



Senate

General Assembly

File No. 595

January Session, 2013

Substitute Senate Bill No. 5

Senate, April 24, 2013

The Committee on Government Administration and Elections reported through SEN. MUSTO of the 22nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

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

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

1 Section 1. Section 9-601 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2014*):

3 As used in this chapter and chapter 157 and sections 10 and 11 of
4 this act:

5 (1) "Committee" means a party committee, political committee or a
6 candidate committee organized, as the case may be, for a single
7 primary, election or referendum, or for ongoing political activities, to
8 aid or promote the success or defeat of any political party, any one or
9 more candidates for public office or the position of town committee
10 member or any referendum question.

11 (2) "Party committee" means a state central committee or a town
12 committee. "Party committee" does not mean a party-affiliated or

13 district, ward or borough committee which receives all of its funds
14 from the state central committee of its party or from a single town
15 committee with the same party affiliation. Any such committee so
16 funded shall be construed to be a part of its state central or town
17 committee for purposes of this chapter and chapter 157.

18 (3) "Political committee" means (A) a committee organized by a
19 business entity or organization, (B) persons other than individuals, or
20 two or more individuals organized or acting jointly conducting their
21 activities in or outside the state, (C) an exploratory committee, (D) a
22 committee established by or on behalf of a slate of candidates in a
23 primary for the office of justice of the peace, but does not mean a
24 candidate committee or a party committee, (E) a legislative caucus
25 committee, or (F) a legislative leadership committee.

26 (4) "Candidate committee" means any committee designated by a
27 single candidate, or established with the consent, authorization or
28 cooperation of a candidate, for the purpose of a single primary or
29 election and to aid or promote such candidate's candidacy alone for a
30 particular public office or the position of town committee member, but
31 does not mean a political committee or a party committee. For
32 purposes of this chapter, "candidate committee" includes candidate
33 committees for participating and nonparticipating candidates, unless
34 the context of a provision clearly indicates otherwise.

35 (5) "Exploratory committee" means a committee established by a
36 candidate for a single primary or election (A) to determine whether to
37 seek nomination or election to (i) the General Assembly, (ii) a state
38 office, as defined in subsection (e) of section 9-610, or (iii) any other
39 public office, and (B) if applicable, to aid or promote such candidate's
40 candidacy for nomination to the General Assembly or any such state
41 office.

42 (6) "National committee" means the organization which according to
43 the bylaws of a political party is responsible for the day-to-day
44 operation of the party at the national level.

45 (7) "Organization" means all labor organizations, (A) as defined in
46 the Labor-Management Reporting and Disclosure Act of 1959, as from
47 time to time amended, or (B) as defined in subdivision (9) of section
48 31-101, employee organizations as defined in subsection (d) of section
49 5-270 and subdivision (6) of section 7-467, bargaining representative
50 organizations for teachers, any local, state or national organization, to
51 which a labor organization pays membership or per capita fees, based
52 upon its affiliation or membership, and trade or professional
53 associations which receive their funds exclusively from membership
54 dues, whether organized in or outside of this state, but does not mean
55 a candidate committee, party committee or a political committee.

56 (8) "Business entity" means the following, whether organized in or
57 outside of this state: Stock corporations, banks, insurance companies,
58 business associations, bankers associations, insurance associations,
59 trade or professional associations which receive funds from
60 membership dues and other sources, partnerships, joint ventures,
61 private foundations, as defined in Section 509 of the Internal Revenue
62 Code of 1986, or any subsequent corresponding internal revenue code
63 of the United States, as from time to time amended; trusts or estates;
64 corporations organized under sections 38a-175 to 38a-192, inclusive,
65 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, and
66 chapters 594 to 597, inclusive; cooperatives, and any other association,
67 organization or entity which is engaged in the operation of a business
68 or profit-making activity; but does not include professional service
69 corporations organized under chapter 594a and owned by a single
70 individual, nonstock corporations which are not engaged in business
71 or profit-making activity, organizations, as defined in subdivision (7)
72 of this section, candidate committees, party committees and political
73 committees as defined in this section. For purposes of this chapter,
74 corporations which are component members of a controlled group of
75 corporations, as those terms are defined in Section 1563 of the Internal
76 Revenue Code of 1986, or any subsequent corresponding internal
77 revenue code of the United States, as from time to time amended, shall
78 be deemed to be one corporation.

79 (9) "Individual" means a human being, a sole proprietorship, or a
80 professional service corporation organized under chapter 594a and
81 owned by a single human being.

82 (10) "Person" means an individual, committee, firm, partnership,
83 organization, association, syndicate, company trust, corporation,
84 limited liability company or any other legal entity of any kind but does
85 not mean the state or any political or administrative subdivision of the
86 state.

87 (11) "Candidate" means an individual who seeks nomination for
88 election or election to public office whether or not such individual is
89 elected, and for the purposes of this chapter and chapter 157, an
90 individual shall be deemed to seek nomination for election or election
91 if such individual has (A) been endorsed by a party or become eligible
92 for a position on the ballot at an election or primary, or (B) solicited or
93 received contributions, made expenditures or given such individual's
94 consent to any other person to solicit or receive contributions or make
95 expenditures with the intent to bring about such individual's
96 nomination for election or election to any such office. "Candidate" also
97 means a slate of candidates which is to appear on the ballot in a
98 primary for the office of justice of the peace. For the purposes of
99 sections 9-600 to 9-610, inclusive, as amended by this act, and section 9-
100 621, as amended by this act, "candidate" also means an individual who
101 is a candidate in a primary for town committee members.

102 (12) ["Campaign treasurer"] "Treasurer" means the individual
103 appointed by a candidate or by the chairperson of a party committee
104 or a political committee to receive and disburse funds on behalf of the
105 candidate or committee.

106 (13) "Deputy [campaign] treasurer" means the individual appointed
107 by the candidate or by the chairperson of a committee to serve in the
108 capacity of the [campaign] treasurer if the [campaign] treasurer is
109 unable to perform the [campaign] treasurer's duties.

110 (14) "Solicitor" means an individual appointed by a [campaign]

111 treasurer of a committee to receive, but not to disburse, funds on
112 behalf of the committee.

113 (15) "Referendum question" means a question to be voted upon at
114 any election or referendum, including a proposed constitutional
115 amendment.

116 (16) "Lobbyist" means a lobbyist, as defined in section 1-91, and
117 "communicator lobbyist" means a communicator lobbyist, as defined
118 in section 1-91, and "client lobbyist" means a client lobbyist, as defined
119 in section 1-91.

120 (17) "Business with which he is associated" means any business in
121 which the contributor is a director, officer, owner, limited or general
122 partner or holder of stock constituting five per cent or more of the total
123 outstanding stock of any class. Officer refers only to the president,
124 executive or senior vice-president or treasurer of such business.

125 (18) "Agent" means a person authorized to act for or in place of
126 another.

127 (19) "Entity" means the following, whether organized in this or any
128 other state: An organization, corporation, whether for-profit or not-for-
129 profit, cooperative association, limited partnership, professional
130 association, limited liability company [,] and limited liability
131 partnership. "Entity" includes any tax-exempt organization under
132 Section 501(c) of the Internal Revenue Code of 1986, or any subsequent
133 corresponding internal revenue code of the United States, as amended
134 from time to time, and any incorporated tax-exempt political
135 organization organized under Section 527 of said code.

136 (20) "Federal account" means a depository account that is subject to
137 the disclosure and contribution limits provided under the Federal
138 Election Campaign Act of 1971, as amended from time to time.

139 (21) "Public funds" means funds belonging to, or under the control
140 of, the state or a political subdivision of the state.

141 (22) "Legislative caucus committee" means a committee established
142 under subdivision (2) of subsection (e) of section 9-605 by the majority
143 of the members of a political party who are also state representatives
144 or state senators.

145 (23) "Legislative leadership committee" means a committee
146 established under subdivision (3) of subsection (e) of section 9-605 by a
147 leader of the General Assembly.

148 (24) "Immediate family" means the spouse or a dependent child of
149 an individual.

150 (25) "Organization expenditure" means an expenditure by a party
151 committee, legislative caucus committee or legislative leadership
152 committee for the benefit of a candidate or candidate committee for:

153 (A) The preparation, display or mailing or other distribution of a
154 party candidate listing. As used in this subparagraph, "party candidate
155 listing" means any communication that meets the following criteria: (i)
156 The communication lists the name or names of candidates for election
157 to public office, (ii) the communication is distributed through public
158 advertising such as broadcast stations, cable television, newspapers or
159 similar media, or through direct mail, telephone, electronic mail,
160 publicly accessible sites on the Internet or personal delivery, [(iii) the
161 treatment of all candidates in the communication is substantially
162 similar, and (iv)] and (iii) the content of the communication is limited
163 to (I) for each such candidate, identifying information, including
164 photographs, the office sought, the office currently held by the
165 candidate, if any, the party enrollment of the candidate, a brief
166 statement concerning the candidate's positions, philosophy, goals,
167 accomplishments or biography and the positions, philosophy, goals or
168 accomplishments of the candidate's party, (II) information concerning
169 how each such candidate contrasts with such candidate's opponent, if
170 any, (III) encouragement to vote for each such candidate, [and (III)] or
171 (IV) information concerning voting, including voting hours and
172 locations;

173 (B) A document in printed or electronic form, including a party
174 platform, a copy of an issue paper, information pertaining to the
175 requirements of this title, a list of registered voters and voter
176 identification information, which document is created or maintained
177 by a party committee, legislative caucus committee or legislative
178 leadership committee for the general purposes of party or caucus
179 building and is provided (i) to a candidate who is a member of the
180 party that has established such party committee, or (ii) to a candidate
181 who is a member of the party of the caucus or leader who has
182 established such legislative caucus committee or legislative leadership
183 committee, whichever is applicable;

184 (C) A campaign event at which a candidate or candidates are
185 present; or

186 (D) The retention of the services of an advisor to provide assistance
187 relating to campaign organization, financing, accounting, strategy, law
188 or media. [; or]

189 [(E) The use of offices, telephones, computers and similar
190 equipment which does not result in additional cost to the party
191 committee, legislative caucus committee or legislative leadership
192 committee.]

193 (26) "Solicit" means (A) requesting that a contribution be made, (B)
194 participating in any fund-raising activities for a candidate committee,
195 exploratory committee, political committee or party committee,
196 including, but not limited to, forwarding tickets to potential
197 contributors, receiving contributions for transmission to any such
198 committee or bundling contributions, (C) serving as chairperson,
199 treasurer or deputy treasurer of any such committee, or (D)
200 establishing a political committee for the sole purpose of soliciting or
201 receiving contributions for any committee. "Solicit" does not include (i)
202 making a contribution that is otherwise permitted under this chapter,
203 (ii) informing any person of a position taken by a candidate for public
204 office or a public official, (iii) notifying the person of any activities of,
205 or contact information for, any candidate for public office, or (iv)

206 serving as a member in any party committee or as an officer of such
207 committee that is not otherwise prohibited in this subdivision.

208 (27) "Bundle" means the forwarding of five or more contributions to
209 a single committee by a communicator lobbyist, an agent of such
210 lobbyist, or a member of the immediate family of such lobbyist, or
211 raising contributions for a committee at a fund-raising affair held by,
212 sponsored by, or hosted by a communicator lobbyist or an agent of
213 such lobbyist, or a member of the immediate family of such lobbyist.

214 (28) "Slate committee" means a political committee formed by two or
215 more candidates for nomination or election to any municipal office in
216 the same town, city or borough, or in a primary for the office of justice
217 of the peace or the position of town committee member, whenever
218 such political committee will serve as the sole funding vehicle for the
219 candidates' campaigns.

220 (29) "Campaign-related disbursement" means (A) an independent
221 expenditure, as defined in section 9-601c, as amended by this act, or (B)
222 a covered transfer.

223 (30) (A) "Covered transfer" means any transfer or payment of funds
224 in an aggregate amount of one thousand dollars or more in the two
225 years that follow the initial transfer or payment by an entity covered
226 by the disclosure provisions under this chapter to a recipient who uses
227 such funds to make a campaign-related disbursement or
228 disbursements.

