
OLR Bill Analysis

HB 5556

Emergency Certification

AN ACT CONCERNING CHANGES TO CAMPAIGN FINANCE LAWS AND OTHER ELECTION LAWS.

SUMMARY:

This bill modifies state election laws affecting campaign finance, the Citizens' Election Program (CEP), the State Elections Enforcement Commission (SEEC), and certain absentee voting and nominating procedures. Principally, the bill:

1. expands reporting and disclaimer requirements for independent expenditures;
2. defines "campaign-related disbursements" and "covered transfers" and establishes reporting requirements for them;
3. increases CEP grants for participating gubernatorial candidates and freezes, until 2018, the quadrennial adjustment to the amounts;
4. raises the limits on various contributions from individuals, to political committees (known as PACs) and party committees;
5. increases the limits on organization expenditures made to benefit participating legislative candidates in the general election;
6. eliminates certain campaign finance reporting requirements under specified circumstances;
7. specifies that qualified 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 (§ 20);
- 8. subjects individual contributions of \$50 or less (whether made separately or in the aggregate) to the same reporting requirements as larger contributions (§ 23);
- 9. requires a PAC's treasurer, rather than its chairperson, to report most changes to information on the registration statement it files with the SEEC (the chairperson remains responsible for filing the initial statement and reporting any committee officer changes) (§§ 18 & 21);
- 10. narrows a residency requirement for candidates for the municipal office of state senator and representative;
- 11. allows military and overseas voters to return their voted absentee ballots by fax or email; and
- 12. authorizes the SEEC to (a) levy civil penalties for independent expenditures that do not include proper disclaimers (b) waive penalties associated with certain reports that were due in January 2012.

The bill also makes several conforming changes. Among them, it conforms the expenditure exemption for volunteer services to the parallel contribution exemption that PA 11-48 made for volunteer services (§ 3).

Finally, the bill makes technical changes, including replacing the terms "campaign treasurer" with "treasurer" and "deputy campaign treasurer" with "deputy treasurer" throughout the campaign finance statutes (§ 17).

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.

§§ 1-3 & 7 — CAMPAIGN FINANCE DEFINITIONS

State campaign finance laws regulate campaign contributions and

expenditures, including who can make and accept them and when. The bill changes both definitions.

Current law defines "expenditure," in part, as any advertisement that (1) refers to one or more clearly identified candidates; (2) is broadcast by radio or television, other than on a public access channel, or appears in a newspaper, magazine, or on a billboard; and (3) is broadcast or appears during the 90-day period preceding a primary or an election.

The bill expands the definition and the covered time period to include communications, not only advertisements, and those that are (1) broadcast by public access channel, satellite, Internet, or a paid-for telephone communications or sent by mail and (2) broadcast or appear on or after January 1st during the election year.

Current law also defines "expenditure," in part, as any gift, subscription, loan, advance, payment, or deposit of money or anything of value made "on behalf" of a political party. The bill expands the definition to cover anything of value that promotes either the success or defeat of a political party, not just made on one's behalf.

The bill makes the same change to the definition of "contribution." It specifies that any gift, subscription, loan, advance, payment, or deposit of money or anything of value that promotes either the success or defeat of a political party, not just made on one's behalf, is considered a contribution.

The bill establishes reporting and disclosure requirements for "campaign-related disbursements," which it defines as (1) independent expenditures or (2) covered transfers. It defines "covered transfer" as any transfer or payment of funds, by an entity that is required to disclose spending, in an aggregate of \$1,000 or more in the two years after the initial transfer or payment to a recipient who uses the money to make a campaign-related disbursement.

By law, an "entity" is an organization, corporation, cooperative association, limited partnership, professional association, limited

liability company, or limited liability partnership, whether organized in this or another state. The bill specifies that entities include both for- and not-for-profit corporations, client lobbyists, and 501(c) and 527 organizations.

The bill expands the definition of “lawful purposes of the committee” for legislative leadership committees’ and PACs’ permissible expenditures (see BACKGROUND). For the former, it includes spending funds to defray members’ costs associated with legislative or constituency-related business that the state does not pay for or reimburse. (Legislative caucus committees may already spend funds for these purposes.) For the latter, it includes promoting a political party, including party-building activities. Under the bill, “party building activities” include political meetings, conferences, events, conventions, and their associated expenses.

