



General Assembly

February Session, 2016

Raised Bill No. 5511

LCO No. 2578



Referred to Committee on GOVERNMENT ADMINISTRATION
AND ELECTIONS

Introduced by:
(GAE)

***AN ACT CONCERNING DISCLOSURE OF COORDINATED AND
INDEPENDENT SPENDING IN CAMPAIGN FINANCE.***

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

1 Section 1. Subdivision (3) of section 9-601 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (3) "Political committee" means (A) a committee organized by a
5 business entity or organization, (B) persons other than individuals, or
6 two or more individuals organized or acting jointly conducting their
7 activities in or outside the state, (C) an exploratory committee, (D) a
8 committee established by or on behalf of a slate of candidates in a
9 primary for the office of justice of the peace, but does not mean a
10 candidate committee or a party committee, (E) a legislative caucus
11 committee, [or] (F) a legislative leadership committee, or (G) an
12 independent expenditure political committee as defined in section 2 of
13 this act.

14 Sec. 2. (NEW) (*Effective from passage*) As used in chapters 155 and 157
15 of the general statutes, "independent expenditure political committee"
16 means a political committee that may only make independent
17 expenditures, as defined in section 9-601c of the general statutes, as
18 amended by this act, including transfers to other independent
19 expenditure political committees, and is prohibited from making any
20 contribution as defined in section 9-601a of the general statutes, as
21 amended by this act.

22 Sec. 3. Subsection (a) of section 9-601a of the general statutes is
23 repealed and the following is substituted in lieu thereof (*Effective from*
24 *passage*):

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

26 (1) Any gift, subscription, loan, advance, payment or deposit of
27 money or anything of value, made (A) to promote the success or defeat
28 of any [candidate] person seeking (i) the nomination for election, or (ii)
29 election, or (B) for the purpose of aiding or promoting (i) the success or
30 defeat of any referendum question, or (ii) the success or defeat of any
31 political party;

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

34 (3) The payment by any person, other than a candidate or treasurer,
35 of compensation for the personal services of any other person which
36 are rendered without charge to a committee or candidate for any such
37 purpose;

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

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

41 Sec. 4. Subsections (a) and (b) of section 9-601b of the general
42 statutes are repealed and the following is substituted in lieu thereof

43 (Effective from passage):

44 (a) As used in this chapter and chapter 157, [the term] "expenditure"
45 means:

46 (1) Any purchase, payment, distribution, loan, advance, deposit or
47 gift of money or anything of value, when made (A) to promote the
48 success or defeat of any [candidate] person seeking (i) the nomination
49 for election, or (ii) election, [of any person] or (B) for the purpose of
50 aiding or promoting (i) the success or defeat of any referendum
51 question, or (ii) the success or defeat of any political party;

52 (2) Any communication that (A) refers to one or more clearly
53 identified candidates, and (B) (i) is broadcast (I) by radio, television,
54 other than on a public access channel, [or by] satellite communication
55 or via the Internet, or (II) as a paid-for telephone communication, or (ii)
56 appears in a newspaper, magazine or on a billboard, or (iii) is sent by
57 mail; or

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

59 (b) [The term "expenditure"] "Expenditure" does not mean:

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

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

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

69 (4) Uncompensated services provided by individuals volunteering
70 their time on behalf of a party committee, political committee, slate

71 committee or candidate committee, including any services provided
72 for the benefit of nonparticipating and participating candidates under
73 the Citizens' Election Program and any unreimbursed travel expenses
74 made by an individual who volunteers the individual's personal
75 services to any such committee. For purposes of this subdivision, an
76 individual is a volunteer if such individual is not receiving
77 compensation for such services regardless of whether such individual
78 received compensation in the past or may receive compensation for
79 similar services that may be performed in the future;

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

84 (6) The use of real or personal property, a portion or all of the cost of
85 invitations and the cost of food or beverages, voluntarily provided by
86 an individual to a candidate, including a nonparticipating or
87 participating candidate under the Citizens' Election Program, or to a
88 party, political or slate committee, in rendering voluntary personal
89 services at the individual's residential premises or a community room
90 in the individual's residence facility, to the extent that the cumulative
91 value of the invitations, food or beverages provided by an individual
92 on behalf of any candidate or committee does not exceed four hundred
93 dollars with respect to any single event or does not exceed eight
94 hundred dollars for any such event hosted by two or more individuals,
95 provided at least one such individual owns or resides at the residential
96 premises, and further provided the cumulative value of the invitations,
97 food or beverages provided by an individual on behalf of any such
98 candidate or committee does not exceed eight hundred dollars with
99 respect to a calendar year or single election, as the case may be;

100 (7) A communication described in subdivision (2) of subsection (a)
101 of this section that includes speech or expression [made] (A) made
102 prior to the ninety-day period preceding the date of a primary or an

103 election at which the clearly identified candidate or candidates are
104 seeking nomination to public office or position, [that is] including a
105 communication made for the purpose of influencing any legislative or
106 administrative action, as defined in section 1-91, or executive action,
107 [or] (B) made during a legislative session for the purpose of
108 influencing legislative action, or (C) that constitutes a candidate debate
109 or that solely promotes any such debate and is made by or on behalf of
110 the person sponsoring the debate;

111 (8) An organization expenditure by a party committee, legislative
112 caucus committee or legislative leadership committee;

113 (9) A commercial advertisement that refers to an owner, director or
114 officer of a business entity who is also a candidate, [and that] which
115 commercial advertisement had previously been broadcast or appeared
116 when the owner, director or officer was not a candidate;

117 (10) A communication containing an endorsement on behalf of a
118 candidate for nomination or election to the office of Governor,
119 Lieutenant Governor, Secretary of the State, State Treasurer, State
120 Comptroller, Attorney General, state senator or state representative,
121 from a candidate for the office of Governor, Lieutenant Governor,
122 Secretary of the State, State Treasurer, State Comptroller, Attorney
123 General, state senator or state representative, shall not be an
124 expenditure attributable to the endorsing candidate, if the candidate
125 making the endorsement is unopposed at the time of the
126 communication;

127 (11) A communication that is sent by mail to addresses in the district
128 for which a candidate being endorsed by another candidate pursuant
129 to the provisions of this subdivision is seeking nomination or election
130 to the office of state senator or state representative, containing an
131 endorsement on behalf of such candidate for such nomination or
132 election, from a candidate for the office of state senator or state
133 representative, shall not be an expenditure attributable to the

134 endorsing candidate, if the candidate making the endorsement is not
135 seeking election to the office of state senator or state representative for
136 a district that contains any geographical area shared by the district for
137 the office to which the endorsed candidate is seeking nomination or
138 election;

139 (12) Campaign training events provided to multiple individuals by
140 a legislative caucus committee and any associated materials, provided
141 the cumulative value of such events and materials does not exceed six
142 thousand dollars, in the aggregate, for a calendar year;

143 (13) A lawful communication by any charitable organization which
144 is a tax-exempt organization under Section 501(c)(3) of the Internal
145 Revenue Code of 1986, or any subsequent corresponding internal
146 revenue code of the United States, as from time to time amended;

147 (14) The use of offices, telephones, computers and similar
148 equipment provided by a party committee, legislative caucus
149 committee or legislative leadership committee that serve as
150 headquarters for or are used by such party committee, legislative
151 caucus committee or legislative leadership committee; or

152 (15) An expense or expenses incurred by a human being acting
153 alone in an amount that is two hundred dollars or less, in the
154 aggregate, that benefits a candidate for a single election.

155 Sec. 5. Section 9-601c of the general statutes is repealed and the
156 following is substituted in lieu thereof (*Effective from passage*):

157 (a) As used in this chapter and chapter 157, [the term] "independent
158 expenditure" means an expenditure, as defined in section 9-601b, as
159 amended by this act, that is made entirely without the consent,
160 coordination [, or consultation of,] or consultation of a candidate, [or]
161 agent of [the] a candidate, candidate committee, political committee or
162 party committee.

