions will start on January 1, 2007.

The bill will increase the Secretary of the State's (SOTS) workload. An Elections Officer with a salary of \$55,000<sup>4</sup> will handle the additional responsibilities. The bill makes several changes that will

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<sup>4</sup> The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The estimated fringe benefit reimbursement rate as a percentage of payroll is 53.91%, effective July 1, 2004. However, first year fringe benefit costs for new positions do not include pension costs lowering the rate to 22.65%. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System.

require modifications to the Campaign Finance Information System (CFIS). These changes would require several new screens and tables to be developed and tested on the CFIS program. The costs for an outside vendor to recode and reprogram CFIS to be able to distinguish candidates that participate in the program from those who do not, account for the amount of grant funds candidates receive, and track other minor changes the bill requires will be significant.

The bill increases the number of campaign finance statements that must to be filed with the SOTS. It is estimated that the SOTS will incur annual costs of \$70,000 in election years to have a vendor scan those campaign finance statements that are filed in paper copy, with the SOTS, into the File-It system. Currently, the majority of legislative campaign finance statements are filed in paper copy.

The SOTS will incur increased mailing costs to notify candidates of filing dates. It is anticipated that the increased mailing costs will be less than \$5,000. The bill requires the SOTS to provide participating candidate committees with a free electronic copy of the statewide computerized voter registry list. Providing this list free of charge will result in a minimal General Fund revenue loss. Currently, the SOTS's office charges \$300 for the electronic copy of the list. This fee generated approximately \$4,500 in revenue in FY 03.

**OLR Bill Analysis**

sSB 61

**AN ACT PROVIDING FOR COMPREHENSIVE CAMPAIGN FINANCE REFORM FOR STATE-WIDE CONSTITUTIONAL AND GENERAL ASSEMBLY OFFICES****SUMMARY:**

This bill establishes a two-part system of public financing for election campaigns, one for candidates for statewide elected offices beginning in 2010 and the other for legislative candidates beginning in 2008.

In the first part, candidates for statewide offices who receive qualifying contributions and agree to limit their spending and comply with other requirements are eligible to receive state grants for their campaigns. Statewide office candidates are those running for governor, lieutenant governor, attorney general, state comptroller, secretary of the state, and state treasurer.

The second part sets up a voluntary spending limit program for primary and general elections that grants state funding to legislative candidates if a participating candidate's opponent exceeds the spending limit. To participate in the program, a candidate must agree to the spending limits and receive a threshold level of contributions and receipts. For purposes of the new programs, the existing campaign finance laws' definitions apply.

The bill:

1. creates a Citizens' Election Fund to fund the programs;
2. limits campaign spending for primary and general election periods;
3. sets an aggregate contribution amount that qualifies candidates to receive public funds;
4. establishes the amounts a candidate can receive from the fund;

5. reduces several contribution limits for all candidates;
6. provides money from the fund to participating statewide and legislative candidates whose opponent exceeds the spending limits;
7. establishes additional procedures for reporting independent expenditures and allows participating statewide candidates to receive money from the fund, and legislative candidates to exceed the spending limit, when they are subject to independent expenditures opposing their nomination or election; and
8. provides incentives and penalties to promote compliance.

Under the bill, the Citizens' Election Fund is funded through (1) state lottery ticket sales, (2) contributions of campaign committee surpluses and of certain other committees that dissolve, and (3) its own 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. A gubernatorial candidate who runs in a primary can receive as much as \$4,250,000; other constitutional officers, \$675,000. A participating gubernatorial candidate who receives the total allowable party contributions can spend up to \$4,625,000 on the entire election campaign, including up to \$1,625,000 on a primary. For other statewide office campaigns (except for lieutenant governor), the spending limits are \$780,000 for the entire election cycle, including \$280,000 for a primary.

A gubernatorial candidate can qualify by receiving \$250,000 in total contributions of up to \$100 each, \$225,000 of which must come from state residents. The bill also establishes the qualifying contribution thresholds and fund payments for each phase of the campaign for candidates for 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 for the general election.

