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**OLR Bill Analysis**

**sHB 5255**

***AN ACT CONCERNING CAMPAIGN FINANCE FILINGS, CERTIFICATION OF CONTRIBUTIONS AND TECHNICAL AND CONFORMING CHANGES TO CAMPAIGN FINANCE LAWS.***

**SUMMARY:**

This bill changes campaign finance laws to:

1. lower the threshold at which statewide office candidates must file campaign finance statements electronically, extend it to legislative candidates committees and exploratory committees, and expand it to cover other financial disclosure statements;
2. make campaign treasurers, rather than chairpersons, of political committees (known as PACs) responsible for reporting changes to most information on registration statements;
3. eliminate certain campaign finance reporting requirements under specified circumstances;
4. specify that qualified Citizens' Election Program (CEP) candidates can pay a campaign treasurer under a written services agreement, in addition to the \$1,000 currently permitted under the program from a committee's surplus funds (§ 4); and
5. subject individual contributions of \$50 or less (whether made separately or in the aggregate) to the same reporting requirements as larger contributions.

The bill also makes several technical and conforming changes. Among them, it conforms the "house party" exemption under the definition of expenditure to the parallel exemption PA 11-48 made to the definition of contribution (§ 1).

**EFFECTIVE DATE:** Upon passage, except for the provision

concerning small contributions, which is effective January 1, 2013 and applicable to primaries and elections held after that date.

## **§ 6 — MANDATORY ELECTRONIC FILING THRESHOLD**

Current law requires statewide office candidate committees that raise or spend \$250,000 or more during an election campaign to file their periodic campaign finance statements electronically with the SEEC.

Beginning April 1, 2012, the bill lowers this threshold to \$4,500 and (1) extends the requirement to statewide office exploratory committees and legislative office candidate and exploratory committees and (2) expands it to include any financial disclosure statement these committees file to comply with campaign finance law or the CEP.

Under the bill, as under current law, candidate committees that do not reach the threshold in contributions or expenditures, political committees, and party committees may also file online.

### ***Covered Financial Disclosure Statements***

For covered committees and individuals, the bill expands the electronic filing requirement to include any financial disclosure statement they must file to comply with campaign finance law or the CEP. In addition to periodic campaign finance disclosure statements covered under current law, these include the cumulative itemized accounting that accompanies a CEP grant application, supplemental statements, excess expenditure reports, amended filings, and termination reports, among others.

### ***Resubmitting Reports***

Current law requires statewide office candidate committees that reach the threshold to electronically resubmit any previously filed statements that were not in electronic format. The bill extends this requirement to candidate committees for legislative candidates.

### ***eCRIS***

The bill eliminates references to a SEEC-created “software”

program, replacing them with references to a “web-based” program. Since the law requires committee treasurers to submit all electronic filings online, the bill eliminates an obsolete provision allowing mandatory electronic filings to be made using alternative media forms (e.g., disks or tapes).

### **§§ 2 & 5 — REGISTRATION STATEMENTS**

The law requires PACs to register with the SEEC by filing a registration statement, which includes a statement of purpose and the name and address of the chairperson, treasurer, and other principal officers, among other things. Changes to information on the statement must be reported within 10 days.

The bill requires the treasurer, rather than the chairperson, to report changes to most information on the registration statement. The chairperson remains responsible for filing the initial statement and reporting any committee officer changes.

### **§§ 3 & 7 — CAMPAIGN FINANCE DISCLOSURE STATEMENTS**

The bill eliminates certain campaign finance reporting requirements for specified candidates and committees, which Table 1 shows. The candidates and committees remain responsible for filing termination reports when they dissolve.

**Table 1: Eliminated Campaign Finance Statements**

<b>Section</b>	<b>Candidate or Committee</b>	<b>Eliminated Reporting Requirement</b>
§ 3	Special election candidate and exploratory committees	Quarterly campaign finance reports
§ 3	Candidates in a municipal election who do not qualify for ballot access	Campaign finance report on the 7th day preceding the election
§§ 3 & 7	Candidates in a state election who do not qualify for ballot access	(1) Campaign finance report on the 7th day preceding the election and (2) weekly supplemental campaign finance statements under the CEP
§ 3	Candidates who are unsuccessful in	Periodic campaign finance reports following

	a primary	the primary
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***State Central Committees***

Current law requires state central committees to file campaign disclosure statements on the 12<sup>th</sup> day preceding any regular or special election. For special elections, the bill limits the requirement to only those for which the committee makes or receives a contribution or expenditure. It retains the requirement for all regular elections.

The bill also extends this reporting requirement to primaries and referenda for which a state central committee makes or receives a contribution or expenditure.

***Supplemental Campaign Finance Statement Schedule***

By law, a candidate committee in a primary or general election with at least one candidate participating in the CEP must file supplemental weekly campaign finance statements according to a specified schedule. The bill extends, by one week, the deadline for filing the initial supplemental statement.

Under the bill, candidate committees must file the initial supplemental statement for a primary on the second, rather than the first, Thursday following the July filing deadline for quarterly campaign finance statements. Similarly, for a general election, they must file on the second, rather than the first, Thursday following the October filing deadline for quarterly campaign finance statements.

**§ 8 — SMALL CONTRIBUTIONS**

Under current law, contributions by individuals to candidates not participating in the CEP, PACs, or party committees need only be disclosed when they separately or in the aggregate exceed \$50. Contributions to participating candidates of any amount must be disclosed.

The bill subjects these contributions to the same disclosure requirements that the law establishes for larger contributions. This

means that (1) individuals who make such contributions must certify that they are not prohibited from doing so and indicate whether they are a lobbyist or state contractor and (2) campaign treasurers must identify small contributions individually in campaign finance statements.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/12/2012)