229 (B) "Covered transfer" does not include dues, fees or assessments
230 that are transferred between affiliated entities and paid by individuals
231 on a regular, periodic basis in accordance with a per-individual
232 calculation that is made on a regular basis. For purposes of this
233 subdivision, "affiliated" means (i) the governing instrument of the
234 entity requires it to be bound by decisions of the other entity; (ii) the
235 governing board of the entity includes persons who are specifically
236 designated representatives of the other entity or who are members of
237 the governing board, officers, or paid executive staff members of the

238 other entity, or whose service on the governing board is contingent
239 upon the approval of the other entity; or (iii) the entity is chartered by
240 the other entity. "Affiliated" includes entities that are an affiliate of the
241 other entity or where both of the entities are an affiliate of the same
242 entity.

243 (31) "Party building activities" includes, but is not limited to,
244 political meetings, conferences, events and conventions, and any
245 associated expenses.

246 (32) "Social media" means an electronic medium where users may
247 create and view user-generated content, such as uploaded or
248 downloaded videos or still photographs, blogs, video blogs, podcasts
249 or instant messages.

250 Sec. 2. Section 9-601a of the general statutes is repealed and the
251 following is substituted in lieu thereof (*Effective January 1, 2014*):

252 (a) As used in this chapter and chapter 157, "contribution" means:

253 (1) Any gift, subscription, loan, advance, payment or deposit of
254 money or anything of value, made for the purpose of influencing the
255 nomination for election, or election, of any person or for the purpose of
256 aiding or promoting the success or defeat of any referendum question
257 or [on behalf] the success or defeat of any political party;

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

260 (3) The payment by any person, other than a candidate or
261 [campaign] treasurer, of compensation for the personal services of any
262 other person which are rendered without charge to a committee or
263 candidate for any such purpose;

264 (4) An expenditure that is not an independent expenditure; or

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

267 (b) As used in this chapter and chapter 157, "contribution" does not
268 mean:

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

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

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

278 (4) Uncompensated services provided by individuals volunteering
279 their time on behalf of a party committee, political committee, slate
280 committee or candidate committee, including any services provided
281 for the benefit of nonparticipating and participating candidates under
282 the Citizens' Election Program and any unreimbursed travel expenses
283 made by an individual who volunteers the individual's personal
284 services to any such committee. For purposes of this subdivision, an
285 individual is a volunteer if such individual is not receiving
286 compensation for such services regardless of whether such individual
287 received compensation in the past or may receive compensation [in the
288 future for such services] for similar services that may be performed in
289 the future;

290 (5) The use of real or personal property, and the cost of invitations,
291 food or beverages, voluntarily provided by an individual to a
292 candidate, including a nonparticipating or participating candidate
293 under the Citizens' Election Program, party, political or slate
294 committee, in rendering voluntary personal services at the individual's
295 residential premises or a community room in the individual's
296 residence facility, to the extent that the cumulative value of the
297 invitations, food or beverages provided [for any single event] by an
298 individual on behalf of any candidate or committee does not exceed

299 four hundred dollars with respect to any [calendar year or primary or
300 general election, as the case may be, and] single event or does not
301 exceed eight hundred dollars for any such event hosted by two or
302 more individuals, provided at least one such individual owns or
303 resides at the residential premises, and further provided the
304 cumulative value of the invitations, food or beverages provided by an
305 individual on behalf of any such candidate or committee does not
306 exceed eight hundred dollars [in any] with respect to a calendar year
307 or single election, as the case may be;

308 (6) The sale of food or beverage for use by a party, political, slate or
309 candidate committee, including those for a participating or
310 nonparticipating candidate, at a discount, if the charge is not less than
311 the cost to the vendor, to the extent that the cumulative value of the
312 discount given to or on behalf of any single candidate committee does
313 not exceed four hundred dollars with respect to any single primary or
314 election, or to or on behalf of any party, political or slate committee,
315 does not exceed six hundred dollars in a calendar year;

316 (7) The display of a lawn sign by a human being or on real property;

317 (8) The payment, by a party committee or slate committee of the
318 costs of preparation, display, mailing or other distribution incurred by
319 the committee or individual with respect to any printed slate card,
320 sample ballot or other printed list containing the names of three or
321 more candidates;

322 (9) The donation of any item of personal property by an individual
323 to a committee for a fund-raising affair, including a tag sale or auction,
324 or the purchase by an individual of any such item at such an affair, to
325 the extent that the cumulative value donated or purchased does not
326 exceed one hundred dollars;

327 (10) (A) The purchase of advertising space which clearly identifies
328 the purchaser, in a program for a fund-raising affair sponsored by the
329 candidate committee of a candidate for an office of a municipality,
330 provided the cumulative purchase of such space does not exceed two

331 hundred fifty dollars from any single such candidate or the candidate's
332 committee with respect to any single election campaign if the
333 purchaser is a business entity or fifty dollars for purchases by any
334 other person;

335 (B) The purchase of advertising space which clearly identifies the
336 purchaser, in a program for a fund-raising affair or on signs at a fund-
337 raising affair sponsored by a town committee, provided the
338 cumulative purchase of such space does not exceed two hundred fifty
339 dollars from any single town committee in any calendar year if the
340 purchaser is a business entity or fifty dollars for purchases by any
341 other person. Notwithstanding the provisions of this subparagraph,
342 the following may not purchase advertising space in a program for a
343 fund-raising affair or on signs at a fund-raising affair sponsored by a
344 town committee: (i) A communicator lobbyist, (ii) a member of the
345 immediate family of a communicator lobbyist, (iii) a state contractor,
346 (iv) a prospective state contractor, or (v) a principal of a state
347 contractor or prospective state contractor. As used in this
348 subparagraph, "state contractor", "prospective state contractor" and
349 "principal of a state contractor or prospective state contractor" have the
350 same meanings as provided in subsection (g) of section 9-612;

351 (11) The payment of money by a candidate to the candidate's
352 candidate committee, provided the committee is for a nonparticipating
353 candidate;

354 (12) The donation of goods or services by a business entity to a
355 committee for a fund-raising affair, including a tag sale or auction, to
356 the extent that the cumulative value donated does not exceed two
357 hundred dollars;

358 (13) The advance of a security deposit by an individual to a
359 telephone company, as defined in section 16-1, for telecommunications
360 service for a committee or to another utility company, such as an
361 electric company, provided the security deposit is refunded to the
362 individual;

363 (14) The provision of facilities, equipment, technical and managerial
364 support, and broadcast time by a community antenna television
365 company, as defined in section 16-1, for community access
366 programming pursuant to section 16-331a, unless (A) the major
367 purpose of providing such facilities, equipment, support and time is to
368 influence the nomination or election of a candidate, or (B) such
369 facilities, equipment, support and time are provided on behalf of a
370 political party;

371 (15) The sale of food or beverage by a town committee to an
372 individual at a town fair, county fair, local festival or similar mass
373 gathering held within the state, to the extent that the cumulative
374 payment made by any one individual for such items does not exceed
375 fifty dollars;

376 (16) An organization expenditure by a party committee, legislative
377 caucus committee or legislative leadership committee;

378 (17) The donation of food or beverage by an individual for
379 consumption at a slate, candidate, political committee or party
380 committee meeting, event or activity that is not a fund-raising affair to
381 the extent that the cumulative value of the food or beverages donated
382 by an individual for a single meeting or event does not exceed fifty
383 dollars; [or]

384 (18) The value associated with the de minimis activity on behalf of a
385 party committee, political committee, slate committee or candidate
386 committee, including for activities including, but not limited to, (A) the
387 creation of electronic or written communications created on a
388 voluntary basis without compensation, including, but not limited to,
389 the creation and ongoing content development and delivery of social
390 media on the Internet or telephone, including, but not limited to, the
391 sending or receiving of electronic mail or messages, (B) the posting or
392 display of a candidate's name or group of candidates' names at a town
393 fair, county fair, local festival or similar mass gathering by a party
394 committee, or (C) the use of personal property or a service that is
395 customarily attendant to the occupancy of a residential dwelling, or

396 the donation of an item or items of personal property that are
397 customarily used for campaign purposes, by an individual, to a
398 candidate committee, provided the cumulative fair market value of
399 such use of personal property or service or items of personal property
400 does not exceed one hundred dollars in the aggregate for any single
401 election or calendar year, as the case may be; [. For purposes of this
402 subdivision, "social media" means an electronic medium where users
403 may create and view user-generated content, such as uploaded or
404 downloaded videos or still photographs, blogs, video blogs, podcasts
405 or instant messages.] or

406 (19) The use of offices, telephones, computers and similar
407 equipment provided by a party committee, legislative caucus
408 committee or legislative leadership committee that serve as
409 headquarters for or are used by such party committee, legislative
410 caucus committee or legislative leadership committee.

411 Sec. 3. Section 9-601b of the general statutes is repealed and the
412 following is substituted in lieu thereof (*Effective January 1, 2014*):

413 (a) As used in this chapter and chapter 157, the term "expenditure"
414 means:

415 (1) Any purchase, payment, distribution, loan, advance, deposit or
416 gift of money or anything of value, when made for the purpose of
417 influencing the nomination for election, or election, of any person or
418 for the purpose of aiding or promoting the success or defeat of any
419 referendum question or [on behalf] the success or defeat of any
420 political party;

421 (2) Any [advertisement] communication that (A) refers to one or
422 more clearly identified candidates, (B) is broadcast by radio, [or]
423 television, [other than on a public access channel] satellite
424 communication or via the Internet, or as a paid-for telephone
425 communication, or appears in a newspaper, magazine or on a
426 billboard, or is sent by mail, and (C) is broadcast or appears [during
427 the ninety-day period preceding the date of a primary or an election,

428 other than a commercial advertisement that refers to an owner,
429 director or officer of a business entity who is also a candidate and that
430 had previously been broadcast or appeared when the owner, director
431 or officer was not a candidate] on or after January first of the year
432 during which there will be an election for the office that the candidate
433 or candidates are seeking, but such communication does not include
434 speech or expression made prior to the ninety-day period preceding
435 the date of a primary or an election at which such clearly identified
436 candidate or candidates are seeking nomination or election to public
437 office or position, that is made for the purpose of influencing any
438 legislative or administrative action, as defined in section 1-91, by state
439 government or a political subdivision of the state; or

440 (3) The transfer of funds by a committee to another committee.

441 (b) The term "expenditure" does not mean:

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

444 (2) A communication made by any corporation, organization or
445 association solely to its members, owners, stockholders, executive or
446 administrative personnel, or their families;

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

451 (4) Uncompensated services provided by individuals volunteering
452 their time on behalf of a party committee, political committee, slate
453 committee or candidate committee, including any services provided
454 for the benefit of nonparticipating and participating candidates under
455 the Citizens' Election Program and any unreimbursed travel expenses
456 made by an individual who volunteers the individual's personal
457 services to any such committee. For purposes of this subdivision, an
458 individual is a volunteer if such individual is not receiving

459 compensation for such services regardless of whether such individual
460 received compensation in the past or may receive compensation for
461 similar services that may be performed in the future;

462 (5) Any news story, commentary or editorial distributed through
463 the facilities of any broadcasting station, newspaper, magazine or
464 other periodical, unless such facilities are owned or controlled by any
465 political party, committee or candidate;

466 (6) The use of real or personal property, and the cost of invitations,
467 food or beverages, voluntarily provided by an individual to a
468 candidate, [or on behalf of a state central or town] including a
469 nonparticipating or participating candidate under the Citizens'
470 Election Program, party, political or slate committee, in rendering
471 voluntary personal services [for candidate or party-related activities] at
472 the individual's [residence] residential premises or a community room
473 in the individual's residence facility, to the extent that the cumulative
474 value of the invitations, food or beverages provided by [the] an
475 individual on behalf of any [single candidate for nomination or
476 election] candidate or committee does not exceed [two] four hundred
477 dollars with respect to any single [election, and on behalf of all state
478 central and town committees does not exceed four] event or does not
479 exceed eight hundred dollars for any such event hosted by two or
480 more individuals, provided at least one such individual owns or
481 resides at the residential premises, and further provided the
482 cumulative value of the invitations, food or beverages provided by an
483 individual on behalf of any such candidate or committee does not
484 exceed eight hundred dollars [in] with respect to a calendar year or
485 single election, as the case may be;

486 [(7) Any unreimbursed payment for travel expenses made by an
487 individual who, on his own behalf, volunteers his personal services to
488 any single candidate to the extent that the cumulative value does not
489 exceed two hundred dollars with respect to any single election, and on
490 behalf of all state or town committees does not exceed four hundred
491 dollars in a calendar year; or]

492 [(8)] (7) An organization expenditure by a party committee,
493 legislative caucus committee or legislative leadership committee; [.] or

494 (8) A commercial advertisement that refers to an owner, director or
495 officer of a business entity who is also a candidate and that had
496 previously been broadcast or appeared when the owner, director or
497 officer was not a candidate.