The bill reduces several contribution limits including those from individuals, most political committees (known as PACs), party committees, lobbyists, state contractors, and state employees. It also

limits contributions through ad books and places restrictions on soliciting and receiving contributions from state contractors. For program implementation purposes, it expands campaign finance reporting requirements for candidates and those who make independent expenditures.

The State Elections Enforcement Commission (SEEC) is responsible for administering and enforcing the programs. It must report on the status of the fund each year. If, at the beginning of an election year, the SEEC determines that the fund cannot cover its obligations to participating candidates, it must reduce each candidate's share proportionately and the candidates may resume accepting contributions and spend up to their original limits.

The bill establishes procedures for applying for the grant 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 to the fund or other eligible recipients depending on whether the candidate participated in the program or not.

All candidate committees for statewide and legislative offices must file (1) copies of their campaign finance statements with the SEEC in addition to the secretary of the state and (2) additional campaign finance statements with the secretary and the SEEC when they reach 75% of the applicable spending limit for the general election.

The bill creates penalties for violating program requirements. It allows candidates for state offices to 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 participating statewide office candidate committees with a free electronic copy of the statewide computerized voter registry list.

The bill includes a severability clause, which means its provisions are to be considered separately. If a court rules that any of its provisions are unconstitutional, it does not affect the validity, legality, and

enforceability of the other provisions.

EFFECTIVE DATE: July 1, 2005, except for the provisions changing labor PAC contribution limits and the SEEC's authority, which are effective January 1, 2005; those on lobbyists' and state employees' contributions, ad books, and complaints by an aggrieved candidate, which are effective January 1, 2007; and the limit on campaign contributions from ongoing PACs, which is effective on July 1, 2007. The provisions establishing the Citizens' Election Program are applicable to elections for statewide office candidates in 2010 and to legislative office candidates in 2008.

### **CITIZENS' ELECTION FUND SOURCES (§§ 1–4, 17)**

The bill establishes a Citizens' Election Fund from which payments to participating candidates are made. It includes proceeds from (1) state lottery ticket sales, (2) contributions of campaign committee surpluses and of certain other committees that dissolve, and (3) the fund's own investment earnings. The fund is a separate, nonlapsing account in the General Fund.

### ***Connecticut Lottery Corporation (§§ 2–3)***

For the fiscal year ending June 30, 2006, and each year thereafter, the bill requires the Connecticut Lottery Corporation to transfer to the fund 1.5% of the revenue it made from the sale of lottery tickets during the preceding fiscal year. The corporation must make those transfers by reducing the percentage of its revenue that it awards in lottery game prizes from 45% to 43.5%.

### ***Donations of Surpluses (§§ 4, 17)***

Any candidate committee or a political committee, other than an ongoing PAC or an exploratory committee, can contribute to the fund some or all of its surplus 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 list of recipients that are eligible to receive surplus funds: party committees, ongoing PACs, charitable organizations, and contributors on a prorated basis.

Under the bill, a candidate committee that receives money from the

fund must return any surplus to it. In addition, a participating lieutenant governor candidate's committee that has a surplus when the candidate joins a gubernatorial candidate's campaign must turn it over to the fund at that time.

### **INSUFFICIENT FUNDS (§ 24)**

No later than June 1, 2006, and annually thereafter, the SEEC must issue a report on the status of the fund during the previous calendar year. The report must include (1) the amount of money deposited into the fund, (2) the sources of money received by category, (3) the number of contributions, (4) the number of contributors, (5) the amount of money expended by category, (6) the names of recipients of the fund's money, and (7) an accounting of the SEEC's costs to administer the programs.

By January 1 in a state election year, the SEEC must determine whether the money in the fund is sufficient to provide grants to candidates. If the SEEC finds that there are insufficient funds, it has three days to recalculate the amount of money qualified candidates can receive, on a proportionate basis, and notify the candidates. It must also issue a report on this determination. After the candidates receive their shares of money from the fund, they can resume accepting contributions up to the highest amount that their nonparticipating opponent spends.

The bill requires the SEEC to set aside the first \$25,000 deposited into the fund each year in a reserve account. The SEEC can only use the reserve account during the last week before a primary or general election to make payments to candidates who (1) received partial payments due to insufficient general funds or (2) are the targets of independent expenditures made during that week and are therefore entitled to matching funds.