The law defines “social media” as an electronic medium where users may create and view user-generated content, such as uploaded or downloaded videos or still photographs, blogs, video blogs, podcasts, or instant messages. Currently it applies only in the context of certain de minimis activities that exempt from the definition of contribution. The bill applies the definition to the campaign finance statutes generally.

INDEPENDENT EXPENDITURES

Existing law requires an individual, entity, or committee that makes or obligates to make an independent expenditure or expenditures exceeding \$1,000 in the aggregate to promote the success or defeat of a statewide office or legislative candidate in a primary or general election campaign to electronically file a report with the SEEC. The bill expands the definition of independent expenditure and changes the reports’ deadlines and required information.

§ 5 — Definitions

Current law defines “independent expenditure” as an expenditure that is made without the consent, coordination, or consultation of a (1) candidate or candidate’s agent, (2) candidate committee, (3) PAC, or

(4) party committee. The bill exempts from this definition expenditures of up to \$250 in the aggregate made by a human being to benefit a candidate for a single election. The human being must have acted alone.

The law creates a rebuttable presumption that certain expenditures are not independent expenditures and thus, are coordinated and considered contributions for campaign finance purposes. The bill expands the rebuttable presumption to cover expenditures made by a person or an entity on or after January 1st in an election year that benefit a candidate when the person or entity has hired (1) an individual as an employee or consultant and the individual was an employee of, or consultant to, the candidate during any part of the 18-month period preceding the expenditure or (2) a campaign-related vendor that has been hired by the candidate during the same election cycle.

Under the bill, “campaign-related vendors” include vendors that provide polling, mail design, mail strategy, political strategy, general campaign advice, or phone banking services.

§ 9 — Reporting Deadlines

The bill changes the deadlines for filing independent expenditure reports. The individual, entity, or committee must file the report within 24, rather than 48, hours of any independent expenditure made more than 90 days before the primary or general election. If the expenditure is made 90 days or less before the primary or general election, the report must be filed within 12, rather than 24, hours.

§ 9 — Information that Must be Disclosed

The bill requires an entity to disclose slightly different information in its reports to the SEEC based on whether it pays for an independent expenditure from its general treasury or a segregated bank account consisting only of direct donations. If a donor restricts his or her donation to a nonprofit entity from being used for a campaign-related disbursement, and the entity consents and segregates it into an account not used for these disbursements, the donor’s identity need not be

disclosed (“restricted donor”). The identity of a donor who does not restrict his or her donation to a nonprofit entity may be disclosed (“unrestricted donor”).

General Treasury. With certain exceptions, the bill requires entities that pay for independent expenditures out of their general treasury must disclose in their reports the sources of all donations, including any dues payments, (1) of \$ 1,000 or more in the aggregate and (2) made on or after January 1st during the year in which there will be an election for the office for which the benefitting candidate is running. The report must disclose the amount of each donation and the aggregate amount given. The entity need not disclose funds received in a commercial transaction or as an investment

Segregated Account. Entities that pay for independent expenditures out of a segregated bank account must disclose in their reports (1) donors who gave an aggregate of \$1,000 or more on or after January 1st during the year in which there will be an election for the office for which the benefitting candidate is running, (2) each donation amount, and (3) the aggregate amount given.

§ 13 — BOARD AUTHORIZATIONS FOR CAMPAIGN-RELATED DISBURSEMENTS

The bill requires the governing board, if any, of an entity incorporated, organized, or operating in this state to vote to pre-authorize each campaign-related disbursement it makes over \$4,000. Prior to the vote, the board must be informed of the money’s specific use, including whether it may target or benefit a candidate. No later than 48 hours after the vote, the entity must (1) publicly disclose on its website individual board members’ votes and details on the expenditure and (2) file the required disclosure report with the SEEC.

After making or obligating to make an independent expenditure, the entity must do at least one of the following:

1. include in any periodic financial or activity report to its shareholders, members, or donors the (a) identity of the individual making any campaign-related disbursement and his

or her business address; (b) disbursement amount, date, and recipient; (c) candidates or ballot issues to which the disbursement is related; and (d) identity of individuals who donated over \$1,000 to the entity for campaign-related disbursements during the period that the report covers or

2. provide a link on its website to the disclosure reports it has filed with the SEEC.