163 (b) As used in this section, "candidate" includes any person who,
164 during an election cycle, becomes a candidate later in the election cycle
165 and benefits from any expenditure made by a coordinated spender or
166 any other expenditure that is not an independent expenditure.

167 (c) As used in this section, "coordinated spender" means, with
168 respect to a candidate or candidate committee:

169 (1) Any person directly or indirectly formed, controlled or
170 established in the current or immediately preceding election cycle by,
171 at the request or suggestion of or with the encouragement of the
172 candidate or candidate committee, any agent of the candidate or
173 candidate committee, any other person deemed to be a coordinated
174 spender with respect to such candidate or candidate committee or any
175 agent of such coordinated spender, including with the express or tacit
176 approval of the candidate or candidate committee or any agent of the
177 candidate or candidate committee;

178 (2) Except as otherwise provided in this subdivision, any person on
179 whose behalf during an election cycle the candidate, candidate
180 committee or any agent of the candidate or candidate committee
181 solicits funds or engages in fund-raising activity, including by
182 providing to such person the name of any potential donor or other list
183 to be used by such person in engaging in fund-raising activity,
184 regardless of whether such person pays fair market value for any such
185 name or list so provided. Such person shall not be considered a
186 coordinator spender under this subdivision if any funds raised by the
187 candidate, candidate committee or any agent of the candidate or
188 candidate committee are (i) segregated from all other accounts
189 controlled by such person, and (ii) not used to make (I) independent
190 expenditures that benefit the candidate or candidate committee, or (II)
191 contributions or covered transfers to any other person who later in the
192 current election cycle makes independent expenditures, contributions
193 or covered transfers that benefit the candidate or candidate committee;

194 (3) Any person established, directed or managed by any other
195 person who, during the applicable or immediately preceding election
196 cycle (A) was employed or retained as a political, media or fund-
197 raising advisor or consultant for the candidate, candidate committee or
198 any entity directly or indirectly controlled by the candidate or
199 candidate committee, or (B) held a formal position with a title for the
200 candidate or candidate committee;

201 (4) Any person established, directed or managed by any member of
202 the family of the candidate. As used in this subdivision, "member of
203 the family" means (A) the spouse or civil union partner of the
204 candidate, (B) any sibling, parent, child, grandparent, grandchild, aunt
205 or uncle of the candidate; (C) any sibling, parent, child, grandparent,
206 grandchild, aunt or uncle of the spouse or civil union partner of the
207 candidate; or (D) the spouse or civil union partner or any child of any
208 such individual described in subparagraphs (B) or (C) of this
209 subdivision; or

210 (5) Any person or any officer or agent of such person who has had
211 more than incidental discussion regarding campaign advertising,
212 message, strategy, policy, polling, fund-raising or allocation of
213 resources of the candidate, candidate committee or any other person
214 deemed to be a coordinated spender with respect to such candidate or
215 candidate committee.

216 (d) (1) If any person who makes an expenditure is a coordinated
217 spender with respect to a candidate or candidate committee, as
218 described in subsection (c) of this section, such person shall be deemed
219 to have made such expenditure with the consent, coordination or
220 consultation of, or at the request or suggestion of, the candidate or
221 candidate committee.

222 (2) If any person or any agent of such person merely engages a
223 candidate, candidate committee or any agent of a candidate or
224 candidate committee in discussion regarding such person's position on

225 a legislative or policy matter, including a discussion in which the
226 person or agent urges the candidate or candidate committee to adopt
227 such person's position, any expenditure of such person shall not be
228 considered to be made with the consent, coordination or consultation
229 of, or at the request or suggestion of, the candidate or candidate
230 committee, provided such person does not engage the candidate,
231 candidate committee or agent of the candidate or candidate committee
232 in any discussion regarding any campaign advertising, message,
233 strategy, policy, polling, fund-raising, allocation of resources or
234 campaign operations of the candidate or candidate committee.

235 [(b)] (e) When the State Elections Enforcement Commission
236 evaluates an expenditure, other than an expenditure described in
237 subdivision (1) of subsection (d) of this section, to determine whether
238 such expenditure is an independent expenditure, there shall be a
239 rebuttable presumption that the following expenditures are not
240 independent expenditures:

241 (1) An expenditure made by a person in cooperation, consultation or
242 in concert with, at the request, suggestion or direction of, or pursuant
243 to a general or particular understanding with (A) a candidate,
244 candidate committee, political committee or party committee, or (B) a
245 consultant or other agent acting on behalf of a candidate, candidate
246 committee, political committee or party committee;

247 (2) An expenditure made by a person for the production,
248 dissemination, distribution or publication, in whole or in substantial
249 part, of any broadcast or any written, graphic or other form of political
250 advertising or campaign communication prepared by (A) a candidate,
251 candidate committee, political committee or party committee, or (B) a
252 consultant or other agent acting on behalf of a candidate, candidate
253 committee, political committee or party committee;

254 (3) An expenditure made by a person based on information about a
255 candidate's, political committee's, or party committee's plans, projects

256 or needs, provided by (A) a candidate, candidate committee, political
257 committee or party committee, or (B) a consultant or other agent acting
258 on behalf of a candidate, candidate committee, political committee or
259 party committee, with the intent that such expenditure be made;

260 (4) An expenditure made by an individual who, in the same election
261 cycle, is serving or has served as the campaign chairperson, treasurer
262 or deputy treasurer of a candidate committee, political committee or
263 party committee benefiting from such expenditure, or in any other
264 executive or policymaking position, including as a member, employee,
265 [fundraiser] fund-raiser, consultant or other agent, of a candidate,
266 candidate committee, political committee or party committee;

267 (5) An expenditure made by a person or an entity on or after
268 January first in the year of an election in which a candidate is seeking
269 public office that benefits such candidate when such person or entity
270 has hired an individual as an employee or consultant and such
271 individual was an employee of or consultant to such candidate,
272 candidate's candidate committee or such candidate's opponent's
273 candidate committee during [any part of the eighteen-month period
274 preceding such expenditure] the current or immediately preceding
275 election cycle;

276 (6) An expenditure made by a person for [fundraising] fund-raising
277 activities (A) with or for a candidate, candidate committee, political
278 committee or party committee, or a consultant or other agent acting on
279 behalf of a candidate, candidate committee, political committee or
280 party committee, or (B) for the solicitation or receipt of contributions
281 on behalf of a candidate, candidate committee, political committee or
282 party committee, or a consultant or other agent acting on behalf of a
283 candidate, candidate committee, political committee or party
284 committee;

285 (7) An expenditure made by a person based on information about a
286 candidate's campaign plans, projects or needs, that is directly or

287 indirectly provided by a candidate, the candidate's candidate
288 committee, a political committee or a party committee, or a consultant
289 or other agent acting on behalf of such candidate, candidate
290 committee, political committee or party committee, to the person
291 making the expenditure or such person's agent, with an express or tacit
292 understanding that such person is considering making the
293 expenditure;

294 (8) An expenditure made by a person for a communication that
295 clearly identifies a candidate during an election campaign, if the
296 person making the expenditure, or such person's agent, has informed
297 the candidate who benefits from the expenditure, that candidate's
298 candidate committee, a political committee or a party committee, or a
299 consultant or other agent acting on behalf of the benefiting candidate
300 or candidate committee, political committee, or party committee,
301 concerning the communication's contents, or of the intended audience,
302 timing, location or mode or frequency of dissemination. As used in this
303 subdivision, a communication clearly identifies a candidate when that
304 communication contains the name, nickname, initials, photograph or
305 drawing of the candidate or an unambiguous reference to that
306 candidate, which includes, but is not limited to, a reference that can
307 only mean that candidate; [and]

308 (9) An expenditure made by a person or an entity for consultant or
309 creative services, including, but not limited to, services related to
310 communications strategy or design or campaign strategy or to engage
311 a campaign-related vendor, to be used to promote or oppose a
312 candidate's election to office if the provider of such services is
313 providing or has provided consultant or creative services to such
314 candidate, such candidate's candidate committee or an agent of such
315 candidate committee, or to any opposing candidate's candidate
316 committee or an agent of such opposing candidate's candidate
317 committee after January first of the year in which the expenditure
318 occurs. For purposes of this subdivision, communications strategy or
319 design does not include the costs of printing or costs for the use of a

320 medium for the purpose of communications. For purposes of this
321 subdivision, campaign-related vendor includes, but is not limited to, a
322 vendor that provides any of the following services: Polling, mail
323 design, mail strategy, political strategy, general campaign advice or
324 telephone banking; and

325 (10) An expenditure made by any person directly or indirectly
326 formed, controlled or established in the current or immediately
327 preceding election cycle by, at the request or suggestion of or with the
328 encouragement of any other person deemed to be a coordinated
329 spender or any agent of such coordinated spender, including with the
330 express or tacit approval of any such coordinated spender or agent.