### **CITIZENS' ELECTION PROGRAM (§§ 9–24)**

The bill establishes a Citizens' Election Program under which major, minor, and eligible petitioning party candidates for statewide offices, starting in 2010, can receive grants to finance their primary or general election campaigns.

#### ***Eligibility Requirements (§ 10)***

To be eligible to receive grants, a candidate must certify with the SEEC as a participating candidate and agree to limit spending to the amount permitted under the bill. His candidate committee must receive the required amount of qualifying contributions and return those that do not meet the qualifying contribution criteria. Similarly, the candidate's exploratory committee, if any, must return all contributions that do not meet the qualifying contribution criteria. The candidate must also submit an application, which the SEEC must approve.

### ***Intent to Participate (§ 11)***

Starting in 2010, the bill requires every candidate for nomination or election to a statewide office, and each petitioning candidate for election to a statewide office, to file an affidavit with the SEEC when he forms a candidate committee or certifies that the registration is not required. The affidavit must include a written certification of whether the candidate intends to abide by the spending limits under the Citizens' Election Program. If the candidate intends to abide by the limits, he must also include a certification agreeing to the lawful use of funds he receives from the state and to personally repay any amount improperly spent. The certification must also state the candidate's status as a major or minor party candidate, and the name of the party, or a petitioning party candidate. The bill prohibits a candidate who changes his status or political party during a campaign from receiving grants from the fund for that campaign.

The bill specifies that a candidate who certifies his intent to abide by the spending limits is called a "participating candidate" and a candidate who certifies his intent not to abide by the limits is a "nonparticipating candidate." It requires the SEEC to prepare separate lists of participating and nonparticipating candidates and make them available to the public.

### ***Qualifying Contributions (§ 12)***

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, in contributions of no more than \$100 (see Table 1). Candidate committees must return any portion of an individual's contribution (other than a contribution from the candidate himself) that exceeds \$100 and cannot count any excess portion toward the required qualifying contribution total. All

contributions to a candidate's exploratory committee that meet the criteria for qualifying contributions are counted toward the qualifying thresholds. Once a candidate committee receives the threshold amount of qualifying contributions, it must return any subsequent contributions.

Under the bill, a registered lobbyist and his immediate family are banned from contributing to a participating candidate. The bill imposes the same restriction on a state contractor, his immediate family, and businesses with which he or his immediate family is associated (see BACKGROUND). A contributor must certify his eligibility in this regard and provide his name and address.

**Table 1: Qualifying Contributions for Statewide Offices**

<i>Candidates for</i>	<i>Qualifying Total</i>	<i>Including Contributions from State Residents Totaling at Least</i>	<i>Counting Amount from Separate Contributions Up To</i>
Governor	\$250,000	\$225,000	\$100
Other statewide offices	75,000	67,500	100

**Grants from the Fund (§ 13)**

Candidates who agree to limit spending are entitled to receive grants from the Citizens' Election Fund. Candidates for 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 shows the grant amounts.

**Table 2: Grants from the Citizens' Election Fund\***

	<i>Primary for Nomination</i>	<i>Nominated Candidate in a General Election</i>	<i>Petitioning Candidate in a General Election</i>

Governor	\$1,250,000	\$3,000,000	\$3,000,000
Other statewide offices	175,000	500,000	500,000

\*To be adjusted for inflation (see below).

If a candidate who is nominated at a primary does not spend the entire grant for the primary campaign, the amount of the grant for the general election is reduced by the unspent amount. The bill prohibits a candidate committee from applying a Citizens' Election Program grant to any deficit it incurs.

The bill requires the SEEC, by January 15, 2014, and every four years thereafter, to adjust the grant amounts in accordance with any change during the four preceding calendar years in the Consumer Price Index for urban consumers as published by the U.S. Department of Labor, Bureau of Labor Statistics.