498 (c) "Expense incurred but not paid" means any receipt of goods or
499 services for which payment is required but not made or a written
500 contract, promise or agreement to make an expenditure.

501 Sec. 4. Section 9-601c of the general statutes is repealed and the
502 following is substituted in lieu thereof (*Effective January 1, 2014*):

503 (a) As used in this chapter and chapter 157, the term "independent
504 expenditure" means an expenditure, as defined in section 9-601b, as
505 amended by this act, that is made without the consent, coordination, or
506 consultation of, a candidate or agent of the candidate, candidate
507 committee, political committee or party committee, but shall not
508 include an expenditure or expenditures by a human being acting alone
509 in an amount that is two hundred fifty dollars or less, in the aggregate,
510 that benefits a candidate for a single election.

511 (b) When the State Elections Enforcement Commission evaluates an
512 expenditure to determine whether such expenditure is an independent
513 expenditure, there shall be a rebuttable presumption that the following
514 expenditures are not independent expenditures:

515 (1) An expenditure made by a person in cooperation, consultation or
516 in concert with, at the request, suggestion or direction of, or pursuant
517 to a general or particular understanding with (A) a candidate,
518 candidate committee, political committee or party committee, or (B) a
519 consultant or other agent acting on behalf of a candidate, candidate
520 committee, political committee or party committee;

521 (2) An expenditure made by a person for the production,
522 dissemination, distribution or publication, in whole or in substantial

523 part, of any broadcast or any written, graphic or other form of political
524 advertising or campaign communication prepared by (A) a candidate,
525 candidate committee, political committee or party committee, or (B) a
526 consultant or other agent acting on behalf of a candidate, candidate
527 committee, political committee or party committee;

528 (3) An expenditure made by a person based on information about a
529 candidate's, political committee's, or party committee's plans, projects
530 or needs, provided by (A) a candidate, candidate committee, political
531 committee or party committee, or (B) a consultant or other agent acting
532 on behalf of a candidate, candidate committee, political committee or
533 party committee, with the intent that such expenditure be made;

534 (4) An expenditure made by an individual who, in the same election
535 cycle, is serving or has served as the campaign chairperson,
536 [campaign] treasurer or deputy treasurer of a candidate committee,
537 political committee or party committee benefiting from such
538 expenditure, or in any other executive or policymaking position,
539 including as a member, employee, fundraiser, consultant or other
540 agent, of a candidate, candidate committee, political committee or
541 party committee;

542 (5) An expenditure made by a person whose officer, director,
543 member, employee, fundraiser, consultant or other agent who serves
544 the person in an executive or policymaking position also serves as or
545 has served in the same election cycle as the candidate or the campaign
546 chairperson, [campaign] treasurer or deputy treasurer of a candidate
547 committee, political committee or party committee benefiting from
548 such expenditure, or in any other executive or policymaking position
549 of the candidate committee, political committee or party committee;

550 (6) An expenditure made by a person for fundraising activities (A)
551 with or for a candidate, candidate committee, political committee or
552 party committee, or a consultant or other agent acting on behalf of a
553 candidate, candidate committee, political committee or party
554 committee, or (B) for the solicitation or receipt of contributions on
555 behalf of a candidate, candidate committee, political committee or

556 party committee, or a consultant or other agent acting on behalf of a
557 candidate, candidate committee, political committee or party
558 committee;

559 (7) An expenditure made by a person based on information about a
560 candidate's campaign plans, projects or needs, that is directly or
561 indirectly provided by a candidate, the candidate's candidate
562 committee, a political committee or a party committee, or a consultant
563 or other agent acting on behalf of such candidate, candidate
564 committee, political committee or party committee, to the person
565 making the expenditure or such person's agent, with an express or tacit
566 understanding that such person is considering making the
567 expenditure;

568 (8) An expenditure made by a person for a communication that
569 clearly identifies a candidate during an election campaign, if the
570 person making the expenditure, or such person's agent, has informed
571 the candidate who benefits from the expenditure, that candidate's
572 candidate committee, a political committee or a party committee, or a
573 consultant or other agent acting on behalf of the benefiting candidate
574 or candidate committee, political committee, or party committee,
575 concerning the communication's contents, or of the intended audience,
576 timing, location or mode or frequency of dissemination. As used in this
577 subdivision, a communication clearly identifies a candidate when that
578 communication contains the name, nickname, initials, photograph or
579 drawing of the candidate or an unambiguous reference to that
580 candidate, which includes, but is not limited to, a reference that can
581 only mean that candidate; [and]

582 (9) An expenditure made by a person or an entity for consultant or
583 creative services, including, but not limited to, services related to
584 communications strategy or design or campaign strategy, to be used to
585 promote or oppose a candidate's election to office if the provider of
586 such services is also providing consultant or creative services to such
587 candidate, such candidate's candidate committee, or to any opposing
588 candidate in the same primary or election, or to such opposing

589 candidate's candidate committee. For purposes of this subdivision,
590 communications strategy or design does not include the costs of
591 printing or costs for the use of a medium for the purpose of
592 communications; [.]

593 (10) An expenditure made by a person or an entity on or after
594 January first in the year of an election in which a candidate is seeking
595 office that benefits such candidate when such person or entity has
596 hired an individual as an employee or consultant and such individual
597 was an employee of or consultant to such candidate during any part of
598 the eighteen-month period preceding such expenditure; and

599 (11) An expenditure made by a person or an entity on or after
600 January first in the year of an election in which a candidate is seeking
601 office that benefits such candidate when such person or entity making
602 the expenditure has hired a campaign-related vendor that has been
603 hired by such candidate during the same election cycle. For purposes
604 of this subdivision, campaign-related vendor includes, but is not
605 limited to, a vendor that provides the following services: Polling, mail
606 design, mail strategy, political strategy, general campaign advice or
607 telephone banking.

608 Sec. 5. Subsection (a) of section 9-606 of the general statutes is
609 repealed and the following is substituted in lieu thereof (*Effective*
610 *January 1, 2014*):

611 (a) The [campaign] treasurer of each committee shall be responsible
612 for (1) depositing, receiving and reporting all contributions and other
613 funds in the manner specified in section 9-608, as amended by this act,
614 (2) making and reporting expenditures, (3) reporting expenses
615 incurred but not yet paid, (4) filing the statements required under
616 section 9-608, as amended by this act, and (5) keeping internal records
617 of each entry made on such statements. The [campaign] treasurer of
618 each committee shall deposit contributions in the committee's
619 designated depository [within fourteen] not later than twenty days
620 after receiving them. The [campaign] treasurer of each political
621 committee or party committee which makes a contribution of goods to

622 another committee shall send written notice to the [campaign]
623 treasurer of the recipient committee before the close of the reporting
624 period during which the contribution was made. The notice shall be
625 signed by the [campaign] treasurer of the committee making the
626 contribution and shall include the full name of such committee, the
627 date on which the contribution was made, a complete description of
628 the contribution and the value of the contribution. Any dispute
629 concerning the information contained in such notice shall be resolved
630 by the [campaign] treasurer of the recipient committee. Such resolution
631 shall not impair in any way the authority of the State Elections
632 Enforcement Commission under section 9-7b. The [campaign]
633 treasurer of the recipient committee shall preserve each such notice
634 received for the period prescribed by subsection (f) of section 9-607.

635 Sec. 6. Subdivision (1) of subsection (g) of section 9-607 of the
636 general statutes is repealed and the following is substituted in lieu
637 thereof (*Effective January 1, 2014*):

638 (g) (1) As used in this subsection, (A) "the lawful purposes of his
639 committee" means: (i) For a candidate committee or exploratory
640 committee, the promoting of the nomination or election of the
641 candidate who established the committee, except that after a political
642 party nominates candidates for election to the offices of Governor and
643 Lieutenant Governor, whose names shall be so placed on the ballot in
644 the election that an elector will cast a single vote for both candidates,
645 as prescribed in section 9-181, a candidate committee established by
646 either such candidate may also promote the election of the other such
647 candidate; (ii) for a political committee, the promoting of a political
648 party, including party-building activities, the success or defeat of
649 candidates for nomination and election to public office or position
650 subject to the requirements of this chapter, or the success or defeat of
651 referendum questions, provided a political committee formed for a
652 single referendum question shall not promote the success or defeat of
653 any candidate, and provided further a legislative leadership committee
654 or a legislative caucus committee may expend funds to defray costs of
655 its members for conducting legislative or constituency-related business

656 which are not reimbursed or paid by the state; and (iii) for a party
657 committee, the promoting of the party, the candidates of the party and
658 continuing operating costs of the party, and (B) "immediate family"
659 means a spouse or dependent child of a candidate who resides in the
660 candidate's household.

661 Sec. 7. Subsection (a) of section 9-612 of the general statutes is
662 repealed and the following is substituted in lieu thereof (*Effective*
663 *January 1, 2014*):

664 (a) No individual shall make a contribution or contributions in any
665 one calendar year in excess of [five] ten thousand dollars to the state
666 central committee of any party, or for the benefit of such committee
667 pursuant to its authorization or request; or [one] two thousand dollars
668 to a town committee of any political party, or for the benefit of such
669 committee pursuant to its authorization or request; or [one] two
670 thousand dollars to a legislative caucus committee or legislative
671 leadership committee, or [seven hundred fifty] one thousand dollars to
672 any other political committee other than (1) a political committee
673 formed solely to aid or promote the success or defeat of a referendum
674 question, (2) an exploratory committee, (3) a political committee
675 established by an organization, or for the benefit of such committee
676 pursuant to its authorization or request, or (4) a political committee
677 formed by a slate of candidates in a primary for the office of justice of
678 the peace of the same town.

679 Sec. 8. Subsection (e) of section 9-612 of the general statutes is
680 repealed and the following is substituted in lieu thereof (*Effective*
681 *January 1, 2014*):

682 (e) (1) Any (A) individual, [entity or] (B) committee, or (C) entity
683 that is otherwise legally permitted to make independent expenditures,
684 acting alone, may make unlimited independent expenditures. Except
685 as provided in subdivision (2) of this subsection, any such individual,
686 entity or committee that makes or obligates to make an independent
687 expenditure or expenditures in excess of one thousand dollars, in the
688 aggregate, shall file statements according to the same schedule and in

689 the same manner as is required of a [campaign] treasurer of a
690 candidate committee under section 9-608, as amended by this act.

691 (2) Any individual, entity or committee that makes or obligates to
692 make an independent expenditure or expenditures to promote the
693 success or defeat of a candidate for the office of Governor, Lieutenant
694 Governor, Secretary of the State, State Treasurer, State Comptroller,
695 Attorney General, state senator or state representative, which [exceeds]
696 exceed one thousand dollars, in the aggregate, during a primary
697 campaign or a general election campaign, as defined in section 9-700,
698 on or after January 1, 2008, shall file a report of such independent
699 expenditure to the State Elections Enforcement Commission. The
700 report shall be in the same form as statements filed under section 9-
701 608, as amended by this act, except that such report shall be filed
702 electronically. If the individual, entity or committee makes or obligates
703 to make such independent expenditure or expenditures more than
704 ninety days before the day of a primary or election, the individual,
705 entity or committee shall file such report not later than [forty-eight]
706 twenty-four hours after such payment or obligation. If the individual,
707 entity or committee makes or obligates to make such independent
708 expenditure or expenditures ninety days or less before the day of a
709 primary or election, the person shall file such report not later than
710 [twenty-four] twelve hours after such payment or obligation. The
711 report shall be filed under penalty of false statement.

712 (3) The independent expenditure report shall (A) identify the
713 candidate for whom the independent expenditure or expenditures is
714 intended to promote the success or defeat, (B) affirm under penalty of
715 false statement that the expenditure is an independent expenditure,
716 and (C) provide any information that the State Elections Enforcement
717 Commission requires to facilitate compliance with the provisions of
718 this chapter or chapter 157.