331 [(c) When the State Elections Enforcement Commission evaluates an
332 expenditure to determine whether an expenditure by entity is an
333 independent expenditure, the following shall not be presumed to
334 constitute evidence of consent, coordination or consultation within the
335 meaning of subsection (a) of this section: (1) Participation by a
336 candidate or an agent of the candidate in an event sponsored by the
337 entity, unless such event promotes the success of the candidate's
338 candidacy or the defeat of the candidate's opponent, or unless the
339 event is during the period that is forty-five days prior to the primary
340 for which the candidate is seeking nomination for election or election
341 to office; (2) membership of the candidate or agent of the candidate in
342 the entity, unless the candidate or agent of the candidate holds an
343 executive or policymaking position within the entity after the
344 candidate becomes a candidate; or (3) financial support for, or
345 solicitation or fundraising on behalf of the entity by a candidate or an
346 agent of the candidate, unless the entity has made or obligated to make
347 independent expenditures in support of such candidate in the election
348 or primary for which the candidate is a candidate.]

349 [(d)] (f) When the State Elections Enforcement Commission
350 evaluates an expenditure to determine whether such expenditure is an
351 independent expenditure, the commission shall consider, as an

352 effective rebuttal to the presumptions provided in subsection [(b)] (e)
353 of this section, the establishment by the person making the
354 expenditure of a firewall policy designed and implemented to prohibit
355 the flow of information between (1) employees, consultants or other
356 individuals providing services to the person paying for the
357 expenditure, and (2) the candidate or agents of the candidate.

358 Sec. 6. Section 9-601d of the general statutes is repealed and the
359 following is substituted in lieu thereof (*Effective from passage*):

360 (a) Any person, as defined in section 9-601, as amended by this act,
361 may, unless otherwise restricted or prohibited by law, including, but
362 not limited to, any provision of this chapter or chapter 157, make
363 unlimited independent expenditures, as defined in section 9-601c, as
364 amended by this act, and accept unlimited covered transfers, as
365 defined in [said] section 9-601, as amended by this act. Except as
366 provided [pursuant to] in this section, any such person who makes or
367 obligates to make an independent expenditure or expenditures in
368 excess of one thousand dollars, in the aggregate, shall file statements
369 according to the same schedule and in the same manner as is required
370 of a treasurer of a [candidate] political committee pursuant to section
371 9-608, as amended by this act. Such person shall file such statements on
372 forms described in subsections (c) and (d) of this section.

373 (b) Any person who makes or obligates to make an independent
374 expenditure or expenditures in an election or primary for the office of
375 Governor, Lieutenant Governor, Secretary of the State, State Treasurer,
376 State Comptroller, Attorney General, state senator or state
377 representative [,] which exceed one thousand dollars, in the aggregate,
378 [during a primary campaign or a general election campaign, as defined
379 in section 9-700,] during the period beginning July first in the year of a
380 regular election and ending the day following the primary or election
381 for which such independent expenditure or expenditures is made or
382 incurred shall file, electronically, a long-form and a short-form report
383 of such independent expenditure or expenditures with the State

384 Elections Enforcement Commission pursuant to subsections (c) and (d)
385 of this section. The person [that] who makes or obligates to make such
386 independent expenditure or expenditures shall file such reports not
387 later than twenty-four hours after (1) making any such payment, or (2)
388 obligating to make any such payment, with respect to the primary or
389 election. If any such person makes or incurs a subsequent independent
390 expenditure, such person shall report such expenditure pursuant to
391 subsection (d) of this section. Such reports shall be filed under penalty
392 of false statement.

393 (c) The independent expenditure long-form report shall identify: (1)
394 The name of the person making or obligating to make such
395 expenditure or expenditures; (2) if applicable, the tax exempt status of
396 such person, [if applicable] except that if such person files a report
397 with the Federal Election Commission, the Internal Revenue Service or
398 any similar out-of-state agency, such person shall include a statement
399 to that effect and the identification number or other identifying
400 information under which any such filings are made; (3) the mailing
401 address, or street address if different, of such person; (4) the principal
402 business address of the person, if different from either the mailing
403 address or street address; (5) the mailing address, or street address if
404 different, telephone number and electronic mail address of the agent
405 for service of process in this state of such person; (6) the date of the
406 primary, [or] election or referendum for which [the] such independent
407 expenditure or expenditures were made or obligated to be made; (7)
408 (A) the name of any candidate who, or the text of any referendum
409 question that, was the subject of [any] such independent expenditure
410 or expenditures, [and whether the] (B) whether such independent
411 expenditure or expenditures were in support of or in opposition to
412 such candidate or referendum question, and (C) any other information
413 required under subsection (d) of this section for such independent
414 expenditure or expenditures; and (8) the name, telephone number and
415 electronic mail address for the individual filing such report. [Such]
416 Each individual filing such report shall affirm [that the expenditure

417 reported is an independent expenditure under penalty of false
418 statement] under penalty of false statement that any expenditure so
419 reported is an independent expenditure.

420 (d) As part of any filing made pursuant to subsection (c) of this
421 section and for each subsequent independent expenditure made or
422 obligated to be made by a person with respect to the primary, [or]
423 election or referendum for which a long-form report pursuant to
424 subsection (c) of this section has been filed on behalf of such person, an
425 individual shall file [, electronically, a short-form report for each such
426 independent expenditure, not later than twenty-four hours after such
427 person makes a payment for an independent expenditure or obligates
428 to make such an independent expenditure] a short-form report for
429 each such independent expenditure. Such short-form report shall
430 identify: (1) The name of the person making or obligating to make such
431 independent expenditure; (2) the amount of the independent
432 expenditure; (3) whether the independent expenditure was in support
433 of or in opposition to a candidate or referendum question and the
434 name of such candidate or text of such referendum question; (4) a brief
435 description of the expenditure made, including the type of
436 communication, based on categories determined by the State Elections
437 Enforcement Commission, and the allocation of such expenditure in
438 support of or in opposition to each such candidate or referendum
439 question, if such expenditure was made in support of or in opposition
440 to more than one candidate [; and] or question; (5) the name, telephone
441 number and electronic mail address for the individual filing such
442 report; [. Such] and (6) any other information that the State Elections
443 Enforcement Commission may require to facilitate compliance with
444 the provisions of chapters 155 to 157, inclusive. Each individual filing
445 such report shall affirm [that the expenditure reported is an
446 independent expenditure under penalty of false statement] under
447 penalty of false statement that any expenditure so reported is an
448 independent expenditure.

449 (e) No person reporting an independent expenditure pursuant to

450 the provisions of subsection (c) or (d) of this section shall be required
451 to file a statement pursuant to section 9-608, as amended by this act,
452 for such independent expenditure.

453 (f) (1) Except as provided in subdivision (2) of this subsection, as
454 part of any statement filed pursuant to this section, if a person who
455 makes or obligates to make an independent expenditure (A) has
456 received a covered transfer during the twelve-month period prior to a
457 primary, [or] election or referendum, as applicable to the reported
458 expenditure, [for an office that a candidate described in subdivision (7)
459 of subsection (c) of this section is seeking,] and (B) such independent
460 expenditure is made or obligated to be made on or after the date that is
461 one hundred eighty days prior to such primary, [or] election or
462 referendum, such person shall disclose the source and the amount of
463 any such covered transfer such person received that is in an amount
464 that is five thousand dollars or more, in the aggregate, during the
465 twelve-month period prior to such primary or election, as applicable to
466 the reported expenditure.