### **Spending Limits (§ 10(c))**

Under the bill, participating candidates for statewide office must agree to limit spending:

1. before a primary and a general election campaign, to the amount of qualifying contributions allowed;
2. for a primary campaign, to the sum of the qualifying contributions not spent before the primary campaign, the amount of the grant authorized for the primary campaign, and the total amount of allowable state central committee and town committees contributions; and
3. for a general election campaign, to the sum of qualifying contributions not spent before the general election campaign, any unspent funds from a grant for a primary campaign, the amount of the grant authorized for the general election campaign, and the total amount of unspent and allowable contributions from the state central committee and town committees.

A candidate who benefits from a party committee's expenditures must count it toward his applicable primary or general election spending

limit, unless the party spending benefits all of its candidates. Party contributions can be made at any time during the election cycle. Table 3 counts the maximum allowable party contributions prior to the primary and shows the spending limits for statewide office candidates under the bill.

**Table 3: Spending Limits for Statewide Office Candidates**

	<i>Governor</i>	<i>Other Statewide Offices</i>
Qualifying contributions	\$250,000	\$75,000
Party contributions*		
▪ State central	50,000	10,000
▪ Town committees	75,000	20,000
Primary grant	1,250,000	175,000
Spending limit total up through primary	\$1,625,000	\$280,000
General election grant	3,000,000	500,000
Spending limit total for entire election cycle <i>with</i> a primary	\$4,625,000	\$780,000
Spending limit total for entire election cycle <i>without</i> a primary	\$3,375,000	\$605,000

\*Party contributions can be made at any time during the election cycle.

### **Application Procedures (§ 14)**

Beginning in 2010, the bill allows a candidate for nomination to statewide office to apply for a grant under the Citizens' Election Program for a primary and general election campaign. For a primary campaign, he applies after the close of his party's nominating convention if he (1) receives his party endorsement, (2) receives at least 15% of the delegate vote on a roll-call at the party convention, or (3) qualifies as a petitioning candidate.

For a general election campaign, the candidate applies after the close of his party's nominating convention if he (1) receives his party's

endorsement and will not have to run in a primary; (2) receives at least 15% of the delegate vote on a roll-call at the party convention, no other candidate receives the party endorsement or 15% of the delegate vote, and no other candidate qualifies as a petitioning candidate; or (3) qualifies as a petitioning candidate and no candidate receives the party endorsement or 15% of the delegate vote. The candidate applies after a primary if the secretary of the state declares him the party nominee. Finally, if he is a petitioning party candidate, he applies after the secretary of the state approves the petition.

The bill requires the application to include a written certification signed by both the candidate and the campaign treasurer, that:

1. the candidate committee has received the required qualifying contributions;
2. the committee has repaid all loans;
3. the committee has returned contributions from any donor without the person's name and address;
4. the candidate and exploratory committees have returned all contributions or portions thereof that did not meet the criteria for qualifying contributions;
5. the campaign committee treasurer will comply with all program requirements;
6. public funds for the candidate committee will be deposited in the committee's bank account as soon as they are received;
7. the treasurer will spend program funds only for items permitted under existing law and in accordance with guidelines that the SEEC establishes; and
8. if the candidate withdraws, becomes ineligible, or dies, his committee will return unspent grants it received from the fund.

The application must be accompanied by a cumulative itemized accounting, as of three days before the application date, of all funds received, expenditures made, and expenses incurred but not yet paid. The campaign treasurer must swear to the accounting under penalty of

false statement. The bill requires the SEEC, upon consultation with the secretary of the state, to prescribe the form of the application and the accounting.

The SEEC must review each application and, within three business days of receiving one, determine whether a candidate qualifies for a grant. If the SEEC approves an applicant, it must determine the amount of funds for which the candidate is eligible and inform the comptroller and the candidate of the amount. The comptroller then has two business days to notify the treasurer and issue the check.

### ***Remedy for an Aggrieved Candidate (§ 37)***

The bill permits any statewide 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.

### ***No Additional Deposits (§ 15)***

After a candidate deposits program funds in his campaign account, he cannot deposit any other contribution, loan, personal funds, or other funds into it (see COMMENT). He can, however, deposit money he is entitled to because he is the target of an independent expenditure or an opponent exceeds the spending limit.