§ 10 — DISCLAIMER REQUIREMENTS

By law, printed, video, and audio political advertisements must include certain attributions, which the bill refers to as disclaimers. Since independent expenditures are not, by definition, considered contributions, the bill makes a technical change to the independent expenditure disclaimer provisions by substituting “donation” for “contribution” and “donor” for “contributor.”

The bill also expands certain independent expenditure disclaimer requirements. Generally, it:

1. requires all entities making independent expenditures, not only 501(c) and 527 organizations, to list their top five unrestricted donors (contributors under current law);
2. requires all entities making independent expenditures to also provide an address to a website listing all unrestricted donors and the donors’ addresses; and
3. expands the disclaimer requirements to cover individuals, not only entities.

By law, "individual" means a human being, sole proprietorship, or a professional service corporation owned by a single human being. Under the bill, the individual disclaimer requirements do not apply to expenditures (1) made by a human being acting alone, (2) in an amount of \$250 or less in the aggregate, and (3) that benefit a candidate for a single election (see “independent expenditure” definition, § 5).

Table 1 lists each type of independent expenditure, its current disclaimer requirements, and changes under the bill. When a disclaimer is on a flyer or leaflet, or in a newspaper, magazine or similar literature, the bill requires it to be printed in at least an eight-point, uniform font.

Table 1: Disclaimer Requirements under Current Law and the Bill

<i>Type of Independent Expenditure</i>		<i>Disclaimer Requirements</i>	
<i>Current Law</i>	<i>The Bill (lists changes, otherwise the same)</i>	<i>Current Law</i>	<i>The Bill (lists changes, otherwise the same)</i>
Written communication, including one that is typed, printed, or web-based	Includes billboards	<p>The material must bear upon its face:</p> <ul style="list-style-type: none"> • “Paid for by” and the name of the entity, the chief executive officer (CEO) or equivalent, and the principal business address; • “This message was made independent of any candidate or political party;” and • In the case of a 501(c) or a 527 tax-exempt organization, “Top Five Contributors,” followed by a list of the five people or entities making the largest reportable contributions during the previous 12 months. 	<ul style="list-style-type: none"> • Adds individuals and requires them to include “Paid for by” and their name and address • Requires all entities, not just 501(c) and 527 tax-exempt organizations to include the five unrestricted donors whose aggregate donations during the two years preceding the expenditure are the largest • Requires entities to provide an address to a website listing all unrestricted donors and the donors’ addresses
Television or Internet video advertising	Adds videos broadcast by satellite	<p>The end of the advertisement must show, for at least four seconds:</p> <ul style="list-style-type: none"> • a clearly identifiable image of the entity’s CEO or equivalent; • a simultaneous, personal audio message, stating “I am (name of entity’s CEO or equivalent), (title) of (entity). This message was made independent of any candidate or political party, and I approved its content;” and • In the case of a 501(c) or a 527 tax-exempt organization, “The top five contributors to the organization responsible for this advertisement,” followed by a list of the five people or entities making the largest reportable contributions during the previous 12 months. 	<ul style="list-style-type: none"> • Adds individuals and requires them to include a clearly identifiable image of themselves • Requires all entities, not just 501(c) and 527 tax-exempt organizations to include a written message listing the five unrestricted donors whose aggregate donations during the two years preceding the expenditure are the largest • Requires entities to provide an address to a website listing all unrestricted donors and the donors’ addresses
Radio or Internet	Adds videos	The communication must end with a	• Adds individuals and requires them

<p>audio advertising</p>	<p>broadcast by satellite</p>	<p>personal audio statement by the CEO or equivalent:</p> <ul style="list-style-type: none"> ● identifying the entity paying for the expenditure; ● indicating that the message was made independent of any candidate or political party, using the following form: "I am (name of entity's CEO or equivalent), (title) of (entity). This message was made independent of any candidate or political party, and I approved its content;" and ● In the case of a 501(c) or a 527 tax-exempt organization (1) "The top five contributors to the organization responsible for this advertisement," followed by a list of the five people or entities making the largest reportable contributions during the previous 12 months or (2) an audio message providing a website that lists the same if the advertisement is 30 seconds or less. 	<p>to identify themselves</p> <ul style="list-style-type: none"> ● Requires all entities, not just 501(c) and 527 tax-exempt organizations to list at the end the five unrestricted donors whose aggregate donations during the two years preceding the expenditure are the largest ● Requires entities to provide an address to a website listing all unrestricted donors and the donors' addresses
<p>"Robo Calls" (i.e., automated telephone calls)</p>	<p>Adds non-automated telephone calls</p>	<ul style="list-style-type: none"> ● The narrative of the telephone call must identify the entity and its CEO or equivalent. ● In the case of a 501(c) or a 527 organization, the narrative must also include a message stating, "The top five contributors to the organization responsible for this telephone call are," followed by a list of the five people or entities making the largest reportable contributions during the previous 12 months. 	<ul style="list-style-type: none"> ● Requires all entities, not just 501(c) and 527 tax-exempt organizations to include in the narrative the five unrestricted donors whose aggregate donations during the two years preceding the expenditure are the largest ● Requires entities to provide an address to a website listing all unrestricted donors and the donors' addresses