467 (2) The provisions of subdivision (1) of this subsection shall not
468 apply to any person who discloses the source and amount of a covered
469 transfer described in subdivision (1) of this subsection as part of any
470 report to the Federal Election Commission, [or] the Internal Revenue
471 Service or any similar out-of-state agency, provided such person
472 includes a copy of, or information sufficient to find, any such report as
473 part of the [report] statement of each applicable independent
474 expenditure filed pursuant to this section. If a source and amount of a
475 covered transfer is not included as part of any such [report] statement,
476 the maker of the expenditure shall disclose the source and amount of
477 such covered transfer pursuant to subdivision (1) of this subsection, if
478 applicable.

479 (g) (1) A person may, unless otherwise restricted or prohibited by
480 law, including, but not limited to, any provision of this chapter or
481 chapter 157, establish a dedicated independent expenditure account [

482 for the purpose of engaging in] that may be used to make independent
483 expenditures, [that] provided such account is segregated from all other
484 accounts controlled by such person. Such dedicated independent
485 expenditure account may receive covered transfers directly from
486 persons other than the person establishing the dedicated account and
487 may not receive transfers from another account controlled by the
488 person establishing the dedicated account, except as provided in
489 subdivision (2) of this subsection. If an independent expenditure is
490 made from such segregated account, any report required pursuant to
491 this section or disclaimer required pursuant to [section 9-621 may
492 include only] section 9-621, as amended by this act, shall include at
493 least those persons who made covered transfers directly to the
494 dedicated independent expenditure account.

495 (2) If a person who has made a covered transfer to another account
496 controlled by the person establishing a dedicated independent
497 expenditure account requests that such covered transfer be used for
498 the purposes of making an independent expenditure from the
499 dedicated independent expenditure account, the amount of such
500 covered transfer may be transferred to the dedicated independent
501 expenditure account and shall be treated as a covered transfer directly
502 to the dedicated independent expenditure account.

503 (h) Any person may file a complaint with the commission upon the
504 belief that (1) any such independent expenditure report or statement is
505 false, or (2) any person who is required to file an independent
506 expenditure report under this subsection has failed to do so. The
507 commission shall make a prompt determination on such a complaint.

508 (i) (1) If a person fails to file a report in accordance with the
509 provisions of this section for an independent expenditure or
510 expenditures made or obligated to be made more than ninety days
511 before the day of a primary, [or] election or referendum, the person
512 shall be subject to a civil penalty, imposed by the State Elections
513 Enforcement Commission, of not more than ten thousand dollars. If a

514 person fails to file a report required in accordance with the provisions
515 of this section for an independent expenditure or expenditures made
516 or obligated to be made ninety days or less before the day of a
517 primary, [or] election or referendum, such person shall be subject to a
518 civil penalty, imposed by the State Elections Enforcement Commission,
519 of not more than twenty thousand dollars or twice the amount of any
520 such independent expenditure not so reported, whichever is greater.

521 (2) [If] Notwithstanding subsection (a) of section 9-623, if the State
522 Elections Enforcement Commission finds that any such failure is
523 knowing and wilful, the person responsible for the failure shall [also
524 be fined] be subject to an additional civil penalty, imposed by the State
525 Elections Enforcement Commission, of not more than fifty thousand
526 dollars or ten times the amount of any such independent expenditure
527 not so reported, whichever is greater, and the commission may refer
528 the matter to the office of the Chief State's Attorney.

529 Sec. 7. Subsections (a) and (b) of section 9-603 of the general statutes
530 are repealed and the following is substituted in lieu thereof (*Effective*
531 *from passage*):

532 (a) Statements filed by (1) party committees, (2) political committees
533 formed to aid or promote the success or defeat of a referendum
534 question proposing (A) a constitutional convention, (B) constitutional
535 amendment, or (C) revision of the Constitution, (3) individual
536 lobbyists, [and] (4) those political committees and candidate
537 committees formed to aid or promote the success or defeat of any
538 candidate for the office of Governor, Lieutenant Governor, Secretary of
539 the State, State Treasurer, State Comptroller, Attorney General, judge
540 of probate, [and members of the General Assembly,] state senator or
541 state representative, and (5) those persons making an independent
542 expenditure or expenditures in excess of one thousand dollars, in the
543 aggregate, for any such question or candidate pursuant to section 9-
544 601d, as amended by this act, shall be filed with the State Elections
545 Enforcement Commission. A political committee formed for a slate of

546 candidates in a primary for the office of justice of the peace shall file
547 statements with the town clerk of the municipality in which the
548 primary is to be held.

549 (b) Statements filed by (1) political committees formed solely to aid
550 or promote the success or defeat of a referendum question to be voted
551 upon by the electors of a single municipality, [and] (2) those political
552 committees or candidate committees formed to aid or promote the
553 success or defeat of any candidate for (A) public office, other than
554 those enumerated in subsection (a) of this section, or (B) the position of
555 town committee member, and (3) those persons making an
556 independent expenditure or expenditures in excess of one thousand
557 dollars, in the aggregate, for any such question or candidate pursuant
558 to section 9-601d, as amended by this act, shall be filed only with the
559 town clerk of the municipality in which the election or referendum is
560 to be held. Each unsalaried town clerk shall be entitled to receive ten
561 cents from the town for the filing of each such statement.

562 Sec. 8. Subsections (a) to (d), inclusive, of section 9-605 of the general
563 statutes are repealed and the following is substituted in lieu thereof
564 (*Effective from passage*):

565 (a) [The] Except as provided in subsection (d) of this section for an
566 independent expenditure political committee, the chairperson of each
567 political committee shall designate a treasurer and may designate a
568 deputy treasurer. The treasurer and any deputy treasurer so
569 designated shall sign a statement accepting the designation. The
570 chairperson of each political committee shall file a registration
571 statement described in subsection (b) of this section along with the
572 statement signed by the designated treasurer and deputy treasurer
573 with the proper authority, within ten days after its organization,
574 provided that the chairperson of any political committee organized
575 within ten days prior to any primary, election or referendum in
576 connection with which it intends to make any contributions or
577 expenditures, shall immediately file a registration statement.

578 (b) The registration statement shall include: (1) The name and
579 address of the committee; (2) a statement of the purpose of the
580 committee; (3) the name and address of its treasurer, and deputy
581 treasurer if applicable; (4) the name, address and position of its
582 chairman, and other principal officers if applicable; (5) the name and
583 address of the depository institution for its funds; (6) the name of each
584 person, other than an individual, that is a member of the committee;
585 (7) the name and party affiliation of each candidate whom the
586 committee is supporting and the office or position sought by each
587 candidate; (8) if the committee is supporting the entire ticket of any
588 party, a statement to that effect and the name of the party; (9) if the
589 committee is supporting or opposing any referendum question, a brief
590 statement identifying the substance of the question; (10) if the
591 committee is established by a business entity, [or] an organization or
592 an individual acting as the agent of another person, the name of the
593 business entity, [or] organization or other person; (11) if the committee
594 is established by an organization, a statement of whether it will receive
595 its funds from the organization's treasury or from voluntary
596 contributions; (12) if the committee, or a person establishing the
597 committee through an individual acting as such person's agent, files
598 reports with the Federal Elections Commission or any similar out-of-
599 state agency, a statement to that effect including the name of the
600 commission or such agency; (13) a statement indicating whether the
601 committee is established for a single primary, election or referendum
602 or for ongoing political activities; (14) if the committee is established or
603 controlled by a lobbyist, a statement to that effect and the name of the
604 lobbyist; (15) the name and address of the person making the initial
605 contribution or disbursement, if any, to the committee; and (16) any
606 information that the State Elections Enforcement Commission
607 [requires] may require to facilitate compliance with the provisions of
608 this chapter or chapter 157. If no such initial contribution or
609 disbursement, as described in subdivision (15) of this subsection, has
610 been made at the time of the filing of such statement, the treasurer of
611 the committee shall, not later than forty-eight hours after receipt of

612 such contribution or disbursement, file a report with the State Elections
613 Enforcement Commission. The report shall be in the same form as
614 statements filed under section 9-608, as amended by this act.