### ***Automatic Qualification (§ 16)***

A qualified candidate who receives money from the fund for a primary and becomes the party nominee automatically receives a general election grant. The comptroller must pay it within two business days of receiving the commission's notification that the secretary declared the results of the primary.

### ***Governor and Lieutenant Governor (§ 17)***

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 (1) when 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, which means 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.

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) those eligible to receive a surplus distribution under current law, which includes the fund, if the candidate did not participate.

### **Loans (§ 18)**

A qualified candidate committee can borrow up to \$1,000 from a financial institution. Other than the candidate or, for a general election, a state central committee, no person, PAC, or party committee can endorse or guarantee more than a \$500 loan. 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.

### **Disregard of Spending Limits (§§ 19-21)**

**Penalties.** The bill penalizes a qualified candidate committee that receives money from the fund and exceeds the spending limits. Specifically, it:

1. requires the committee to repay in full the amount of the grant,
2. prohibits it from receiving additional program funds for the remainder of the election cycle,

3. subjects it to civil penalties imposed by the SEEC, and
4. makes the candidate a “nonparticipating candidate” for program purposes.

Failure to return any unspent grant funds within 90 days after a primary or a general election constitutes larceny and is subject to criminal penalties that depend on the amount involved.

**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 participating or nonparticipating). 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 the SEEC verifies a violation.

If a nonparticipating candidate makes or incurs an excess expenditure more than 20 days before the primary or general election, the bill requires him to file a declaration of excess expenditures within 48 hours of doing so. If he makes or incurs the expenditure 20 days or less before the primary or general election, he must file the declaration within 24 hours of doing so. The SEEC determines if a nonparticipating candidate’s expenditure will be considered an excess expenditure.

**Independent Expenditures.** When the SEEC receives a report that someone has made, or has obligated to make, an independent expenditure in an effort to oppose a participating candidate, it must immediately notify the comptroller, directing her to provide the candidate with additional money equal to the independent expenditure. She has two business days to do so.

The maximum aggregate amount that a participating candidate may receive to match independent expenditures made to benefit an opposing participating candidate is 100% of the total money he has received from the fund. The maximum aggregate amount that a participating candidate may receive to match the combination of independent expenditures and excess expenditures that an opposing nonparticipating candidate makes is 200% of all the money he has received from the fund for the primary or general election. The

participating candidate receives this additional funding only if the sum of the nonparticipating candidate's campaign expenditures and the independent expenditures exceed the participating candidate's applicable spending limit for the primary or general election period.

### ***Campaign Finance Statements (§ 22)***

The treasurer for every candidate for statewide office must file campaign finance statements with the secretary of the state adhering to the existing schedule until the candidate receives contributions, receipts, and grants totaling 75% of the applicable spending limit for the general election period. Once the candidate reaches this threshold, the treasurer must file the statements (1) on the second Thursday of each month between the fourth month and sixth week before the election and (2) every Thursday during the last six weeks of the campaign. If a campaign treasurer fails to file a statement by the deadline or with both the secretary or the state and the SEEC, he is subject to a civil penalty of up to \$1,000 for each failure.

### **LEGISLATIVE SPENDING LIMIT PROGRAM (§§ 5–8)**

The bill establishes a voluntary spending limit program for major, minor, and eligible petitioning party candidates for state legislative office campaigns, beginning with the 2008 primary and general election. Under the program, a participating candidate (one who agrees to the spending limit) receives money from the fund when his nonparticipating opponent exceeds the limit.

To qualify, a candidate must first receive a specified amount of the spending limit in contributions and receipts, as Table 4 shows.

***Table 4: Legislative Qualifying Contributions\****

<i>Candidates for</i>	<i>Primary</i>	<i>General Election</i>
State Senate	\$25,000	\$75,000
State House	5,000	8,000

\*To be adjusted for inflation (see below).

Table 5 shows the voluntary spending limits for legislative candidates.

***Table 5: Legislative Spending Limits\****

<i>Candidates for</i>	<i>Primary</i>	<i>General Election</i>
State Senate	\$50,000	\$150,000
State House	15,000	25,000

\*To be adjusted for inflation (see below).

The bill prohibits a participating candidate whose primary period expenditures were less than the limit from applying the difference to the general election spending limit.