719 (4) Any person may file a complaint with the commission upon the
720 belief that (A) any such independent expenditure report or statement
721 is false, or (B) any individual, entity or committee that is required to

722 file an independent expenditure report under this subsection has failed
723 to do so. The commission shall make a prompt determination on such
724 a complaint.

725 (5) (A) If an individual, entity or committee fails to file a report
726 required under subdivision (2) of this subsection for an independent
727 expenditure or expenditures made or obligated to be made more than
728 ninety days before the day of a primary or election, the person shall be
729 subject to a civil penalty, imposed by the State Elections Enforcement
730 Commission, of not more than five thousand dollars. If an individual,
731 entity or committee fails to file a report required under subdivision (2)
732 of this subsection for an independent expenditure or expenditures
733 made or obligated to be made ninety days or less before the day of a
734 primary or election, such individual, entity or committee shall be
735 subject to a civil penalty, imposed by the State Elections Enforcement
736 Commission, of not more than ten thousand dollars. (B) If any such
737 failure is knowing and wilful, the person responsible for the failure
738 shall also be fined not more than five thousand dollars or imprisoned
739 not more than five years, or both.

740 (6) (A) As part of any statement filed pursuant to this subsection, if
741 an entity that engages in an independent expenditure makes such
742 campaign-related disbursement out of a segregated bank account
743 consisting only of funds donated directly to the account and not
744 transferred to the account by the entity, the entity shall disclose those
745 donors who gave an aggregate of one thousand dollars or more to the
746 account on or after January first of the year during which there will be
747 an election for the office that the candidate who was the subject of such
748 expenditure is seeking, the amount of each donation and the aggregate
749 amount given by each donor, except as provided in subparagraph (C)
750 of this subdivision.

751 (B) As part of any statement filed pursuant to this subsection by an
752 entity, if any such entity (i) is able to accept donations into its general
753 treasury, (ii) engages in an independent expenditure on or after
754 January first of the year during which there will be an election for the

755 office that a candidate who was the subject of such expenditure is
756 seeking, and (iii) makes such campaign-related disbursement out of its
757 general treasury, such entity shall disclose the source and the amount
758 of all donations to the general treasury, including dues payments, if
759 any, of one thousand dollars or more, in the aggregate amount given
760 by each donor, except as provided in subparagraph (C) of this
761 subdivision, and excluding any funds received in a commercial
762 transaction or in the form of an investment.

763 (C) If a donor restricts his or her donation to a not-for-profit entity
764 from being used for a campaign-related disbursement, and the entity
765 consents to the restriction and segregates the money into any account
766 not used to make a campaign-related disbursement, the identity of the
767 donor does not have to be disclosed.

768 Sec. 9. Section 9-621 of the general statutes is repealed and the
769 following is substituted in lieu thereof (*Effective January 1, 2014*):

770 (a) No individual shall make or incur any expenditure with the
771 consent of, in coordination with or in consultation with any candidate,
772 candidate committee or candidate's agent, no group of two or more
773 individuals acting together that receives funds or makes or incurs
774 expenditures not exceeding one thousand dollars in the aggregate and
775 has not formed a political committee shall make or incur any
776 expenditure, and no candidate or committee shall make or incur any
777 expenditure including an organization expenditure for a party
778 candidate listing, as defined in subparagraph (A) of subdivision (25) of
779 section 9-601, as amended by this act, for any written, typed or other
780 printed communication, or any web-based, written communication,
781 which promotes the success or defeat of any candidate's campaign for
782 nomination at a primary or election or promotes or opposes any
783 political party or solicits funds to benefit any political party or
784 committee unless such communication bears upon its face as a
785 disclaimer (1) the words "paid for by" and the following: (A) In the
786 case of such an individual, the name and address of such individual;
787 (B) in the case of a committee other than a party committee, the name

788 of the committee and its [campaign] treasurer; (C) in the case of a party
789 committee, the name of the committee; or (D) in the case of a group of
790 two or more individuals that receives funds or makes or incurs
791 expenditures not exceeding one thousand dollars in the aggregate and
792 has not formed a political committee, the name of the group and the
793 name and address of its agent, and (2) the words "approved by" and
794 the following: (A) In the case of an individual, group or committee
795 other than a candidate committee making or incurring an expenditure
796 with the consent of, in coordination with or in consultation with any
797 candidate, candidate committee or candidate's agent, the name of the
798 candidate; or (B) in the case of a candidate committee, the name of the
799 candidate.

800 (b) In addition to the requirements of subsection (a) of this section:

801 (1) No candidate or candidate committee or exploratory committee
802 established by a candidate shall make or incur any expenditure for
803 television advertising or Internet video advertising, which promotes
804 the success of such candidate's campaign for nomination at a primary
805 or election or the defeat of another candidate's campaign for
806 nomination at a primary or election, unless, as a disclaimer, (A) at the
807 end of such advertising there appears simultaneously, for a period of
808 not less than four seconds, (i) a clearly identifiable photographic or
809 similar image of the candidate making such expenditure, (ii) a clearly
810 readable printed statement identifying such candidate, and indicating
811 that such candidate has approved the advertising, and (iii) a
812 simultaneous, personal audio message, in the following form: "I am ...
813 (candidate's name) and I approved this message", and (B) the
814 candidate's name and image appear in, and the candidate's voice is
815 contained in, the narrative of the advertising, before the end of such
816 advertising;

817 (2) No candidate or candidate committee or exploratory committee
818 established by a candidate shall make or incur any expenditure for
819 radio advertising or Internet audio advertising, which promotes the
820 success of such candidate's campaign for nomination at a primary or

821 election or the defeat of another candidate's campaign for nomination
822 at a primary or election, unless, as a disclaimer, (A) the advertising
823 ends with a personal audio statement by the candidate making such
824 expenditure (i) identifying such candidate and the office such
825 candidate is seeking, and (ii) indicating that such candidate has
826 approved the advertising in the following form: "I am ... (candidate's
827 name) and I approved this message", and (B) the candidate's name and
828 voice are contained in the narrative of the advertising, before the end
829 of such advertising; and

830 (3) No candidate or candidate committee or exploratory committee
831 established by a candidate shall make or incur any expenditure for
832 automated telephone calls which promote the success of such
833 candidate's campaign for nomination at a primary or election or the
834 defeat of another candidate's campaign for nomination at a primary or
835 election, unless the candidate's name and voice are contained in the
836 narrative of the call, before the end of such call.

837 (c) No business entity, organization, association, committee, or
838 group of two or more individuals who have joined solely to promote
839 the success or defeat of a referendum question shall make or incur any
840 expenditure for any written, typed or other printed communication
841 which promotes the success or defeat of any referendum question
842 unless such communication bears upon its face, as a disclaimer, the
843 words "paid for by" and the following: (1) In the case of a business
844 entity, organization or association, the name of the business entity,
845 organization or association and the name of its chief executive officer
846 or equivalent and a list of at least five of the donors whose donations,
847 in the aggregate, are in the top five largest amounts to the entity
848 during the two years preceding the expenditure and whose donations
849 are not excluded from disclosure under subparagraph (C) of
850 subdivision (6) of subsection (e) of section 9-612, as amended by this
851 act, and an address to an Internet web site that lists all donors subject
852 to disclosure under said section 9-612 and such donors' addresses; (2)
853 in the case of a political committee, the name of the committee and the
854 name of its [campaign] treasurer; (3) in the case of a party committee,

855 the name of the committee; or (4) in the case of such a group of two or
856 more individuals, the name of the group and the name and address of
857 its agent.

858 (d) The provisions of subsections (a), (b) and (c) of this section do
859 not apply to (1) any editorial, news story, or commentary published in
860 any newspaper, magazine or journal on its own behalf and upon its
861 own responsibility and for which it does not charge or receive any
862 compensation whatsoever, (2) any banner, (3) political paraphernalia
863 including pins, buttons, badges, emblems, hats, bumper stickers or
864 other similar materials, or (4) signs with a surface area of not more
865 than thirty-two square feet.

866 (e) The [campaign] treasurer of a candidate committee which
867 sponsors any written, typed or other printed communication for the
868 purpose of raising funds to eliminate a campaign deficit of that
869 committee shall include in such communication a statement that the
870 funds are sought to eliminate such a deficit.

871 (f) The [campaign] treasurer of an exploratory committee or
872 candidate committee established by a candidate for nomination or
873 election to the office of Treasurer which committee sponsors any
874 written, typed or other printed communication for the purpose of
875 raising funds shall include in such communication a statement
876 concerning the prohibitions set forth in subsection (n) of section 1-84,
877 subsection (f) of section 9-612 and subsection (f) of section 9-613.

878 (g) In the event a [campaign] treasurer of a candidate committee is
879 replaced pursuant to subsection (c) of section 9-602, nothing in this
880 section shall be construed to prohibit the candidate committee from
881 distributing any printed communication subject to the provisions of
882 this section that has already been printed or otherwise produced, even
883 though such communication does not accurately designate the
884 successor [campaign] treasurer of such candidate committee.

885 (h) (1) No individual or entity shall make or incur an independent
886 expenditure for any written, typed or other printed communication,

887 including on a billboard, or any web-based, written communication,
888 [that promotes the success or defeat of any candidate for nomination
889 or election or promotes or opposes any political party or solicits funds
890 to benefit any political party or committee,] unless such
891 communication bears upon its face, as a disclaimer, the words "Paid
892 for by" and, in the case of an individual, the name and address of such
893 individual, or, in the case of an entity, the name of the entity, the name
894 of its chief executive officer or equivalent, and its principal business
895 address. [and] The communication shall also bear upon its face the
896 words "This message was made independent of any candidate or
897 political party.". In the case of an entity making or incurring such an
898 independent expenditure, [which entity is a tax-exempt organization
899 under Section 501(c) of the Internal Revenue Code of 1986, or any
900 subsequent corresponding internal revenue code of the United States,
901 as amended from time to time, or an incorporated tax-exempt political
902 organization organized under Section 527 of said code, such
903 communication shall also bear upon its face the words "Top Five
904 Contributors" followed by a list of the five persons or entities making
905 the largest contributions to such organization during the twelve-month
906 period before the date of such communication] such communication
907 shall also bear upon its face at least five of the donors to the entity
908 making such communication whose donations, in the aggregate, are in
909 the top five largest amounts to the entity during the two years
910 preceding the expenditure and whose donations are not excluded from
911 disclosure under subparagraph (C) of subdivision (6) of subsection (e)
912 of section 9-612, as amended by this act, and an address to an Internet
913 web site that lists all donors subject to disclosure under said section 9-
914 612 and such donors' addresses.

915 (2) In addition to the requirements of subdivision (1) of this
916 subsection, no individual or entity shall make or incur an independent
917 expenditure for [television advertising or Internet video advertising,
918 that promotes the success or defeat of any candidate for nomination or
919 election or promotes or opposes any political party or solicits funds to
920 benefit any political party or committee] a video broadcast by
921 television, satellite or Internet, unless at the end of such advertising

922 there appears simultaneously, for a period of not less than four
923 seconds as a disclaimer, (A) a clearly identifiable video, photographic
924 or similar image of the individual or the entity's chief executive officer
925 or equivalent, and (B) a personal audio message, in the following form:
926 "I am (name of the individual or entity's chief executive officer or
927 equivalent), (title) of (entity). This message was made
928 independent of any candidate or political party, and I approved its
929 content.". In the case of an entity making or incurring such an
930 independent expenditure, [which entity is a tax-exempt organization
931 under Section 501(c) of the Internal Revenue Code of 1986, or any
932 subsequent corresponding internal revenue code of the United States,
933 as amended from time to time, or an incorporated tax-exempt political
934 organization organized under Section 527 of said code, such
935 advertising shall also include a written message in the following form:
936 "The top five contributors to the organization responsible for this
937 advertisement are" followed by a list of the five persons or entities
938 making the largest contributions during the twelve-month period
939 before the date of such advertisement] such communication shall also
940 include a written message listing at least five of the donors to the entity
941 whose donations, in the aggregate, are in the top five largest amounts
942 to the entity during the two years preceding the expenditure and
943 whose donations are not excluded from disclosure under
944 subparagraph (C) of subdivision (6) of subsection (e) of section 9-612,
945 as amended by this act, and an address to an Internet web site that lists
946 all donors subject to disclosure under said section 9-612 and such
947 donors' addresses.