615 (c) The treasurer of each political committee shall report any
616 addition to or change in information previously submitted in a
617 statement of organization to the proper authority not later than ten
618 days after the addition or change, [provided] except that if an officer of
619 the committee has changed, such amended statement shall be filed by
620 the chairperson of the committee.

621 (d) A group of two or more individuals who have joined solely to
622 promote the success or defeat of a referendum question or form an
623 independent expenditure political committee shall not be required to
624 file as a political committee, make such designations in accordance
625 with subsections (a) and (b) of this section or file statements pursuant
626 to section 9-608, as amended by this act, if the group does not receive
627 [or expend] contributions, or make or incur expenditures, in excess of
628 one thousand dollars, in the aggregate, for the entire campaign. If the
629 group receives [funds] contributions, or makes or incurs expenditures,
630 exceeding one thousand dollars, in the aggregate, the group shall
631 complete the statement of organization and file as a political
632 committee not later than (1) three business days [thereafter] after
633 receiving such contributions, or making or incurring such
634 expenditures, for a group joined solely to promote the success or
635 defeat of a referendum question, and (2) ten business days after
636 receiving such contributions, or making or incurring such
637 expenditures, for a group joined solely to form an independent
638 expenditure political committee. The group shall provide the
639 designated treasurer with all information required for completion of
640 the statements for filing as required by section 9-608, as amended by
641 this act.

642 Sec. 9. Subdivisions (1) and (2) of subsection (g) of section 9-607 of
643 the general statutes are repealed and the following is substituted in

644 lieu thereof (*Effective from passage*):

645 (g) (1) As used in this subsection, (A) "the lawful purposes of the
646 committee" means: (i) For a candidate committee or exploratory
647 committee, the promoting of the nomination or election of the
648 candidate who established the committee, except that after a political
649 party nominates candidates for election to the offices of Governor and
650 Lieutenant Governor, whose names shall be so placed on the ballot in
651 the election that an elector will cast a single vote for both candidates,
652 as prescribed in section 9-181, a candidate committee established by
653 either such candidate may also promote the election of the other such
654 candidate; (ii) for a political committee, other than an independent
655 expenditure political committee described in subparagraph (A)(iv) of
656 this subdivision, the promoting of (I) a political party, including party
657 building activities, (II) the success or defeat of candidates for
658 nomination [and] or election to public office or position subject to the
659 requirements of this chapter, or (III) the success or defeat of
660 referendum questions, provided a political committee formed for a
661 single referendum question shall not promote the success or defeat of
662 any candidate, and provided further a legislative leadership committee
663 or a legislative caucus committee may expend funds to defray costs for
664 conducting legislative or constituency-related business which are not
665 reimbursed or paid by the state; [and] (iii) for a party committee, the
666 promoting of (I) the party, including party building activities, or the
667 success of candidates of the party for nomination and election to public
668 office or position subject to the requirements of this chapter, and (II)
669 the paying of continuing operating costs of the party; and (iv) for an
670 independent expenditure political committee, the promoting of (I) a
671 political party, (II) the success or defeat of candidates for nomination
672 or election to public office or position subject to the requirements of
673 this chapter, or (III) the success or defeat of referendum questions,
674 provided an independent expenditure political committee shall act
675 entirely independently of a candidate or any agent of the candidate,
676 the candidate's candidate committee and any political committee or

677 party committee, and (B) "immediate family" means a spouse or
678 dependent child of a candidate who resides in the candidate's
679 household.

680 (2) Unless otherwise provided by this chapter, any treasurer, in
681 accomplishing the lawful purposes of the committee, may pay the
682 expenses of: (A) Advertising in electronic and print media; (B) any
683 other form of printed advertising or communications including "thank
684 you" advertising after the election; (C) campaign items, including, but
685 not limited to, brochures, leaflets, flyers, invitations, stationery,
686 envelopes, reply cards, return envelopes, campaign business cards,
687 direct mailings, postcards, palm cards, "thank you" notes, sample
688 ballots and other similar items; (D) political banners and billboards; (E)
689 political paraphernalia, which is customarily given or sold to
690 supporters including, but not limited to, campaign buttons, stickers,
691 pins, pencils, pens, matchbooks, balloons, pads, calendars, magnets,
692 key chains, hats, tee shirts, sweatshirts, frisbees, pot holders, jar
693 openers and other similar items; (F) purchasing office supplies for
694 campaign or political purposes, campaign photographs, raffle or other
695 fund-raising permits required by law, fund-raiser prizes, postage,
696 express mail delivery services, bulk mail permits, and computer
697 supplies and services; (G) banking service charges to maintain
698 campaign and political accounts; (H) subscriptions to newspapers and
699 periodicals which enhance the candidacy of the candidate or party; (I)
700 lease or rental of office space for campaign or political purposes and
701 expenses in connection therewith including, but not limited to,
702 furniture, parking, storage space, utilities and maintenance, provided a
703 party committee or political committee organized for ongoing political
704 activities may purchase such office space; (J) lease or rental of vehicles
705 for campaign use only; (K) lease, rental or use charges of any ordinary
706 and necessary campaign office equipment including, but not limited
707 to, copy machines, telephones, postage meters, facsimile machines,
708 computer hardware, software and printers, provided a party
709 committee or political committee organized for ongoing political

710 activities may purchase office equipment, and provided further that a
711 candidate committee or a political committee, other than a political
712 committee formed for ongoing political activities or an exploratory
713 committee, may purchase computer equipment; (L) compensation for
714 campaign or committee staff, fringe benefits and payroll taxes,
715 provided the candidate and any member of his immediate family shall
716 not receive compensation; (M) travel, meals and lodging expenses of
717 speakers, campaign or committee workers, the candidate and the
718 candidate's spouse for political and campaign purposes; (N) fund
719 raising; (O) reimbursements to candidates and campaign or committee
720 workers made in accordance with the provisions of this section for
721 campaign-related expenses for which a receipt is received by the
722 treasurer; (P) campaign or committee services of attorneys,
723 accountants, consultants or other professional persons for campaign
724 activities, obtaining or contesting ballot status, nomination, or election,
725 and compliance with this chapter; (Q) purchasing campaign finance
726 reports; (R) repaying permissible campaign loans made to the
727 committee that are properly reported, [and] refunding contributions (i)
728 received from an impermissible source or in excess of the limitations
729 set forth in this chapter, and (ii) to any source in the case of an
730 independent expenditure political committee organized for ongoing
731 political activities; (S) conducting polls concerning any political party,
732 issue, candidate or individual; (T) gifts to campaign or committee
733 workers or purchasing flowers or other commemorative items for
734 political purposes not to exceed one hundred dollars to any one
735 recipient in a calendar year or for the campaign, as the case may be;
736 (U) purchasing tickets or advertising from charities, inaugural
737 committees, or other civic organizations if for a political purpose, for
738 any candidate, a candidate's spouse, a member of a candidate's
739 campaign staff, or members of committees; (V) the inauguration of an
740 elected candidate by that candidate's candidate committee; (W) hiring
741 of halls, rooms, music and other entertainment for political meetings
742 and events; (X) reasonable compensation for public speakers hired by
743 the committee; (Y) transporting electors to the polls and other get-out-

744 the-vote activities on election day; and (Z) any other necessary
745 campaign or political expense.