§ 10 — Disclosing Individual Donors

In addition to the requirements in Table 1, the bill requires entities making independent expenditures to list their donors as individuals. If a donor is another entity that made a covered transfer to the receiving entity, then the individual donors to the entity making the transfer must be (1) disclosed in the required website listing and (2) listed as top five donors, if applicable. Under the bill, a "covered transfer" is any transfer or payment of funds, by an entity that is required to disclose spending, in an aggregate of \$1,000 or more in the two years

after the initial transfer or payment to a recipient who uses the money to make a campaign-related disbursement.

§ 10 — Slate Promotions

The bill specifies that disclaimers by individual candidates are not required for any print, television, or social media promotion by a party committee for a slate of candidates. Rather, the party committee must use the appropriate disclaimer as required by existing law and the bill.

§ 10 — Groups of Two or More Individuals

Existing law requires groups of two or more individuals acting together that spend up to \$1,000 for a printed communication supporting or opposing a referendum question to include a disclaimer. A business entity, organization, or association must include the words “paid for by,” the name of the chief executive officer, and the name of the entity, organization, or association. The bill additionally requires them to (1) list their top five unrestricted donors during the current and preceding calendar year and (2) include a website address listing all their unrestricted donors.

§ 12 — GUBERNATORIAL CEP GRANTS

The act increases the grant amounts for gubernatorial candidates participating in the CEP. For major party gubernatorial candidates, it increases the primary grant from \$1,250,000 to \$2,500,000 (petitioning and minor party candidates are not eligible for primary grants). For all candidates, the bill delays, from 2014 to 2018, the quadrennial adjustment that the SEEC makes based on changes in the consumer price index for all urban consumers, as published by the U. S. Department of Labor, Bureau of Labor Statistics.

Table 2 shows the general election grant amounts under current law and the bill.

Table 2: General Election Grants for Major Party Gubernatorial Candidates

<i>Grant</i>	<i>Current Law</i>	<i>The Bill</i>
General Election Grant, Opposed Candidate	\$6,000,000 ^a	\$9,000,000
General Election Grant,	1,800,000	2,700,000

Unopposed Candidate		
General Election Grant, Nominated Candidate Opposed by Minor or Petitioning Party Candidates	3,600,000	5,400,000

- ^a By law, applies to a nominated major party candidate who is opposed by another major party candidate or by a minor or petitioning party candidate who has received the required QCs.

By law, minor party candidates may receive a general election grant equal to the grant for a major party candidate only if the candidate for the same office representing the same minor party at the last regular election received at least 20% of the votes cast for that office. Similarly, an eligible petitioning candidate may receive a full grant for the general election only if his or her petition is signed by a number of qualified electors equal to at least 20% of the number of votes cast for the same office at the last regular election. (Both receive a one-third grant by meeting a 10% threshold or a two-thirds grant by meeting a 15% threshold.) Table 3 shows the grant amounts for petitioning and minor party gubernatorial candidates under current law and the bill.

Table 3: General Election Grants for Petitioning and Minor Party Gubernatorial Candidates

<i>Grant</i>	<i>Current Law</i>	<i>The Bill</i>
General Election, Previous Minor Party Candidate Received at Least 10% of All Votes Cast for Same Office	\$2,000,000	\$3,000,000
General Election, Previous Minor Party Candidate Received at Least 15% of All Votes Cast for Same Office	4,000,000	6,000,000
General Election, Previous Minor Party Candidate Received at Least 20% of All Votes Cast for Same Office	6,000,000	9,000,000

CONTRIBUTIONS

§§ 2 & 3 — Exemptions

The law places limits on contributions made to benefit candidate committees, party committees, and PACs and subjects the contributions to campaign finance reporting requirements. However, it creates exemptions for certain items and services under the definition

of contribution. Thus, these items and services need not be reported as contributions.