948 (3) In addition to the requirements of subdivision (1) of this
949 subsection, no individual or entity shall make or incur an independent
950 expenditure for [radio advertising or Internet audio advertising, that
951 promotes the election or defeat of any candidate for nomination or
952 election or promotes or opposes any political party or solicits funds to
953 benefit any political party or committee] an audio communication
954 broadcast by radio, satellite or Internet, unless the advertising ends
955 with a disclaimer that is a personal audio statement by the individual
956 or entity's chief executive officer or equivalent (A) identifying the

957 individual or entity paying for the expenditure, and (B) indicating that
958 the message was made independent of any candidate or political party,
959 using the following form: "I am (name of individual or entity's chief
960 executive officer or equivalent), (title), of (entity). This message
961 was made independent of any candidate or political party, and I
962 approved its content.". In the case of an entity making or incurring
963 such an independent expenditure, [which entity is a tax-exempt
964 organization under Section 501(c) of the Internal Revenue Code of
965 1986, or any subsequent corresponding internal revenue code of the
966 United States, as amended from time to time, or an incorporated tax-
967 exempt political organization organized under Section 527 of said
968 code, such advertising shall also include (i) an audio message in the
969 following form: "The top five contributors to the organization
970 responsible for this advertisement are" followed by a list of the five
971 persons or entities making the largest contributions during the twelve-
972 month period before the date of such advertisement, or (ii) in the case
973 of such an advertisement that is thirty seconds in duration or shorter,
974 an audio message providing a web site address that lists such five
975 persons or entities. In such case, the organization shall establish and
976 maintain such a web site with such listing for the entire period during
977 which such organization makes such advertisement] such
978 communication shall end with a list of at least five of the donors to the
979 entity making such communication whose donations, in the aggregate,
980 are in the top five largest amounts to the entity during the two years
981 preceding the expenditure and whose donations are not excluded from
982 disclosure under subparagraph (C) of subdivision (6) of subsection (e)
983 of section 9-612, as amended by this act, and an address to an Internet
984 web site that lists all donors subject to disclosure under said section 9-
985 612 and such donors' addresses.

986 (4) In addition to the requirements of subdivision (1) of this
987 subsection, no individual or entity shall make or incur an independent
988 expenditure for [automated] telephone calls, [that promote the election
989 or defeat of any candidate for nomination or election or promotes or
990 opposes any political party or solicits funds to benefit any political
991 party or committee] including those which are automated, unless the

992 narrative of the telephone call identifies the individual or entity
993 making the expenditure and its chief executive officer or equivalent [.
994 In the case of an entity making or incurring such an independent
995 expenditure, which entity is a tax-exempt organization under Section
996 501(c) of the Internal Revenue Code of 1986, or any subsequent
997 corresponding internal revenue code of the United States, as amended
998 from time to time, or an incorporated tax-exempt political organization
999 organized under Section 527 of said code, such narrative shall also
1000 include an audio message in the following form: "The top five
1001 contributors to the organization responsible for this telephone call are"
1002 followed by a list of the five persons or entities making the largest
1003 contributions during the twelve-month period before the date of such
1004 telephone call.] and such narrative ends with a list of at least five of the
1005 donors to the entity making such telephone call whose donations, in
1006 the aggregate, are in the top five largest amounts to the entity during
1007 the two years preceding the expenditure and whose donations are not
1008 excluded from disclosure under subparagraph (C) of subdivision (6) of
1009 subsection (e) of section 9-612, as amended by this act, and an address
1010 to an Internet web site that lists all donors subject to disclosure under
1011 said section 9-612 and such donors' addresses.

1012 (i) In any print, television or social media promotion of a slate of
1013 candidates by a party committee, the party committee shall use
1014 applicable disclaimers pursuant to the provisions of this section for
1015 such promotion, and no individual candidate disclaimers shall be
1016 required.

1017 (j) Notwithstanding the provisions of this section, any entity that is
1018 required under the provisions of this section to list or identify donors
1019 in any disclaimer made in the case of an independent expenditure shall
1020 list such donors as individuals. In any case where a donor is another
1021 entity that made a covered transfer to such entity, the individual
1022 donors to the entity making the covered transfer shall also be listed in
1023 any required Internet web site listing, and, if any such individual
1024 donor is a donor to the entity making the independent expenditure
1025 whose donations, in the aggregate, are in the top five largest amounts

1026 to the entity during the two years preceding the expenditure and
1027 whose donations are not excluded from disclosure under
1028 subparagraph (C) of subdivision (6) of subsection (e) of section 9-612,
1029 as amended by this act, then at least five of such individual donors
1030 shall be listed pursuant to the provisions of this section.

1031 (k) Any disclaimer required to be on the face of a written, typed or
1032 other printed communication pursuant to the provisions of this section
1033 shall be printed in no smaller than eight-point type of uniform font
1034 when such disclaimer is on a communication contained in a flyer or
1035 leaflet, newspaper, magazine or similar literature, or that is delivered
1036 by mail.

1037 (l) Notwithstanding the provisions of this section, any requirement
1038 to list donors as part of a disclaimer or on an Internet web site shall
1039 only apply to donors whose donations in the aggregate, are in an
1040 amount of one thousand dollars or greater to the entity.

1041 Sec. 10. (NEW) (*Effective January 1, 2014*) (a) Any entity incorporated,
1042 organized or operating in this state, shall disclose any campaign-
1043 related disbursement to the public on the entity's Internet web site not
1044 later than forty-eight hours after making or obligating to make such
1045 disbursement and file a report of such disbursement electronically
1046 with the State Elections Enforcement Commission under the
1047 provisions of section 9-612 of the general statutes, as amended by this
1048 act.

1049 (b) Any such entity required to file a statement under section 9-612
1050 of the general statutes, as amended by this act, after making or
1051 obligating to make an independent expenditure shall do at least one of
1052 the following: (1) If the entity submits regular, periodic reports to its
1053 shareholders, members or donors, on the entity's finances or activities,
1054 include in each such report (A) the identity of the individual making
1055 any campaign-related disbursement and the business address of such
1056 individual, (B) the amount and date of each such disbursement and the
1057 identity of the individual to whom such disbursement was made, (C)
1058 the candidate or candidates or ballot issue to which such

1059 disbursements are related, and (D) the identity of any individual who
1060 made a donation in excess of one thousand dollars to the entity, for
1061 any campaign-related disbursements made by the entity during the
1062 period such report covers, or (2) provide on the entity's Internet web
1063 site a link to the entity's filed disclosure reports under said section 9-
1064 612.

1065 Sec. 11. (NEW) (*Effective January 1, 2014*) If the State Elections
1066 Enforcement Commission finds that an expenditure, as defined in
1067 section 9-601b of the general statutes, as amended by this act, is
1068 coordinated with a candidate committee or candidate or an agent of
1069 the candidate, in a manner not permissible under the provisions of
1070 chapter 155 of the general statutes, the candidate, agent of the
1071 candidate, if applicable, and treasurer of such committee shall be
1072 jointly and severally liable for paying any penalty levied by the
1073 commission under section 9-7b of the general statutes. If such
1074 candidate is a participating candidate, as described in section 9-703 of
1075 the general statutes, the candidate shall return grant money awarded
1076 under chapter 157 of the general statutes to the Citizens' Election Fund,
1077 established in section 9-701 of the general statutes, in an amount
1078 determined by the commission.

1079 Sec. 12. (NEW) (*Effective January 1, 2014*) (a) (1) Wherever the term
1080 "campaign treasurer" is used in the following sections of the general
1081 statutes, the term "treasurer" shall be substituted in lieu thereof; and (2)
1082 wherever the term "deputy campaign treasurer" is used in the
1083 following sections of the general statutes, the term "deputy treasurer"
1084 shall be substituted in lieu thereof: 9-7b, 9-602, 9-604, 9-605, 9-606, 9-
1085 607, 9-608, 9-609, 9-610, 9-612, 9-614, 9-622, 9-623, 9-624, 9-675, 9-700, 9-
1086 703, 9-704, 9-706, 9-707, 9-709, 9-711 and 9-712, as amended by this act.

1087 (b) The Legislative Commissioners' Office shall, in codifying the
1088 provisions of this section, make such technical, grammatical and
1089 punctuation changes as are necessary to carry out the purposes of this
1090 section.

1091 Sec. 13. Subsection (c) of section 9-605 of the general statutes is

1092 repealed and the following is substituted in lieu thereof (*Effective*
1093 *January 1, 2014*):

1094 (c) The [chairman] treasurer of each political committee shall report
1095 any addition to or change in information previously submitted in a
1096 statement of organization to the proper authority not later than ten
1097 days after the addition or change, provided if an officer of the
1098 committee has changed, such amended statement shall be filed by the
1099 chairperson of the committee.

1100 Sec. 14. Subsection (a) of section 9-608 of the general statutes is
1101 repealed and the following is substituted in lieu thereof (*Effective*
1102 *January 1, 2014*):

1103 (a) (1) Each treasurer of a committee, other than a state central
1104 committee, shall file a statement, sworn under penalty of false
1105 statement with the proper authority in accordance with the provisions
1106 of section 9-603, (A) on the tenth calendar day in the months of
1107 January, April, July and October, provided, if such tenth calendar day
1108 is a Saturday, Sunday or legal holiday, the statement shall be filed on
1109 the next business day, except that in the case of a candidate or
1110 exploratory committee established for an office to be elected at a
1111 special election, statements pursuant to this subparagraph shall not be
1112 required, (B) on the seventh day preceding each regular state election,
1113 except that (i) in the case of a candidate or exploratory committee
1114 established for an office to be elected at a municipal election, the
1115 statement shall be filed on the seventh day preceding a regular
1116 municipal election in lieu of such date, except if the candidate's name
1117 is not eligible to appear on the ballot, in which case such statement
1118 shall not be required, (ii) in the case of a town committee, the
1119 statement shall be filed on the seventh day preceding each municipal
1120 election in addition to such date, [and] (iii) in the case of a candidate
1121 committee in a state election that is required to file any supplemental
1122 campaign finance statements pursuant to subdivisions (1) and (2) of
1123 subsection (a) of section 9-712, as amended by this act, such
1124 supplemental campaign finance statements shall satisfy the filing

1125 requirement under this subdivision, and (iv) in the case of a candidate
1126 committee established by a candidate whose name is not eligible to
1127 appear on the ballot, such statement shall not be required, and (C) if
1128 the committee has made or received a contribution or expenditure in
1129 connection with any other election, a primary or a referendum, on the
1130 seventh day preceding the election, primary or referendum, except that
1131 in the case of a candidate committee in a primary that is required to
1132 file statements pursuant to subdivisions (1) and (2) of subsection (a) of
1133 section 9-712, as amended by this act, such statements shall satisfy the
1134 filing requirement under this subdivision. The statement shall be
1135 complete as of eleven fifty-nine o'clock p.m. of the last day of the
1136 month preceding the month in which the statement is required to be
1137 filed, except that for the statement required to be filed on the seventh
1138 day preceding the election, primary or referendum, the statement shall
1139 be complete as of eleven fifty-nine o'clock p.m. of the second day
1140 immediately preceding the required filing day. The statement shall
1141 cover a period to begin with the first day not included in the last filed
1142 statement. In the case of a candidate committee, the statement required
1143 to be filed in January shall be in lieu of the statement formerly required
1144 to be filed within forty-five days following an election.

1145 (2) Each [campaign] treasurer of a candidate committee [, within]
1146 established by a candidate in a primary, not later than thirty days
1147 following [any] such primary, and each [campaign] treasurer of a
1148 political committee formed for a single primary, election or
1149 referendum, [within] not later than forty-five days after any election or
1150 referendum not held in November, shall file statements in the same
1151 manner as is required of them under subdivision (1) of this subsection.
1152 A candidate committee established by a candidate who is unsuccessful
1153 in the primary shall not be required to file any statements required
1154 under subdivision (1) of this subsection following the primary unless
1155 the candidate is eligible to appear on the general election ballot. If the
1156 [campaign] treasurer of a candidate committee established by a
1157 candidate, who is unsuccessful in the primary or has terminated his
1158 candidacy prior to the primary, distributes all surplus funds within
1159 thirty days following the scheduled primary and discloses the

1160 distribution on the postprimary statement, such [campaign] treasurer
1161 shall not be required to file any subsequent statement unless the
1162 committee has a deficit, in which case he shall file any required
1163 statements in accordance with the provisions of subdivision (3) of
1164 subsection (e) of this section.