No later than January 15, 2010, the SEEC must adjust the qualifying contribution thresholds and spending limits for legislative candidates running in 2010 based on changes in the Consumer Price Index for Urban Consumers (CPI-U) between January 1, 2008, and December 31, 2009. The commission must make similar adjustments biennially thereafter.

### ***Intent to Participate (§ 7)***

Starting in 2008, the bill requires every candidate for nomination or election to a legislative office to file an affidavit with the SEEC when he forms a candidate committee or certifies that the registration is not required. The affidavit must include a written certification stating whether he intends to abide by the spending limits under the voluntary program. If the candidate intends to abide by the limits, he must also include a certification agreeing to the lawful use of any funds he receives from the state and to personally repay any amount improperly spent. The certification must also state the candidate's status as a major or minor party candidate, and the name of the party, or a petitioning party candidate. The bill prohibits a candidate who changes his status or political party during a campaign from receiving grants from the fund for that campaign.

As in the program for statewide office candidates, a candidate who certifies his intent to abide by the spending limits is called a "participating candidate" and a candidate who certifies his intent not to abide by the limits is a "nonparticipating candidate." The bill requires the SEEC to prepare separate lists of participating and nonparticipating candidates and make them available to the public.

### ***Campaign Finance Statements (§ 8)***

Under the bill, the campaign treasurer for every candidate for

legislative office must file campaign finance statements with the secretary of the state and adhere to the current filing schedule until the candidate receives contributions, receipts, and grants totaling 75% of the spending limit for the general election period. Once the candidate reaches this threshold, the treasurer must file the statements (1) on the second Thursday of each month between the fourth month and sixth week preceding the election and (2) every Thursday during the last six weeks of the campaign.

### ***Matching Grants (§ 8)***

The SEEC must review all campaign finance statements to determine if and when a nonparticipating candidate exceeds the limit during the primary or general election period. When that happens and the candidate has a qualified opponent, the commission must inform the comptroller, who must pay the participating candidate an amount equal to the excess spending up to a maximum of 100% of the spending limit for the primary or general election. The comptroller has two business days to do so.

### ***Independent Expenditures (§ 8)***

When a qualified participating candidate is the target of an independent expenditure intended to promote his defeat, the SEEC must, immediately upon making such a determination, notify him that he can exceed the spending limit for the applicable primary or general election period by the amount of the independent expenditure.

### **CONTRIBUTION LIMITS (§§ 25–26, 28, 30–34)**

The bill makes several changes to campaign contribution limits for individuals, lobbyists, state employees, PACs, and party committees. It also places greater restrictions on the purchase of advertising book space.

### ***Individuals (§ 28)***

Beginning in 2010, the bill lowers the limits on contributions individuals can make to candidates for statewide office and applies those limits to a primary and general election together. Under current law, individual contribution limits apply separately to primaries and general elections and contributors can give up to the limit for each (e.g., \$2,500 to both the primary and general election campaign of a

gubernatorial candidate for a total of \$5,000). The bill leaves unchanged the limits on individual contributions to candidates for state senator (\$500) and state representative (\$250), and applies them separately, as under current law, to a primary and the general election. Table 6 shows the limits on individual contributions.

**Table 6: Individual Contribution Limits**

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill (aggregate for a primary and an election)</i>
Governor	\$2,500	\$1,500
Other statewide offices	1,500	1,000

***Ad Books (§ 26)***

Under current law, businesses can generally purchase advertising space valued at \$250 or less in a campaign fundraising program but otherwise cannot make campaign contributions. Individuals can purchase up to an aggregate of \$50 in ad book space from a candidate that does not count toward contribution limits and is not reported as such. The bill caps at \$100 ad book purchases by client lobbyists and businesses that employ a lobbyist. It completely removes the contribution exemption for ad book purchases by (1) a communicator lobbyist or (2) a business or individual that has a contract with the state, the relevant state office, or the General Assembly, depending on the candidate, valued at \$250,000 or more, making the ad book purchase subject to contribution limits and reporting requirements.