The bill exempts from the definition of contribution (and thus from reporting requirements) the use of offices that serve as headquarters and the use of telephones, computers, and similar equipment provided by a party, legislative caucus, or legislative leadership committee for the committee. (The bill also eliminates a provision under current law that includes office equipment provided by such a committee as an “organization expenditure” – see ORGANIZATION EXPENDITURES below.)

The law exempts under the definition of contribution certain costs associated with hosting a house party (i.e., cost of invitations, food, drinks, and using real and personal property) for candidates and committees. The bill increases, from \$400 to \$800, the maximum amount an individual acting alone can spend per primary, election, or calendar year, whichever applies, on a single candidate, party committee, slate committee, or PAC. And, it conforms the parallel “house party” exemption under the definition of expenditure to this definition.

§ 8, 24 & 25 — Increased Limits

Current law prohibits an individual from contributing more than \$15,000 in the aggregate during a single primary and election to (1) candidate committees, (2) exploratory committees, and (3) slate PACs for justice of the peace in a primary. The bill increases this aggregate contribution limit to \$30,000. The bill also removes the \$15,000 aggregate limit on labor PAC contributions to party committees and PACs other than exploratory or referendum committees.

The bill increases the limits on contributions from individuals to most PACs and party committees, as Table 4 shows.

Table 4: Individual Contribution Limits

<i>Recipient</i>	<i>Current Law</i>	<i>The Bill</i>
State Central Committee	\$5,000	\$10,000
Town Committee, Legislative	1,000	2,000

Leadership Committee, Legislative Caucus Committee		
Most other PACs (except a referendum PAC, labor PAC, exploratory committee, or slate committee for justice of the peace in a primary)	750	1,000

§ 6 — Deposits

The bill extends the deadline by which treasurers must deposit contributions into their committee's depository account from no later than 14 days to no later than 20 days after receiving the contribution.

§ 23 — 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.

ORGANIZATION EXPENDITURES

By law, organization expenditures are made by legislative caucus, legislative leadership, or party committees for the benefit of candidates or their committees. They are not considered campaign contributions, but the law places restrictions and limits on those made to benefit legislative candidates participating in the CEP.

The bill:

1. raises the limits,
2. eliminates one type of organization expenditure (for office

equipment), and

3. makes changes to what qualifies as another type of organization expenditure (i.e., party candidate listing).

§ 11 — Limits

For general election campaigns, current law limits the value of allowable organization expenditures to \$10,000 and \$3,500 for candidates for state senator and state representative, respectively. The limits apply only to candidates participating in the CEP. The bill raises these limits to \$20,000 and \$7,000, respectively.

§§ 1 & 2 — Office Equipment

The bill eliminates from the definition of “organization expenditure” the use of offices, phones, computers, and similar equipment that do not result in an additional cost to the party, legislative caucus, or legislative leadership committee. It instead creates a contribution exemption for similar activities (see CONTRIBUTIONS above). Thus, as noted above, payments for these activities need not be reported.

§ 1 — Party Candidate Listings

By law, a party candidate listing is a communication that identifies one or more candidates and meets several criteria (e.g., distributed through public advertising, mail, or electronic mail). The bill eliminates the current requirement that party candidate listings treat all candidates in the listing substantially similarly. It instead allows these listings to contrast candidates with their opponents.

OTHER CAMPAIGN FINANCE REPORTING REQUIREMENTS

§§ 19 & 22 — Eliminated Reports

The bill eliminates certain campaign finance reporting requirements for specified candidates and committees, which Table 5 shows. The candidates and committees remain responsible for filing termination reports when they dissolve.

Table 5: Eliminated Campaign Finance Statements

Section	Candidate or Committee	Eliminated Reporting Requirement
§ 19	Special election candidate and exploratory committees	Quarterly campaign finance reports
§ 19	Candidates in a municipal election who do not qualify for ballot access	Campaign finance report on the 7th day preceding the election
§§ 19 & 22	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
§ 19	Candidates who are unsuccessful in a primary	Periodic campaign finance reports following the primary

§ 19 — State Central Committees

Current law requires state central committees to file campaign disclosure statements on the 12th 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.