746 Sec. 10. Subdivision (1) of subsection (c) of section 9-608 of the
747 general statutes is repealed and the following is substituted in lieu
748 thereof (*Effective from passage*):

749 (c) (1) Each statement filed under subsection (a), (e) or (f) of this
750 section shall include, but not be limited to: (A) An itemized accounting
751 of each contribution, if any, including the full name and complete
752 address of each contributor and the amount of the contribution. For an
753 independent expenditure political committee, if any contributor to
754 such independent expenditure political committee is a recipient of a
755 covered transfer or transfers amounting to twenty-five thousand
756 dollars or more, in the aggregate, such statement so filed shall include,
757 but need not be limited to, the name of any person or persons who
758 made the covered transfer or transfer to such recipient during the
759 twelve-month period immediately preceding the primary, election or
760 referendum, as applicable; (B) an itemized accounting of each
761 expenditure, if any, including the full name and complete address of
762 each payee, including secondary payees whenever the primary or
763 principal payee is known to include charges which the primary payee
764 has already paid or will pay directly to another person, vendor or
765 entity, the amount and the purpose of the expenditure, the candidate
766 supported or opposed by the expenditure, whether the expenditure is
767 made independently of the candidate supported or is an in-kind
768 contribution to the candidate, and a statement of the balance on hand
769 or deficit, as the case may be; (C) an itemized accounting of each
770 expense incurred but not paid, provided if the expense is incurred by
771 use of a credit card, the accounting shall include secondary payees,
772 and the amount owed to each such payee; (D) the name and address of
773 any person who is the guarantor of a loan to, or the cosigner of a note
774 with, the candidate on whose behalf the committee was formed, or the
775 treasurer in the case of a party committee or a political committee or
776 who has advanced a security deposit to a telephone company, as

777 defined in section 16-1, for telecommunications service for a
778 committee; (E) for each business entity or person purchasing
779 advertising space in a program for a fund-raising affair or on signs at a
780 fund-raising affair, the name and address of the business entity or the
781 name and address of the person, and the amount and aggregate
782 amounts of such purchases; (F) for each individual who contributes in
783 excess of one hundred dollars but not more than one thousand dollars,
784 in the aggregate, to the extent known, the principal occupation of such
785 individual and the name of the individual's employer, if any; (G) for
786 each individual who contributes in excess of one thousand dollars, in
787 the aggregate, the principal occupation of such individual and the
788 name of the individual's employer, if any; (H) for each itemized
789 contribution made by a lobbyist, the spouse of a lobbyist or any
790 dependent child of a lobbyist who resides in the lobbyist's household,
791 a statement to that effect; and (I) for each individual who contributes in
792 excess of four hundred dollars, in the aggregate, to or for the benefit of
793 any candidate's campaign for nomination at a primary or election to
794 the office of chief executive officer or a slate or town committee
795 financing the nomination or election or a candidate for chief executive
796 officer of a town, city or borough, a statement indicating whether the
797 individual or a business with which he is associated has a contract
798 with said municipality that is valued at more than five thousand
799 dollars. Each treasurer shall include in such statement (i) an itemized
800 accounting of the receipts and expenditures relative to any testimonial
801 affair held under the provisions of section 9-609 or any other fund-
802 raising affair, which is referred to in subsection (b) of section 9-601a,
803 and (ii) the date, location and a description of the affair, except that a
804 treasurer shall not be required to include the name of any individual
805 who has purchased items at a fund-raising affair or food at a town fair,
806 county fair or similar mass gathering, if the cumulative value of items
807 purchased by such individual does not exceed one hundred dollars, or
808 the name of any individual who has donated food or beverages for a
809 meeting. A treasurer shall not be required to report or retain any
810 receipts or expenditures related to any de minimis donations described

811 in subdivision (17) of subsection (b) of section 9-601a.

812 Sec. 11. Subparagraph (C) of subdivision (1) of subsection (e) of
813 section 9-608 of the general statutes is repealed and the following is
814 substituted in lieu thereof (*Effective from passage*):

815 (C) (i) Each political committee formed solely to aid or promote the
816 success or defeat of any referendum question, which does not receive
817 contributions from a business entity or an organization, shall distribute
818 its surplus to a party committee, to a political committee organized for
819 ongoing political activities, to a national committee of a political party,
820 to all contributors to the committee on a prorated basis of contribution,
821 to state or municipal governments or agencies or to any organization
822 which is a tax-exempt organization under Section 501(c)(3) of the
823 Internal Revenue Code of 1986, or any subsequent corresponding
824 internal revenue code of the United States, as from time to time
825 amended. (ii) Each political committee formed solely to aid or promote
826 the success or defeat of any referendum question, which receives
827 contributions from a business entity or an organization, and each
828 durational independent expenditure political committee, shall
829 distribute its surplus to all contributors to the committee on a prorated
830 basis of contribution, to state or municipal governments or agencies, or
831 to any organization which is tax-exempt under said provisions of the
832 Internal Revenue Code. Notwithstanding the provisions of this
833 subsection, a committee formed for a single referendum shall not be
834 required to expend its surplus not later than ninety days after the
835 referendum and may continue in existence if a substantially similar
836 referendum question on the same issue will be submitted to the
837 electorate within six months after the first referendum. If two or more
838 substantially similar referenda on the same issue are submitted to the
839 electorate, each no more than six months apart, the committee shall
840 expend such surplus within ninety days following the date of the last
841 such referendum;

842 Sec. 12. Subsection (b) of section 9-610 of the general statutes is

843 repealed and the following is substituted in lieu thereof (*Effective from*
844 *passage*):

845 (b) [A] The candidate committee of a participating or
846 nonparticipating candidate under the Citizens' Election Program may
847 pay or reimburse another candidate committee, a party committee, a
848 legislative leadership committee or a legislative caucus committee for
849 its pro rata share of the expenses of operating a campaign
850 headquarters and of preparing, printing and disseminating any
851 political communication on behalf of that candidate and any other
852 candidate or candidates, including any shared expenses for which only
853 the committee being paid or reimbursed was under a contractual
854 obligation to pay. Notwithstanding the provisions of subdivision (1) of
855 subsection (a) of section 9-616, [a] the candidate committee of a
856 participating or nonparticipating candidate under the Citizens'
857 Election Program may reimburse a party committee for any
858 expenditure such party committee has incurred for the benefit of such
859 candidate committee.

860 Sec. 13. Section 9-611 of the general statutes is repealed and the
861 following is substituted in lieu thereof (*Effective from passage*):

862 (a) No individual shall make a contribution or contributions to, for
863 the benefit of, or pursuant to the authorization or request of, a
864 candidate or a committee supporting or opposing any candidate's
865 campaign for nomination at a primary, or any candidate's campaign
866 for election, to the office of (1) Governor, in excess of three thousand
867 five hundred dollars; (2) Lieutenant Governor, Secretary of the State,
868 Treasurer, Comptroller or Attorney General, in excess of two thousand
869 dollars; (3) chief executive officer of a town, city or borough, in excess
870 of one thousand dollars; (4) state senator or probate judge, in excess of
871 one thousand dollars; or (5) state representative or any other office of a
872 municipality not previously included in this subsection, in excess of
873 two hundred fifty dollars. The limits imposed by this subsection shall
874 be applied separately to primaries and elections.

875 (b) (1) No individual shall make a contribution or contributions to,
876 or for the benefit of, an exploratory committee, in excess of three
877 hundred seventy-five dollars, if the candidate establishing the
878 exploratory committee certifies on the statement of organization for
879 the exploratory committee pursuant to subsection (c) of section 9-604
880 that the candidate will not be a candidate for the office of state
881 representative. No individual shall make a contribution or
882 contributions to, or for the benefit of, any exploratory committee, in
883 excess of two hundred fifty dollars, if the candidate establishing the
884 exploratory committee does not so certify.

885 (2) No individual shall make a contribution or contributions to, or
886 for the benefit of, a political committee formed by a slate of candidates
887 in a primary for the office of justice of the peace, in excess of two
888 hundred fifty dollars.

889 [(c) No individual shall make contributions to such candidates or
890 committees which in the aggregate exceed thirty thousand dollars for
891 any single election and primary preliminary to such election.]

892 [(d)] (c) No individual shall make a contribution to any candidate or
893 committee, other than a contribution in kind, in excess of one hundred
894 dollars except by personal check or credit card of that individual.