***Lobbyists (§ 30)***

The bill limits to \$100 lobbyist contributions to candidates for statewide and legislative office during a primary or a general election. Under current law, lobbyists are subject to the contribution limits for individuals to candidates for governor (\$2,500), other statewide offices (\$1,500), state senator (\$500), and state representative (\$250). Participants in the Citizens' Election Program are prohibited from receiving any contribution from a lobbyist or a member of his immediate family as a qualifying contribution.

***State Employees (§ 30)***

The bill restricts contributions from certain state employees to candidates for the offices in which they work. It limits to \$100 contributions from (1) heads of executive branch and quasi-public state agencies, their deputies, and employees in those agencies who are appointed by the governor to any candidate for governor or lieutenant governor; (2) public officials and employees in the other statewide offices to any statewide office candidate for the office where they serve; and (3) caucus staff for a major party in either house of the General Assembly to candidate for state senator or state representative. The limits apply separately to primaries and general elections.

### ***Business and Labor PACs (§§ 31-32)***

Beginning in 2010, the bill lowers the limits on business PAC contributions and raises the limits on labor PAC contributions, making them equal. The limits apply to a primary and general election together, rather than separately as they do under current law. Tables 7 and 8 compare the current and proposed limits

**Table 7: Business PAC Contribution Limits**

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill (aggregate for a primary and an election)</i>
Governor	\$5,000	\$3,750
Other statewide offices	3,000	2,250
State Senator	1,000	750
State Representative	500	375

**Table 8: Labor PAC Contribution Limits**

<i>To candidates for</i>	<i>Current law (for a primary or an election)</i>	<i>The Bill (aggregate for a primary and an election)</i>
Governor	\$2,500	\$3,750
Other statewide offices	1,500	2,250
State Senator	500	750
State Representative	250	375

### **Party Committees (§ 33)**

Under current law, party committees can make unlimited contributions to candidate committees. Beginning January 1, 2007, the bill creates limits for contributions to some campaigns and applies them to a primary and general election together. It also prohibits gubernatorial candidates from receiving more than \$75,000, and other statewide office candidates from receiving more than \$20,000, in total contributions from town committees. The bill makes no change to town committee contributions to legislative candidates, keeping them unlimited. Table 9 shows the party committee limits established by the bill.

**Table 9: Proposed Party Committee Contribution Limits**

<i>To candidates for</i>	<i>State Central Committees</i>	<i>Town Committees</i>
Governor	\$50,000	\$1,000
Other statewide offices	10,000	500
State Senator	5,000	(unlimited as under current law)
State Representative	2,500	(unlimited as under current law)

### **Ongoing PACs (§ 34)**

Under current law, ongoing or ideological PACs can make unlimited contributions to candidate committees. The bill establishes limits for their contributions to gubernatorial and other statewide office campaigns that apply to a primary and general election together. For legislative offices, the limits are 30% of the applicable primary or general election period spending limits under the bill and they apply to each separately. Table 10 shows the ongoing PAC limits.

**Table 10: Ongoing PAC Contribution Limits**

<i>To candidates for</i>	<i>The Bill</i>
	<i>Aggregate for a primary and an election</i>
Governor	\$100,000
Other statewide offices	75,000

	<i>Primary (30% of candidate spending limit)</i>	<i>General (30% of candidate spending limit)</i>
State Senator	\$15,000	\$45,000
State Representative	4,500	7,500

### **SOLICITATION BAN (§ 38)**

The bill prohibits certain candidates from soliciting, and individuals and PACs from making, campaign contributions if the contributor is connected with a business that has a contract with the state valued at \$250,000 or more. The prohibition applies during the term of the contract. In addition, the bill bars individuals or business PACs that make contributions to statewide office candidates from getting a contract award for one year after the election for which they made a contribution.

The prohibition applies to contributions from any individual who (1) is an officer, director, owner, partner, or stockholder (with at least 5% of the total outstanding stock) of a business with a state contract valued at \$250,000 or more and (2) has substantial authority related to the contract. It also applies to business PAC contributions.

Candidates for governor and lieutenant governor cannot accept or solicit such contributions on behalf of a candidate for any public office, any PAC, or political party committee.

