



# House of Representatives

General Assembly

**File No. 467**

*January Session, 2013*

House Bill No. 6580

*House of Representatives, April 11, 2013*

The Committee on Government Administration and Elections reported through REP. JUTILA of the 37th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## ***AN ACT CONCERNING FAILURE TO FILE A REPORT OF AN INDEPENDENT EXPENDITURE.***

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

1 Section 1. Subsection (e) of section 9-612 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July*  
3 *1, 2013*):

4 (e) (1) Any individual, entity or committee acting alone may make  
5 unlimited independent expenditures. Except as provided in  
6 subdivision (2) of this subsection, any such individual, entity or  
7 committee that makes or obligates to make an independent  
8 expenditure or expenditures in excess of one thousand dollars, in the  
9 aggregate, shall file statements according to the same schedule and in  
10 the same manner as is required of a campaign treasurer of a candidate  
11 committee under section 9-608.

12 (2) Any individual, entity or committee that makes or obligates to

13 make an independent expenditure or expenditures to promote the  
14 success or defeat of a candidate for the office of Governor, Lieutenant  
15 Governor, Secretary of the State, State Treasurer, State Comptroller,  
16 Attorney General, state senator or state representative, which exceeds  
17 one thousand dollars, in the aggregate, during a primary campaign or  
18 a general election campaign, as defined in section 9-700, on or after  
19 January 1, 2008, shall file a report of such independent expenditure to  
20 the State Elections Enforcement Commission. The report shall be in the  
21 same form as statements filed under section 9-608, except that such  
22 report shall be filed electronically. If the individual, entity or  
23 committee makes or obligates to make such independent expenditure  
24 or expenditures more than ninety days before the day of a primary or  
25 election, the individual, entity or committee shall file such report not  
26 later than forty-eight hours after such payment or obligation. If the  
27 individual, entity or committee makes or obligates to make such  
28 independent expenditure or expenditures ninety days or less before  
29 the day of a primary or election, the person shall file such report not  
30 later than twenty-four hours after such payment or obligation. The  
31 report shall be filed under penalty of false statement.

32 (3) The independent expenditure report shall (A) identify the  
33 candidate for whom the independent expenditure or expenditures is  
34 intended to promote the success or defeat, (B) affirm under penalty of  
35 false statement that the expenditure is an independent expenditure,  
36 and (C) provide any information that the State Elections Enforcement  
37 Commission requires to facilitate compliance with the provisions of  
38 this chapter or chapter 157.

39 (4) Any person may file a complaint with the commission upon the  
40 belief that (A) any such independent expenditure report or statement  
41 is false, or (B) any individual, entity or committee that is required to  
42 file an independent expenditure report under this subsection has failed  
43 to do so. The commission shall make a prompt determination on such  
44 a complaint.

45 (5) (A) If an individual, entity or committee fails to file a report

46 required under subdivision (2) of this subsection in accordance with  
 47 the provisions of this subsection for an independent expenditure or  
 48 expenditures made or obligated to be made more than ninety days  
 49 before the day of a primary or election, the person shall be subject to a  
 50 civil penalty, imposed by the State Elections Enforcement Commission,  
 51 of not more than [five thousand] seven thousand five hundred dollars.  
 52 If an individual, entity or committee fails to file a report required  
 53 under subdivision (2) in accordance with the provisions of this  
 54 subsection for an independent expenditure or expenditures made or  
 55 obligated to be made ninety days or less before the day of a primary or  
 56 election, such individual, entity or committee shall be subject to a civil  
 57 penalty, imposed by the State Elections Enforcement Commission, of  
 58 not more than [ten] fifteen thousand dollars. (B) If any such failure is  
 59 knowing and wilful, the person responsible for the failure shall also be  
 60 fined not more than [five thousand] seven thousand five hundred  
 61 dollars or imprisoned not more than five years, or both.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	9-612(e)

**GAE**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Governmental Accountability, Off.	GF - Potential Revenue Gain	Less than 100,000	Less than 100,000

**Municipal Impact:** None

**Explanation**

The bill, which increases the penalties that the State Elections Enforcement Commission (SEEC) can levy on an individual, entity, or committee for failing to report an independent expenditure, may result in a revenue gain of less than \$100,000 for the Office of Governmental Accountability.

The requirements for reporting of independent expenditures were broadened in 2010 to include expenditures made by entities other than individual persons. Thus, the 2012 elections were the first statewide elections held where entities were allowed to make independent contributions. Though enforcement actions from the 2012 election are still in process, it is not anticipated that the number of violations impacted by this bill will be significant.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of enforcement actions undertaken by SEEC.

**OLR Bill Analysis****HB 6580*****AN ACT CONCERNING FAILURE TO FILE A REPORT OF AN INDEPENDENT EXPENDITURE.*****SUMMARY:**

The law requires individuals, entities, and committees that make or obligate to make independent expenditures (IEs) over \$1,000 in the aggregate to file IE reports with the State Elections Enforcement Commission (SEEC). This bill increases the maximum (1) civil penalties SEEC may impose for failure to file or failure to timely file an IE report and (2) fine a court may impose for a knowing and willful failure to file.

Specifically, the bill increases the maximum penalty that SEEC may impose from (1) \$5,000 to \$7,500 for failure to file or timely file more than 90 days before a primary or general election and (2) \$10,000 to \$15,000 for failure to file or timely file 90 days or less before a primary or general election. These reports are considered timely if the individual, entity or committee files them within 48 and 24 hours, respectively, after making or obligating to make the IE.

By law, a knowing and willful failure to file an IE report is a crime. The bill increases, from \$5,000 to \$7,500, the maximum fine that a court may impose for such a failure. Such a failure is also punishable by up to five years in prison or both a fine and imprisonment.

Finally, the bill makes a technical change.

EFFECTIVE DATE: July 1, 2013

**COMMITTEE ACTION**

Government Administration and Elections Committee

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Joint Favorable

Yea 14 Nay 0 (03/27/2013)