1165 (3) In the case of state central committees, (A) on the tenth calendar
1166 day in the months of January, April and July, provided, if such tenth
1167 calendar day is a Saturday, Sunday or legal holiday, on the next
1168 business day, [and] (B) on the twelfth day preceding any regular
1169 election, and (C) if the committee has made or received a contribution
1170 or expenditure in connection with any other election, or any primary
1171 or referendum, on the twelfth day preceding the election, primary or
1172 referendum, the [campaign] treasurer of each such committee shall file
1173 with the proper authority, a statement, sworn under penalty of false
1174 statement, complete as of the last day of the month immediately
1175 preceding the month in which such statement is to be filed in the case
1176 of statements required to be filed in January, April and July, and
1177 complete as of the nineteenth day preceding an election, primary or
1178 referendum in the case of the statement required to be filed on the
1179 twelfth day preceding an election, primary or referendum, and in each
1180 case covering a period to begin with the first day not included in the
1181 last filed statement.

1182 Sec. 15. Subdivision (1) of subsection (e) of section 9-608 of the
1183 general statutes is repealed and the following is substituted in lieu
1184 thereof (*Effective January 1, 2014*):

1185 (e) (1) Notwithstanding any provisions of this chapter, in the event
1186 of a surplus the [campaign] treasurer of a candidate committee or of a
1187 political committee, other than a political committee formed for
1188 ongoing political activities or an exploratory committee, shall
1189 distribute or expend such surplus not later than ninety days, or for the
1190 purposes of subparagraph (H) of this subdivision, one hundred twenty
1191 days after a primary which results in the defeat of the candidate, an
1192 election or referendum not held in November or by March thirty-first

1193 following an election or referendum held in November, or for the
1194 purposes of subparagraph (H) of this subdivision, June thirtieth
1195 following an election or referendum held in November, in the
1196 following manner:

1197 (A) Such committees may distribute their surplus to a party
1198 committee, or a political committee organized for ongoing political
1199 activities, return such surplus to all contributors to the committee on a
1200 prorated basis of contribution, distribute all or any part of such surplus
1201 to the Citizens' Election Fund established in section 9-701, ~~[or]~~
1202 distribute such surplus to any charitable organization which is a tax-
1203 exempt organization under Section 501(c)(3) of the Internal Revenue
1204 Code of 1986, or any subsequent corresponding internal revenue code
1205 of the United States, as from time to time amended, or, in the case of a
1206 candidate committee for any candidate, other than a participating
1207 candidate, distribute such surplus to an organization under Section
1208 501(c)(19) of said code, as from time to time amended, provided (i) no
1209 candidate committee may distribute such surplus to a committee
1210 which has been established to finance future political campaigns of the
1211 candidate, (ii) a candidate committee which received moneys from the
1212 Citizens' Election Fund shall distribute such surplus to such fund, and
1213 (iii) a candidate committee for a nonparticipating candidate, as
1214 described in subsection (b) of section 9-703, may only distribute any
1215 such surplus to the Citizens' Election Fund or to a charitable
1216 organization;

1217 (B) Each such political committee established by an organization
1218 which received its funds from the organization's treasury shall return
1219 its surplus to its sponsoring organization;

1220 (C) (i) Each political committee formed solely to aid or promote the
1221 success or defeat of any referendum question, which does not receive
1222 contributions from a business entity or an organization, shall distribute
1223 its surplus to a party committee, to a political committee organized for
1224 ongoing political activities, to a national committee of a political party,
1225 to all contributors to the committee on a prorated basis of contribution,

1226 to state or municipal governments or agencies or to any organization
1227 which is a tax-exempt organization under Section 501(c)(3) of the
1228 Internal Revenue Code of 1986, or any subsequent corresponding
1229 internal revenue code of the United States, as from time to time
1230 amended. (ii) Each political committee formed solely to aid or promote
1231 the success or defeat of any referendum question, which receives
1232 contributions from a business entity or an organization, shall distribute
1233 its surplus to all contributors to the committee on a prorated basis of
1234 contribution, to state or municipal governments or agencies, or to any
1235 organization which is tax-exempt under said provisions of the Internal
1236 Revenue Code. Notwithstanding the provisions of this subsection, a
1237 committee formed for a single referendum shall not be required to
1238 expend its surplus not later than ninety days after the referendum and
1239 may continue in existence if a substantially similar referendum
1240 question on the same issue will be submitted to the electorate within
1241 six months after the first referendum. If two or more substantially
1242 similar referenda on the same issue are submitted to the electorate,
1243 each no more than six months apart, the committee shall expend such
1244 surplus within ninety days following the date of the last such
1245 referendum;

1246 (D) The [campaign] treasurer of the candidate committee of a
1247 candidate who is elected to office may, upon the authorization of such
1248 candidate, expend surplus campaign funds to pay for the cost of
1249 clerical, secretarial or other office expenses necessarily incurred by
1250 such candidate in preparation for taking office; except such surplus
1251 shall not be distributed for the personal benefit of any individual or to
1252 any organization;

1253 (E) The [campaign] treasurer of a candidate committee, or of a
1254 political committee, other than a political committee formed for
1255 ongoing political activities or an exploratory committee, shall, prior to
1256 the dissolution of such committee, either (i) distribute any equipment
1257 purchased, including, but not limited to, computer equipment, to any
1258 recipient as set forth in subparagraph (A) of this subdivision, or (ii) sell
1259 any equipment purchased, including but not limited to computer

1260 equipment, to any person for fair market value and then distribute the
1261 proceeds of such sale to any recipient as set forth in said subparagraph
1262 (A);

1263 (F) The [campaign] treasurer of a qualified candidate committee
1264 may, following an election or unsuccessful primary, provide a post-
1265 primary thank you meal or a post-election thank you meal for
1266 committee workers, provided such meal (i) occurs not later than
1267 fourteen days after the applicable election or primary day, and (ii) the
1268 cost for such meal does not exceed thirty dollars per worker;

1269 (G) The [campaign] treasurer of a qualified candidate committee
1270 may, following an election or unsuccessful primary, exclusive of any
1271 payments that have been rendered pursuant to a written service
1272 agreement, make payment to a [campaign] treasurer for services
1273 rendered to the candidate committee, provided such payment does not
1274 exceed one thousand dollars; and

1275 (H) The [campaign] treasurer of a candidate committee may,
1276 following an election or unsuccessful primary, utilize funds for the
1277 purpose of complying with any audit conducted by the State Elections
1278 Enforcement Commission pursuant to subdivision (5) of subsection (a)
1279 of section 9-7b.

1280 Sec. 16. Subdivisions (1) and (2) of subsection (f) of section 9-610 of
1281 the general statutes are repealed and the following is substituted in
1282 lieu thereof (*Effective January 1, 2014*):

1283 (f) (1) A political committee established by two or more individuals
1284 under subparagraph (B) of subdivision (3) of section 9-601, as
1285 amended by this act, other than a committee established solely for the
1286 purpose of aiding or promoting any candidate or candidates for
1287 municipal office or the success or defeat of a referendum question,
1288 shall be subject to the prohibition on acceptance of lobbyist
1289 contributions under subsection (e) of this section unless the [campaign]
1290 treasurer of the committee has filed a registration statement as
1291 described in subsection (b) of section 9-605 with the State Elections

1292 Enforcement Commission, on or before November 15, 2012, for all such
1293 political committees in existence on such date, or, if the committee is
1294 not in existence on such date, not later than ten days after the
1295 organization of the committee pursuant to subsection (a) of section 9-
1296 605, and on or before November fifteenth of each even-numbered year
1297 thereafter. Such statements shall be filed even if there are no changes,
1298 additions or deletions to the registration statement previously filed
1299 with the commission. Notwithstanding the provisions of this
1300 subdivision, if an officer of the committee has changed since the last
1301 registration statement filed with the commission, such registration
1302 statement shall be filed by the chairperson of the committee.

1303 (2) A political committee established for ongoing political activities
1304 and required pursuant to subsection (a) of section 9-603 to file
1305 statements with the commission shall be subject to the prohibition on
1306 making contributions under subsection (e) of this section unless the
1307 [campaign] treasurer of the committee has filed a registration
1308 statement as described in subsection (b) of section 9-605 with the
1309 commission, on forms prescribed by the commission, on or before
1310 November 15, 2012, for all such political committees in existence on
1311 such date, or, if the committee is not in existence on such date, not later
1312 than ten days after the organization of the committee pursuant to
1313 subsection (a) of section 9-605, and on or before November fifteenth of
1314 each even-numbered year thereafter. Such statements shall be filed
1315 even if there are no changes, additions or deletions to the registration
1316 statement previously filed with the commission. Notwithstanding the
1317 provisions of this subdivision, if an officer of the committee has
1318 changed since the last registration statement filed with the
1319 commission, such registration statement shall be filed by the
1320 chairperson of the committee.

1321 Sec. 17. Subsection (a) of section 9-712 of the general statutes is
1322 repealed and the following is substituted in lieu thereof (*Effective*
1323 *January 1, 2014*):

1324 (a) (1) The [campaign] treasurer of each candidate committee in a

1325 primary campaign or a general election campaign in which there is at
1326 least one participating candidate shall file weekly supplemental
1327 campaign finance statements with the commission in accordance with
1328 the provisions of subdivision (2) of this subsection. Such weekly
1329 statements shall be in lieu of the campaign finance statements due
1330 pursuant to subparagraphs (B) and (C) of subdivision (1) of subsection
1331 (a) of section 9-608, as amended by this act.

1332 (2) Each such [campaign] treasurer shall file weekly supplemental
1333 campaign finance statements with the commission pursuant to the
1334 following schedule: (A) In the case of a primary campaign, on the
1335 [next] second Thursday following the date in July on which treasurers
1336 are required to file campaign finance statements pursuant to
1337 subparagraph (A) of subdivision (1) of subsection (a) of section 9-608,
1338 as amended by this act, and each Thursday thereafter up to and
1339 including the Thursday before the day of the primary, and (B) in the
1340 case of a general election campaign, on the [next] second Thursday
1341 following the date in October on which candidates are required to file
1342 campaign finance statements pursuant to subparagraph (A) of
1343 subdivision (1) of subsection (a) of section 9-608, as amended by this
1344 act, and each Thursday thereafter up to and including the Thursday
1345 before the day of the election. The statement shall be complete as of
1346 eleven fifty-nine o'clock p.m. of the second day immediately preceding
1347 the required filing day. The statement shall cover the period beginning
1348 with the first day not included in the last filed statement.

1349 (3) Notwithstanding the provisions of subdivisions (1) and (2) of
1350 this subsection, if a participating candidate committee in a primary
1351 campaign or a general election campaign in which there is at least one
1352 participating candidate makes expenditures or incurs an obligation to
1353 make expenditures that, in the aggregate, exceed one hundred per cent
1354 of the applicable expenditure limit for the applicable primary or
1355 general election campaign period, the [campaign] treasurer of any such
1356 candidate committee shall file a declaration of excess expenditures
1357 statement with the commission, pursuant to the following schedule:
1358 (A) If a candidate committee makes expenditures or incurs an

1359 obligation to make such expenditures more than twenty days before
1360 the day of such primary or election, the [campaign] treasurer of such
1361 candidate shall file such statement with the commission not later than
1362 forty-eight hours after making such expenditures or incurring an
1363 obligation to make such expenditures, and (B) if a candidate committee
1364 makes such expenditures or incurs an obligation to make such
1365 expenditures twenty days or less before the day of such primary or
1366 election, the [campaign] treasurer of such candidate shall file such
1367 statement with the commission not later than twenty-four hours after
1368 making such expenditures or incurring an obligation to make such
1369 expenditures. The statement shall be complete as of eleven fifty-nine
1370 o'clock p.m. of the first day immediately preceding the required filing
1371 day. The statement shall cover a period beginning with the first day
1372 not included in the last filed statement.