The bill prohibits candidates for the offices of attorney general, comptroller, and secretary of the state from accepting or soliciting such contributions for any candidate, PAC, or party committee from an individual or PAC associated with a business that has a contract valued at \$250,000 or more with the office for which the candidate is running. No such individual or business can contribute to a candidate for the office with which he or it has a contract during its term. Anyone or any business PAC that makes a contribution to a candidate for a particular office is barred from getting a contract with that office for one year after the election. These provisions apply to candidates for the office of state treasurer, in addition to the law's restrictions on contributions from individuals and businesses providing investment services to that office.

The bill applies the same restrictions to candidates for state senator

and state representative with respect to individuals and businesses that have contracts with the General Assembly with a value of at least \$250,000.

## **ADDITIONAL REPORTING REQUIREMENTS (§§ 27, 29)**

### ***Candidate Committees (§ 27)***

Beginning January 1, 2008, a candidate committee must file copies of its statements with the SEEC, in addition to the originals it files with the secretary of the state. The requirement applies to committees formed to aid or promote the success or defeat of a candidate for statewide or legislative offices.

### ***Independent Expenditures (§ 29)***

Beginning January 1, 2008 for legislative offices and January 1, 2010 for statewide offices, any person who makes an independent expenditure exceeding \$1,000 in the aggregate to promote the success or defeat of a candidate must file a report with the SEEC. Current law requires reporting to the secretary of the state independent spending over an aggregate of \$1,000 to promote the success or defeat of a candidate. Under the bill, if a person makes an independent expenditure more than 20 days before the primary or general election, he must file the report within 48 hours of doing so. If a person makes an independent expenditure 20 days or less before the primary or general election, he must file the report within 24 hours.

The report must include a statement (1) identifying the candidate who is the subject of the expenditure and (2) affirming that the expenditure is truly independent. The person files the statement under penalty of false statement, which carries 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 the SEEC alleging a false report or statement or that a report was not filed at all. The SEEC must promptly decide on the complaint.

## **SEEC POWERS AND DUTIES (§§ 35–36)**

Generally, the SEEC must (1) determine whether there is enough money in the Citizens' Election Fund to issue grants, (2) prescribe the programs' forms, (3) process candidates' applications and determine if a candidate is eligible, (4) notify the comptroller of the amount due

and payable to each qualified candidate, and (5) establish guidelines for permissible expenditures for grant money, and (6) enforce the provisions of the programs.

Under the bill, the SEEC can deduct from the fund money to pay its program implementation costs, up to 1% of the funds deposited in a fiscal year. If the commission does not spend 1% of the funds in a year, it can use the balance to pay its costs in subsequent years.

The bill extends some of SEEC's existing authority to enforce the provisions of the Citizen's Election Program and the voluntary spending program. With respect to the programs the SEEC can (1) investigate complaints and alleged violations, and hold hearings; (2) impose civil penalties of up to \$2,000; and (3) issue an order to a participating candidate committee to comply with program requirements after granting an opportunity for a hearing under the Uniform Administrative Procedure 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. For failure to file any report required by the bill, the SEEC has 10 days to notify the committee treasurer that he is in violation of the law if the report is not sent within 21 days of the deadline.

## **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.

### ***Immediate Family***

The bill defines "immediate family" as any spouse or child of an individual, or any dependent relatives who reside in the individual's household.

### ***Related Bill***

sHB 6670, An Act Concerning Comprehensive Campaign Finance Reform for State-wide Constitutional and General Assembly Offices, which the Government Administration and Elections Committee reported favorably on March 31, establishes a system of full public financing for both statewide office campaigns beginning in 2010 and legislative campaigns beginning in 2008; makes other campaign finance law changes, such as different changes to ad book purchases; and includes provisions on legislative caucus committees and municipal public financing for campaigns.

**COMMENT**

***No Additional Deposits***

The bill neglects to address party committee contributions that a participating candidate may receive in the exemptions to the ban on making additional deposits into his account after a Citizens' Election Fund grant is received.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute Change of Reference  
Yea 13    Nay 7

Appropriations Committee

Joint Favorable Report  
Yea 30    Nay 15