895 [(e)] (d) No individual who is less than eighteen years of age shall
896 make a contribution or contributions, in excess of thirty dollars to, for
897 the benefit of, or pursuant to the authorization or request of: (1) A
898 candidate or a committee supporting or opposing any candidate's
899 campaign for nomination at a primary to any office; (2) a candidate or
900 a committee supporting or opposing any candidate's campaign for
901 election to any office; (3) an exploratory committee; (4) any other
902 political committee in any calendar year; or (5) a party committee in
903 any calendar year. Notwithstanding any provision of subdivision (2) of
904 section 9-7b, any individual who is less than eighteen years of age who
905 violates any provision of this subsection shall not be subject to the

906 provisions of subdivision (2) of section 9-7b.

907 Sec. 14. Subsection (a) of section 9-612 of the general statutes is
908 repealed and the following is substituted in lieu thereof (*Effective from*
909 *passage*):

910 (a) No individual shall make a contribution or contributions in any
911 one calendar year in excess of ten thousand dollars to the state central
912 committee of any party, or for the benefit of such committee pursuant
913 to its authorization or request; or two thousand dollars to a town
914 committee of any political party, or for the benefit of such committee
915 pursuant to its authorization or request; or two thousand dollars to a
916 legislative caucus committee or legislative leadership committee; [] or
917 one thousand dollars to any other political committee other than (1) a
918 political committee formed solely to aid or promote the success or
919 defeat of a referendum question, (2) an exploratory committee, (3) a
920 political committee established by an organization, or for the benefit of
921 such committee pursuant to its authorization or request, [or] (4) a
922 political committee formed by a slate of candidates in a primary for the
923 office of justice of the peace of the same town, or (5) an independent
924 expenditure political committee.

925 Sec. 15. Subsection (d) of section 9-612 of the general statutes is
926 repealed and the following is substituted in lieu thereof (*Effective from*
927 *passage*):

928 (d) Any individual may make unlimited contributions or
929 expenditures to aid or promote the success or defeat of any
930 referendum question, provided any individual who makes an
931 expenditure or expenditures in excess of one thousand dollars to
932 promote the success or defeat of any referendum question shall file
933 statements according to the same schedule and in the same manner as
934 is required of a treasurer of a political committee under section [9-608]
935 9-601d, as amended by this act.

936 Sec. 16. Section 9-613 of the general statutes is repealed and the

937 following is substituted in lieu thereof (*Effective from passage*):

938 (a) No business entity shall make any contributions or expenditures
939 (1) to, or for the benefit of, any candidate's campaign (A) for election to
940 any public office or position subject to this chapter, or (B) for
941 nomination at a primary for any such office or position, or (2) to
942 promote the defeat of any candidate for any such office or position. No
943 business entity shall make any other contributions or [expenditures]
944 engage in coordinated spending, as described in section 9-601c, as
945 amended by this act, to promote the success or defeat of any political
946 party, except as provided in subsection (b) of this section. No business
947 entity shall establish or control more than one political committee. A
948 political committee shall be deemed to have been established by a
949 business entity if the initial disbursement or contribution to the
950 committee is made under subsection (b) of this section or by an officer,
951 director, owner, limited or general partner or holder of stock
952 constituting five per cent or more of the total outstanding stock of any
953 class of the business entity.

954 (b) A business entity may make reasonable and necessary transfers
955 or disbursements to or for the benefit of a political committee
956 established by such business entity, for the administration of, or
957 solicitation of contributions to, such political committee. Nonmonetary
958 contributions by a business entity which are incidental in nature and
959 are directly attributable to the administration of such political
960 committee shall be exempt from the reporting requirements of this
961 chapter.

962 (c) The provisions of this section shall not preclude a business entity
963 from making contributions or expenditures to promote the success or
964 defeat of a referendum question.

965 (d) [A] Except as provided in subdivision (2) of subsection (g) of this
966 section, a political committee organized by a business entity shall not
967 make a contribution or contributions to or for the benefit of any

968 candidate's campaign for nomination at a primary or any candidate's
969 campaign for election to the office of: (1) Governor, in excess of five
970 thousand dollars; (2) Lieutenant Governor, Secretary of the State,
971 Treasurer, Comptroller or Attorney General, in excess of three
972 thousand dollars; (3) state senator, probate judge or chief executive
973 officer of a town, city or borough, in excess of one thousand five
974 hundred dollars; (4) state representative, in excess of seven hundred
975 fifty dollars; or (5) any other office of a municipality not included in
976 subdivision (3) of this subsection, in excess of three hundred seventy-
977 five dollars. The limits imposed by this subsection shall apply
978 separately to primaries and elections and contributions by any such
979 committee to candidates designated in this subsection shall not exceed
980 one hundred thousand dollars, in the aggregate, for any single election
981 and primary preliminary thereto. Contributions to such committees
982 shall also be subject to the provisions of section 9-618, as amended by
983 this act, in the case of committees formed for ongoing political activity
984 or section 9-619, as amended by this act, in the case of committees
985 formed for a single election or primary.

986 (e) ~~[No]~~ Except as provided in subdivision (2) of subsection (g) of
987 this section, no political committee organized by a business entity shall
988 make a contribution or contributions to (1) a state central committee of
989 a political party, in excess of seven thousand five hundred dollars in
990 any calendar year, (2) a town committee of any political party, in
991 excess of one thousand five hundred dollars in any calendar year, (3)
992 an exploratory committee in excess of three hundred seventy-five
993 dollars, or (4) any other kind of political committee, in excess of two
994 thousand dollars in any calendar year.

995 (f) As used in this subsection, "investment services" means
996 investment legal services, investment banking services, investment
997 advisory services, underwriting services, financial advisory services or
998 brokerage firm services. No political committee established by a firm
999 which provides investment services and to which the State Treasurer
1000 pays compensation, expenses or fees or issues a contract shall make a

1001 contribution to, or solicit contributions on behalf of, an exploratory
1002 committee or candidate committee established by a candidate for
1003 nomination or election to the office of State Treasurer during the term
1004 of office of the State Treasurer who does business with such firm.

1005 (g) (1) Notwithstanding the provisions of this section, a corporation,
1006 cooperative association, limited partnership, professional association,
1007 limited liability company or limited liability partnership, whether
1008 formed in this state or any other, [acting alone,] may make
1009 independent expenditures.

1010 (2) No independent expenditure political committee, as defined in
1011 section 2 of this act, that is organized by a business entity shall make
1012 any contribution. Any such independent expenditure political
1013 committee may only make independent expenditures, including
1014 transfers to other independent expenditure political committees.

1015 Sec. 17. Section 9-614 of the general statutes is repealed and the
1016 following is substituted in lieu thereof (*Effective from passage*):

1017 (a) An organization may make contributions, [or] engage in
1018 coordinated spending, as described in section 9-601c, as amended by
1019 this act, or make expenditures, other than those made to promote the
1020 success or defeat of a referendum question, only by first forming its
1021 own political committee. The political committee shall then be
1022 authorized to (1) receive funds (A) exclusively from the organization's
1023 treasury or exclusively from voluntary contributions made by its
1024 members, but not both, (B) from another political committee, or [] (C)
1025 from a candidate committee distributing a surplus, and [(1) to] (2)
1026 make (A) contributions or expenditures to, or for the benefit of, a
1027 candidate's campaign or a political party, or [(2) to make] (B)
1028 contributions to another political committee. No organization shall
1029 form more than one political committee. A political committee shall be
1030 deemed to have been established by an organization if the initial
1031 contribution to the committee is made by the organization's treasury or

1032 an officer or director of the organization.

1033 (b) A political committee established by an organization may elect
1034 to alter the manner in which it is funded if it complies with the
1035 requirements of this subsection. The committee chairperson shall
1036 notify the repository with which the committee's most recent statement
1037 of organization is filed, in writing, of the committee's intent to alter its
1038 manner of funding. Within fifteen days after the date of receipt of such
1039 notification, the treasurer of such political committee shall return any
1040 funds remaining in the account of the committee to the organization's
1041 treasury after payment of each outstanding liability. Within seven days
1042 after the distribution and payments have been made, the treasurer
1043 shall file a statement with the same repository itemizing each such
1044 distribution and payment. Upon such filing, the treasurer may receive
1045 voluntary contributions from any member of the organization which
1046 established such committee subject to the limitations imposed in
1047 subsection (b) of section 9-612.