1373 (4) Notwithstanding the provisions of this subsection, the
1374 statements required to be filed pursuant to subdivisions (1) and (2) of
1375 this subsection shall not be required to be filed by (A) a candidate
1376 committee of a candidate that is exempt from filing campaign finance
1377 statements pursuant to subsection (b) of section 9-608 unless or until
1378 such a candidate committee receives or expends an amount in excess
1379 of one thousand dollars for purposes of the primary or election for
1380 which such committee was formed, (B) a candidate committee of a
1381 candidate who is no longer eligible for a position on the ballot, or [(B)]
1382 (C) a candidate committee of a participating candidate that is
1383 unopposed, except that such candidate committee shall file a
1384 supplemental statement on the last Thursday before the applicable
1385 primary or general election. Such statement shall be complete as of
1386 eleven fifty-nine o'clock p.m. of the second day immediately preceding
1387 the required filing day. The statement shall cover a period beginning
1388 with the first day not included in the last filed statement.

1389 (5) Each supplemental statement required under subdivision (1), (2)
1390 or (3) of this subsection for a candidate shall disclose the information
1391 required under subsection (c) of section 9-608, as amended by this act.
1392 The commission shall adopt regulations, in accordance with the

1393 provisions of chapter 54, specifying permissible media for the
1394 transmission of such statements to the commission, which shall
1395 include electronic [mail] filing.

1396 Sec. 18. Subsection (e) of section 9-615 of the general statutes is
1397 repealed and the following is substituted in lieu thereof (*Effective*
1398 *January 1, 2014*):

1399 (e) [No political committee established by an organization shall
1400 make contributions to the committees designated in subsection (d) of
1401 this section, which in the aggregate exceed fifteen thousand dollars in
1402 any one calendar year.] Contributions to a political committee
1403 established by an organization shall also be subject to the provisions of
1404 section 9-618 in the case of a committee formed for ongoing political
1405 activity or section 9-619 in the case of a committee formed for a single
1406 election or primary.

1407 Sec. 19. Subsection (c) of section 9-611 of the general statutes is
1408 repealed and the following is substituted in lieu thereof (*Effective*
1409 *January 1, 2014*):

1410 (c) No individual shall make contributions to such candidates or
1411 committees which in the aggregate exceed [~~fifteen~~] thirty thousand
1412 dollars for any single election and primary preliminary [~~thereto~~] to
1413 such election.

1414 Sec. 20. Section 9-391 of the general statutes is repealed and the
1415 following is substituted in lieu thereof (*Effective January 1, 2014*):

1416 (a) Each endorsement of a candidate to run in a primary for the
1417 nomination of candidates for municipal office to be voted upon at a
1418 municipal election, or for the election of town committee members
1419 shall be made under the provisions of section 9-390 not earlier than the
1420 fifty-sixth day or later than the forty-ninth day preceding the day of
1421 such primary. Such endorsement may be made of a candidate whose
1422 name appears upon the last-completed enrollment list of such party
1423 within the municipality or political subdivision within which such

1424 candidate is to run for nomination. The endorsement shall be certified
1425 to the clerk of the municipality by either (1) the chairman or presiding
1426 officer, or (2) the secretary of the town committee, caucus or
1427 convention, as the case may be, not later than four o'clock p.m. on the
1428 forty-eighth day preceding the day of such primary. Such certification
1429 shall contain the name and street address of each person so endorsed,
1430 the title of the office or the position as committee member and the
1431 name or number of the political subdivision or district, if any, for
1432 which each such person is endorsed. If such a certificate of a party's
1433 endorsement is not received by the town clerk by such time, such
1434 certificate shall be invalid and such party, for purposes of sections 9-
1435 417, 9-418 and 9-419, shall be deemed to have neither made nor
1436 certified such endorsement of any candidate for such office.

1437 (b) Each selection of delegates to a state or district convention shall
1438 be made in accordance with the provisions of section 9-390 not earlier
1439 than the one-hundred-fortieth day and not later than the one-hundred-
1440 thirty-third day preceding the day of the primary for such state or
1441 district office. Such selection shall be certified to the clerk of the
1442 municipality by the chairman or presiding officer and the secretary of
1443 the town committee or caucus, as the case may be, not later than four
1444 o'clock p.m. on the one-hundred-thirty-second day preceding the day
1445 of such primary. Each such certification shall contain the name and
1446 street address of each person so selected, the position as delegate, and
1447 the name or number of the political subdivision or district, if any, for
1448 which each such person is selected. If such a certificate of a party's
1449 selection is not received by the town clerk by such time, such certificate
1450 shall be invalid and such party, for purposes of sections 9-417 and 9-
1451 420, shall be deemed to have neither made nor certified any selection
1452 of any person for the position of delegate.

1453 (c) Each endorsement of a candidate to run in a primary for the
1454 nomination of candidates for a municipal office to be voted upon at a
1455 state election shall be made under the provisions of section 9-390 not
1456 earlier than the eighty-fourth day or later than the seventy-seventh day
1457 preceding the day of such primary. Any certification to be filed under

1458 this subsection shall be received by the Secretary of the State, in the
1459 case of a candidate for the office of state senator or state representative,
1460 or the town clerk, in the case of a candidate for any other municipal
1461 office to be voted upon at a state election, not later than four o'clock
1462 p.m. on the fourteenth day after the close of the town committee
1463 meeting, caucus or convention, as the case may be. If such a certificate
1464 of a party's endorsement is not received by the Secretary of the State or
1465 the town clerk, as the case may be, by such time, such certificate shall
1466 be invalid and such party, for the purposes of sections 9-417 and 9-418,
1467 shall be deemed to have neither made nor certified any endorsement of
1468 any candidate for such office. The candidate so endorsed for a
1469 municipal office to be voted upon at a state election, other than the
1470 office of justice of the peace, shall file with the Secretary of the State or
1471 the town clerk, as the case may be, a certificate, signed by that
1472 candidate, stating that such candidate was so endorsed, the candidate's
1473 name as the candidate authorizes it to appear on the ballot, the
1474 candidate's full street address and the title and district of the office for
1475 which the candidate was endorsed. Such certificate may be filed by a
1476 candidate whose name appears upon the last-completed enrollment
1477 list of such party within the senatorial district within which the
1478 candidate is endorsed to run for nomination in the case of the
1479 municipal office of state senator, or the assembly district within which
1480 a person is endorsed to run for nomination in the case of the municipal
1481 office of state representative, or the municipality or political
1482 subdivision within which a person is to run for nomination for other
1483 municipal offices to be voted on at a state election. Such certificate
1484 shall be attested by the chairman or presiding officer and the secretary
1485 of the town committee, caucus or convention which made such
1486 endorsement. The endorsement of candidates for the office of justice of
1487 the peace shall be certified to the clerk of the municipality by the
1488 chairman or presiding officer and the secretary of the town committee,
1489 caucus or convention, and shall contain the name and street address of
1490 each person so endorsed and the title of the office for which each such
1491 person is endorsed.

1492 Sec. 21. Section 9-406 of the general statutes is repealed and the

1493 following is substituted in lieu thereof (*Effective January 1, 2014*):

1494 A candidacy for nomination by a political party to a municipal
1495 office or a candidacy for election as a member of a town committee
1496 may be filed by or on behalf of any person whose name appears upon
1497 the last-completed enrollment list of such party within the
1498 [municipality or within the political subdivision,] senatorial district [or
1499 assembly district] within which a person is to be nominated [or] in the
1500 case of the municipal office of state senator, or the assembly district
1501 within which a person is to be nominated in the case of the municipal
1502 office of state representative, or the municipality or political
1503 subdivision within which a person is to be nominated in the case of a
1504 town committee member [is to be elected, as the case may be] or for
1505 any other municipal office. Any such candidacy shall be filed by filing
1506 with the registrar within the applicable time specified in section 9-405
1507 a petition signed by (1) at least five per cent of the electors whose
1508 names appear upon the last-completed enrollment list of such party in
1509 such municipality or in such political subdivision, senatorial district or
1510 assembly district, or (2) such lesser number of such electors as such
1511 party by its rules prescribes, as the case may be. For the purpose of
1512 computing five per cent of the last-completed enrollment list, the
1513 registrar shall use the last printed enrollment list and the printed
1514 updated list, if any, of a political party certified and last completed by
1515 the registrars of voters prior to the date the first primary petition was
1516 issued, excluding therefrom the names of individuals who have ceased
1517 to be electors.

1518 Sec. 22. (*Effective January 1, 2014*) Notwithstanding the provisions of
1519 chapter 155 of the general statutes, any penalty imposed by the State
1520 Elections Enforcement Commission due to a filing that was not
1521 deemed to be received in a timely manner by said commission in
1522 accordance with the provisions of section 9-608 of the general statutes,
1523 as amended by this act, may be waived by said commission, provided
1524 (1) such filing was due to be received by said commission during
1525 January, 2012, and (2) said commission determines that the treasurer's
1526 actions were such that the filing reasonably should have been received

1527 on or before the deadline applicable to such filing.

1528 Sec. 23. Subsection (d) of section 9-608 of the general statutes is
1529 repealed and the following is substituted in lieu thereof (*Effective*
1530 *January 1, 2014*):

1531 (d) At the time of filing statements required under this section, the
1532 [campaign] treasurer of each candidate committee shall send to the
1533 candidate a duplicate statement and the [campaign] treasurer of each
1534 party committee and each political committee other than an
1535 exploratory committee shall send to the chairman of the committee a
1536 duplicate statement. Each statement required to be filed with the
1537 commission under this section, subsection (e) of section 9-612, section
1538 9-706 or section 9-712 shall be deemed to be filed in a timely manner if:
1539 (1) For a statement filed as a hard copy, including, but not limited to, a
1540 statement delivered by the United States Postal Service, courier
1541 service, parcel service or hand delivery, the statement is received by
1542 the commission by five o'clock p.m. on the day the statement is
1543 required to be filed, (2) for a statement authorized by the commission
1544 to be filed electronically, including, but not limited to, a statement filed
1545 via dedicated electronic mail, facsimile machine, a web-based program
1546 created by the commission or other electronic means, the statement is
1547 transmitted to the commission not later than eleven fifty-nine o'clock
1548 p.m. on the day the statement is required to be filed, or (3) for a
1549 statement required to be filed pursuant to subsection (e) of section 9-
1550 612, section 9-706 or section 9-712, by the deadline specified in each
1551 such section. Any other filing required to be filed with a town clerk
1552 pursuant to this section shall be deemed to be filed in a timely manner
1553 if it is delivered by hand to the office of the town clerk in accordance
1554 with the provisions of section 9-603 before four-thirty o'clock p.m. or
1555 postmarked by the United States Postal Service before midnight on the
1556 required filing day. If the day for any filing falls on a Saturday, Sunday
1557 or legal holiday, the statement shall be filed on the next business day
1558 thereafter. The State Elections Enforcement Commission shall not levy
1559 a penalty upon a treasurer for failure to file a hard copy of a statement
1560 in a timely manner in accordance with the provisions of this section, if

1561 such treasurer has a copy of the statement time stamped by the State
 1562 Elections Enforcement Commission that shows timely receipt of the
 1563 statement, or the treasurer has a return receipt from the United States
 1564 Postal Service or a similar receipt from a commercial delivery service
 1565 confirming timely receipt of such statement by said commission.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2014	9-601
Sec. 2	January 1, 2014	9-601a
Sec. 3	January 1, 2014	9-601b
Sec. 4	January 1, 2014	9-601c
Sec. 5	January 1, 2014	9-606(a)
Sec. 6	January 1, 2014	9-607(g)(1)
Sec. 7	January 1, 2014	9-612(a)
Sec. 8	January 1, 2014	9-612(e)
Sec. 9	January 1, 2014	9-621
Sec. 10	January 1, 2014	New section
Sec. 11	January 1, 2014	New section
Sec. 12	January 1, 2014	New section
Sec. 13	January 1, 2014	9-605(c)
Sec. 14	January 1, 2014	9-608(a)
Sec. 15	January 1, 2014	9-608(e)(1)
Sec. 16	January 1, 2014	9-610(f)(1) and (2)
Sec. 17	January 1, 2014	9-712(a)
Sec. 18	January 1, 2014	9-615(e)
Sec. 19	January 1, 2014	9-611(c)
Sec. 20	January 1, 2014	9-391
Sec. 21	January 1, 2014	9-406
Sec. 22	January 1, 2014	New section
Sec. 23	January 1, 2014	9-608(d)

Statement of Legislative Commissioners:

Corrected grammar in section 1 (30) (B). Changed "political subdivision of state government" to "political subdivision of the state" in section 3 (a) (2) for consistency with the general statutes. Added reference to section 9-703 of the general statutes in section 11 for clarity.