§ 22 — 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.

§ 28 — Penalties for January 2012 Filings

The bill authorizes the SEEC to waive any penalty it imposed because a campaign finance report was not received in a timely

manner when (1) the filing was due to be received by the SEEC during January 2012 and (2) the commission determines that the treasurer's actions were such that the filing reasonably should have been received on or before the applicable deadline.

§ 32 — *Timely Submission to SEEC*

The bill prohibits the SEEC from levying a penalty on a treasurer for failure to file a hard copy of a campaign finance statement in a timely manner if the treasurer (1) has a copy of the statement time stamped by the SEEC showing timely receipt or (2) has return receipt from the U.S. Postal Service or a similar receipt from a commercial delivery service confirming timely receipt.

§§ 26 & 27 — ENDORSEMENTS AND NOMINATIONS

Under the bill, a party endorsement for a candidate running for the municipal office of state senator or representative (i.e., in a single-town legislative district) is valid only when the candidate's name appears on the party's enrollment list within the senatorial or assembly district in which he or she will run. The bill requires the same for a candidate filing a primary petition for nomination to the municipal office of state senator or representative. This conforms to the change made in PA 11-173 for candidates for district office, requiring that such a candidate's name must appear on the party enrollment list for the district and not elsewhere in the municipality.

§§ 29-31 — MILITARY AND OVERSEAS ABSENTEE VOTING

The bill allows active duty members of the armed forces, their spouses or dependent family members living where they are stationed, and other U. S. citizens living or traveling outside the country on election day to return their voted absentee ballots by email or fax. The law already allows these military and overseas voters to request and receive absentee ballots electronically.

When military and overseas voters return their completed ballots electronically, they must include (1) the cover sheet as required by the bill and (2) if applicable, the secretary of the state-prescribed certification. (In order for the ballot to be counted, military and

overseas voters who request and receive an absentee ballot electronically must currently return them by mail along with a signed certification.)

Under the bill, these ballots are counted with other absentee ballots if they are received by the time polls close. To be counted, the voter must not also mail a hard copy.

By June 1, 2012, the bill requires the secretary of the state to prescribe a cover sheet for transmitting completed absentee ballots electronically. The cover sheet must provide instructions for returning the ballot and include the elector's name, telephone number, and fax number or email address from which the ballot is sent. The cover sheet must include the following statement:

"I understand that by faxing or emailing my voted ballot I am voluntarily waiving my right to a secret ballot only to the extent that the appropriate election official must receive and process my ballot.

Signature: Date: "

The bill's provisions apply to two types of overseas absentee ballots. The first is a blank ballot that members of the armed forces and their family members living with them may use to vote in a regular election and that town clerks must make available beginning 90 days before the election before the candidates are known. For this ballot, town clerks subsequently send the list of candidates as soon as it is available.

The second is a blank ballot that any elector living or traveling abroad or members of the armed forces and their family members living with them may use to vote in a primary or regular election. Town clerks send this together with the list of candidates and questions to be voted on, as soon as they are available.

PENALTIES

§§ 9 & 16 — *Disclaimer and Disclosure Violations*

The bill authorizes the SEEC to levy a civil penalty of up to two times the amount of any independent expenditure for which a person

or entity fails to include a proper disclaimer. It also authorizes the SEEC to hold any successor entity or donors liable if the entity cannot be held liable.

By law, failure to file an independent expenditure report for a communication (1) made more than 90 days before the primary or general election carries a civil penalty of up to \$5,000 and (2) made 90 days or less before the primary or general election carries a civil penalty of up to \$10,000. A knowing and willful failure to file is punishable by an additional fine of up to \$5,000, up to five years in prison, or both.

§ 14 — *Joint Liability*

The bill makes the candidate and treasurer jointly and severally liable for paying any penalty the SEEC levies if it finds that the candidate committee made a prohibited coordinated expenditure. If the candidate is a participating CEP candidate, he or she must return grant money in an amount that the SEEC determines.

BACKGROUND

Legislative Caucus and Legislative Leadership Committees

By law, a majority of a party's members from one house of the General Assembly can designate a single legislative caucus committee. The House speaker and majority leader and the Senate president pro tempore and majority leader may establish one legislative leadership committee each. The House and Senate minority leaders may establish two each.