GAE *Joint Favorable Subst. -LCO*

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: None

Municipal Impact: None

Explanation

The bill, which makes changes to campaign finance and election laws, has no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**SB 5*****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 endorsement procedures. Principally, the bill:

1. expands reporting, disclaimer, and attribution requirements for independent expenditures;
2. expands the definition of expenditure;
3. exempts from the definition of "independent expenditure," expenditures of up to \$250 in the aggregate made by a human being acting alone to benefit a candidate for a single election;
4. defines "campaign-related disbursements" and "covered transfers" and establishes reporting requirements for them;
5. raises the limits on various contributions from individuals to political committees (known as PACs) and party committees and raises the aggregate limit on contributions an individual can make in a single election cycle;
6. specifies that the \$1,000 payment the law allows CEP candidates to pay their treasurers from surplus funds is in addition to any payments made to the treasurer under a written services agreement;
7. authorizes candidate committees, other than those for

participating CEP candidates, to distribute surplus funds to charitable 501(c)(19) (veterans') organizations following an unsuccessful primary or election;

8. 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); and
9. authorizes the SEEC to waive penalties associated with certain reports that were due in January 2012 and modifies what constitutes a timely filing.

The bill also makes several conforming changes, including conforming the expenditure exemptions for uncompensated volunteer services and the costs associated with hosting a house party to the parallel contribution exemptions that PA 11-48 made for these services and costs (§§ 2 & 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 (§§ 1 & 12).

EFFECTIVE DATE: Upon passage

§§ 1-3 & 6 — CAMPAIGN FINANCE DEFINITIONS

State campaign finance laws regulate campaign expenditures and contributions, including who can make and accept them and when. The bill changes the definitions of both terms.

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 immediately preceding

a primary or an election.

The bill expands the definition to include any communication, not only an advertisement, if it is (1) broadcast as provided by law or by public access channel, satellite, Internet, or as a paid-for telephone communication or sent by mail and (2) broadcast or appears on or after January 1 of the year in which the candidate is seeking election.

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 those made on one’s behalf. It 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 those made on one’s behalf, is considered a contribution.

By law, volunteer services provided by individuals are not considered campaign contributions or expenditures. Individuals are considered volunteers if they do not receive compensation for the services they perform. The bill expands the contribution exemption and applies it to individuals volunteering their time, regardless of whether they may receive compensation in the future for similar services, not only the same services as under current law. It also applies this new definition to expenditures.

The bill establishes reporting and disclosure requirements for “campaign-related disbursements,” which it defines as independent expenditures or 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. Covered transfers do not include dues, fees, or assessments that are transferred between affiliate entities and paid by individuals on a regular, periodic basis in accordance with

a per-individual calculation made on a regular basis.

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 and 501(c) and 527 organizations.

Under the bill, “affiliated” means that:

1. the entity’s governing instrument requires it to be bound by decisions of another entity;
2. the entity’s governing board includes people who are specifically designated representatives of the other entity or who are members of the governing board, officers, or paid executive staff of the other entity, or whose service on the governing board is contingent upon the approval of the other entity; or
3. the entity is chartered by the other entity.

“Affiliated” includes entities that are an affiliate of the other entity or where both of the entities are an affiliate of the same entity.

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, this definition applies only in the context of certain de minimis activities that are exempt from the definition of contribution. The bill applies the definition to all state campaign finance laws.

§§ 4, 8, & 10 — 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.

§ 4 — 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 acting alone to benefit a candidate for a single election.

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 vendor" includes a vendor that

provides polling, mail design, mail strategy, political strategy, general campaign advice, or phone banking services.

§ 8 — Reporting Deadlines

The bill establishes earlier deadlines for filing independent expenditure reports. It requires the individual, entity, or committee to file these reports within 24, rather than 48, hours after making, or obligating to make, an independent expenditure 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 after making or obligating to make the expenditure.

§ 8 — Information that Must be Disclosed

The bill requires entities 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.

For a nonprofit entity specifically, whether making an independent expenditure from its general treasury or a segregated account, if a donor restricts his or her donation from being used for a campaign-related disbursement, and the nonprofit entity consents and puts 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 must be disclosed if it meets the criteria described below ("unrestricted donor").

Segregated Account. If any entity, nonprofit or for-profit, engages in an independent expenditure and makes a campaign-related disbursement from a segregated bank account, it must disclose in its 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 candidate who was the subject is running, (2) each donation amount, and (3) the aggregate amount given by each donor,

other than a restricted donor. A segregated account cannot accept transfers of funds from the entity.

General Treasury. If any entity, nonprofit or for-profit, engages in an independent expenditure and makes a campaign-related disbursement from its general treasury on or after January 1st during the year in which there will be an election for the office for which the candidate who was the subject is running, it must disclose in its reports the sources of all donations to the treasury, including dues payments, of \$1,000 or more in the aggregate, other than those from restricted donors. The bill does not specify or limit the period of time during which the donations must have occurred.

The report must disclose the amount of each donation and the aggregate given. The entity need not disclose funds received in a commercial transaction or as an investment.

§ 10 — Campaign-Related Disbursements

The bill requires an entity incorporated, organized, or operating in this state to publicly disclose on its website any campaign-related disbursement no later than 48 hours after making or obligating to make it and file the required disclosure report electronically 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 regular 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 more than \$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.

§ 9 — DISCLAIMER AND ATTRIBUTION 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 disclaimer requirements. Generally, it:

1. requires all entities that are permitted to make independent expenditures, not only 501(c) and 527 organizations, to list at least five of their top unrestricted donors (contributors under current law), provided the donors gave an aggregate amount of at least \$1,000, and requires the list to cover two years, rather than one year;
2. requires all entities making independent expenditures to also provide an address of a website listing all unrestricted donors who gave an aggregate of \$1,000 or more and the donors’ addresses; and
3. expands the disclaimer requirements to cover individuals, not only entities.

Additionally, under current law, the independent expenditure disclaimer requirements apply only to advertisements that (1) promoted a candidate’s election or defeat, (2) promoted or opposed a political party, or (3) solicited funds for a political party or PAC. Under the bill, they apply to any communication that refers to one or more clearly identified candidates.

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, § 4).

Table 1 lists each type of independent expenditure and its disclaimer requirements under current law and 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 in the communication at least five of the unrestricted donors who gave an aggregate of \$1,000 or more and whose aggregate donations during the two years preceding the expenditure are the largest • Requires entities to provide a website address listing all unrestricted donors who gave an aggregate of \$1,000 or more 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 	<ul style="list-style-type: none"> • Adds individuals and requires them to include a clearly identifiable image of themselves

		<p>the entity's CEO or equivalent;</p> <ul style="list-style-type: none"> • 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, a written message stating "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"> • Requires all entities, not just 501(c) and 527 tax-exempt organizations, to include in the communication a written message listing at least five of the unrestricted donors who gave an aggregate of \$1,000 or more and whose aggregate donations during the two years preceding the expenditure are the largest • Requires entities to provide a website address listing all unrestricted donors who gave an aggregate of \$1,000 or more and the donors' addresses
<p>Radio or Internet audio advertising</p>	<p>Adds audio communication broadcast by satellite</p>	<p>The communication must end with a 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, an audio message stating (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 	<ul style="list-style-type: none"> • Adds individuals and requires them to identify themselves • Requires all entities, not just 501(c) and 527 tax-exempt organizations, to list at the end of the advertisement at least five of the unrestricted donors who gave an aggregate of \$1,000 or more and whose aggregate donations during the two years preceding the expenditure are the largest • Requires entities to provide a website address listing all unrestricted donors who gave an aggregate of \$1,000 or more and the donors' addresses

		less	
"Robo Calls" (i.e., automated telephone calls)	Adds non-automated telephone calls	<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 at the end of the narrative at least five of the unrestricted donors who gave an aggregate of \$1,000 or more and whose aggregate donations during the two years preceding the expenditure are the largest • Requires entities to provide a website address listing all unrestricted donors who gave an aggregate of \$1,000 or more and the donors' addresses

Disclosing Individual Donors

To satisfy the disclaimer, the bill requires entities 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 listed in the required website listing. Additionally, if an unrestricted donor to the entity making the covered transfer is also one of the top five donors to the entity making the independent expenditure, then the disclaimer must list at least five of the top donors to the entity making the covered transfer.

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 applicable disclaimer as required by current law and the bill.

Referenda

Existing law requires a business entity, organization, or association that makes or incurs an expenditure for a printed communication

supporting or opposing a referendum question to include a disclaimer with 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 at least five of their unrestricted donors whose aggregate donations during the two years preceding the expenditure are in the five largest amounts and (2) include a website address listing all their unrestricted donors and their addresses.

§§ 2, 3, 5, 7, 18, & 19 — 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. Thus, these items and services need not be reported as contributions.

The bill exempts from the definition of contribution any office or office equipment provided by a party, legislative caucus, or legislative leadership committee for the committee’s use. The committee must use the office as its headquarters. Office equipment includes telephones, computers, and similar equipment. (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.)

§ 7, 18 & 19 — 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. It also removes the \$15,000 aggregate limit on labor PAC contributions to party committees and PACs other than exploratory or referendum committees.

The bill otherwise increases the limits on contributions from individuals to most PACs and party committees, as Table 2 shows.

Table 2: Individual Contribution Limits

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

§ 5 — Deposits

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

§§ 1 & 2 — 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. eliminates one type of organization expenditure (i.e., for office equipment) and
2. makes changes to what qualifies as another type of organization expenditure (i.e., party candidate listing).

§§ 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 (1) eliminates the current requirement that party candidate listings treat all candidates in the communication substantially similarly and (2) allows these listings to contrast candidates with their opponents.

§§ 14 & 17 — OTHER CAMPAIGN FINANCE REPORTING REQUIREMENTS

§§ 14 & 17 — *Eliminated Reports*

The bill eliminates certain campaign finance reporting requirements for specified candidates and committees, which Table 3 shows. The candidates and committees remain responsible for filing termination reports when they dissolve.

Table 3: Eliminated Campaign Finance Statements

Section	Candidate or Committee	Eliminated Reporting Requirement
§ 14	Special election candidate and exploratory committees	Quarterly campaign finance reports
§ 14	Candidates in a municipal election who do not qualify for ballot access	Campaign finance report on the 7th day preceding the election
§§ 14 & 17	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
§ 14	Candidates who are unsuccessful in a primary and do not otherwise qualify for ballot access	Periodic campaign finance reports following the primary

§ 14 — *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 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. The statement must be complete as of the

19th day preceding the election, primary, or referendum.

§ 17 — 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 (generally July 10). 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 (generally October 10).

§§ 20 & 21 — ENDORSEMENTS

Under the bill, a party endorsement for a candidate running for a municipal office to be voted on at a municipal election, or for town committee member, is valid only when the candidate's name appears on the party's last-completed enrollment list within the municipality or political subdivision, whichever applies, in which he or she will run.

Similarly, a party endorsement for a candidate running for the municipal office of state senator or state representative (i.e., in a single-town legislative district) to be voted on at a state election is valid only when the candidate's name appears on the party's last-completed enrollment list within the senatorial or assembly district, whichever applies, in which he or she will run.

§§ 11, 22, & 23 — PENALTIES

§ 11 — Joint Liability

The bill makes a candidate, his or her treasurer, and his or her agent, if applicable, jointly and severally liable for paying any penalty the SEEC levies if it finds that a prohibited expenditure is coordinated

with the candidate, his or her committee, or agent. If the candidate is a participating CEP candidate, he or she must return grant money in an amount that the SEEC determines.

§ 22 — 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 in 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.

§ 23 — Timely Submission to SEEC

The bill prohibits the SEEC from levying a penalty on a treasurer for failing 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 a return receipt from the U.S. Postal Service or a similar receipt from a commercial delivery service confirming timely receipt.

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 each establish two.

Related Bills

SB 1120 (File 495) increases the limit on contributions by individuals to state central committees.

sSB 1127, favorably reported by the Government Administration and Elections Committee, allows state contractors, prospective state contractors, their principals, and their spouses and dependent children

to contribute up to \$1,000 to the town committee of the municipality where they reside.

HB 6580 (File 467) increases the maximum penalties for failure to file an independent expenditure report.

HB 6632 (File 472) increases the limit on contributions by individuals to town committees.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 13 Nay 1 (04/05/2013)