1048 (c) The chairperson of each political committee established by an
1049 organization on or after July 1, 1985, shall designate the manner in
1050 which the committee shall be funded in the committee's statement of
1051 organization.

1052 (d) Notwithstanding the provisions of this section, an organization
1053 [acting alone,] may make independent expenditures and transfers to
1054 other independent expenditure political committees.

1055 Sec. 18. Section 9-615 of the general statutes is repealed and the
1056 following is substituted in lieu thereof (*Effective from passage*):

1057 (a) No political committee established by an organization shall
1058 make a contribution or contributions to, or for the benefit of, any
1059 candidate's campaign for nomination at a primary or for election to the
1060 office of: (1) Governor, in excess of five thousand dollars; (2)
1061 Lieutenant Governor, Secretary of the State, Treasurer, Comptroller or
1062 Attorney General, in excess of three thousand dollars; (3) chief

1063 executive officer of a town, city or borough, in excess of one thousand
1064 five hundred dollars; (4) state senator or probate judge, in excess of
1065 one thousand five hundred dollars; (5) state representative, in excess of
1066 seven hundred fifty dollars; or (6) any other office of a municipality
1067 not previously included in this subsection, in excess of three hundred
1068 seventy-five dollars.

1069 (b) No such committee shall make a contribution or contributions to,
1070 or for the benefit of, an exploratory committee, in excess of three
1071 hundred seventy-five dollars. Any such committee may make
1072 unlimited contributions to a political committee formed solely to aid or
1073 promote the success or defeat of a referendum question.

1074 (c) The limits imposed by subsection (a) of this section shall apply
1075 separately to primaries and elections and no such committee shall
1076 make contributions to the candidates designated in this section which,
1077 in the aggregate, exceed fifty thousand dollars for any single election
1078 and primary preliminary thereto.

1079 (d) ~~[No]~~ Except as provided in subsection (f) of this section, no
1080 political committee established by an organization shall make
1081 contributions in any one calendar year to, or for the benefit of, (1) the
1082 state central committee of a political party, in excess of seven thousand
1083 five hundred dollars; (2) a town committee, in excess of one thousand
1084 five hundred dollars; or (3) any political committee, other than an
1085 exploratory committee or a committee formed solely to aid or promote
1086 the success or defeat of a referendum question, in excess of two
1087 thousand dollars.

1088 (e) Contributions to a political committee established by an
1089 organization for the purpose of making contributions and engaging in
1090 coordinated spending shall be subject to the provisions of section 9-
1091 618, as amended by this act, in the case of a committee formed for
1092 ongoing political activity or section 9-619, as amended by this act, in
1093 the case of a committee formed for a single election or primary.

1094 (f) No independent expenditure political committee, as defined in
1095 section 2 of this act, that is established by an organization shall make
1096 any contribution. Any such independent expenditure political
1097 committee may only make independent expenditures, including
1098 transfers to other independent expenditure political committees.

1099 Sec. 19. Subsection (a) of section 9-618 of the general statutes is
1100 repealed and the following is substituted in lieu thereof (*Effective from*
1101 *passage*):

1102 (a) A political committee organized for ongoing political activities
1103 may make unlimited contributions to, or for the benefit of, any
1104 national committee of a political party; or a committee of a candidate
1105 for federal or out-of-state office. Except as provided in subdivision (3)
1106 of subsection (d) of this section, no such political committee shall make
1107 a contribution or contributions in excess of two thousand dollars to
1108 another political committee in any calendar year. No political
1109 committee organized for ongoing political activities shall make a
1110 contribution in excess of three hundred seventy-five dollars to an
1111 exploratory committee. If such an ongoing committee is established by
1112 an organization or a business entity, its contributions shall be subject to
1113 the limits imposed by sections 9-613 to 9-615, inclusive, as amended by
1114 this act. A political committee organized for ongoing political activities
1115 may make [contributions] donations to a charitable organization which
1116 is a tax-exempt organization under Section 501(c)(3) of the Internal
1117 Revenue Code, as from time to time amended, or make memorial
1118 [contributions] donations. No independent expenditure political
1119 committee, as defined in section 2 of this act, that is organized for
1120 ongoing political activities shall make any contribution to, or for the
1121 benefit of, any candidate or committee. Any such independent
1122 expenditure political committee may only make independent
1123 expenditures, including transfers to other independent expenditure
1124 political committees.

1125 Sec. 20. Subsection (a) of section 9-619 of the general statutes is

1126 repealed and the following is substituted in lieu thereof (*Effective from*
1127 *passage*):

1128 (a) No political committee established for a single primary or
1129 election shall make contributions to a national committee, or a
1130 committee of a candidate for federal or out-of-state office. If such a
1131 political committee is established by an organization or a business
1132 entity, its contributions shall also be subject to the limitations imposed
1133 by sections 9-613 to 9-615, inclusive, as amended by this act. Except as
1134 provided in subdivision (2) of subsection (d) of this section, no political
1135 committee formed for a single election or primary shall, with respect to
1136 such election or primary make a contribution or contributions in excess
1137 of two thousand dollars to another political committee, provided no
1138 such political committee shall make a contribution in excess of three
1139 hundred seventy-five dollars to an exploratory committee. No
1140 independent expenditure political committee, as defined in section 2 of
1141 this act, that is established for a single primary or election shall make
1142 any contribution to, or for the benefit of, any committee. Any such
1143 independent expenditure political committee may only make
1144 independent expenditures, including transfers to other independent
1145 expenditure political committees.

1146 Sec. 21. Subsection (d) of section 9-621 of the general statutes is
1147 repealed and the following is substituted in lieu thereof (*Effective from*
1148 *passage*):

1149 (d) The provisions of [subsections (a), (b) and (c) of] this section do
1150 not apply to (1) any editorial, news story, or commentary published in
1151 any newspaper, magazine or journal on its own behalf and upon its
1152 own responsibility and for which it does not charge or receive any
1153 compensation whatsoever, (2) any banner, (3) political paraphernalia
1154 including pins, buttons, badges, emblems, hats, bumper stickers or
1155 other similar materials, or (4) signs with a surface area of not more
1156 than thirty-two square feet.

1157 Sec. 22. Subsection (j) of section 9-621 of the general statutes is
1158 repealed and the following is substituted in lieu thereof (*Effective from*
1159 *passage*):

1160 (j) [(1) Except as provided in subdivisions (2) and (3) of this
1161 subsection, if] If any person whose name is included on a disclaimer of
1162 a communication pursuant to the provisions of this section, as a person
1163 who made a covered transfer to the maker of the communication, is
1164 also a recipient of a covered transfer, the maker of the communication,
1165 as part of any report filed pursuant to section 9-601d, as amended by
1166 this act, or section 9-608, as amended by this act, associated with the
1167 making of such communication, shall include the names of the five
1168 persons who made the top five largest aggregate covered transfers to
1169 such recipient during the twelve-month period [immediately prior to
1170 the primary or election, as applicable] prior to the covered transfer
1171 from the recipient to the maker of the communication and the amount
1172 of such covered transfer.

1173 [(2) The name of any person who made a covered transfer to a tax-
1174 exempt organization recognized under Section 501(c)(4) of the Internal
1175 Revenue Code of 1986, or any subsequent corresponding internal
1176 revenue code of the United States, as amended from time to time, that
1177 has not had its tax exempt status revoked, shall not be disclosed
1178 pursuant to the provisions of subdivision (1) of this subsection.

1179 (3) The name of any person who made a covered transfer to a
1180 person whose name is included on a disclaimer pursuant to the
1181 provisions of this section shall not be disclosed pursuant to the
1182 provisions of subdivision (1) of this subsection if the recipient of such
1183 covered transfer accepts covered transfers from at least one hundred
1184 different sources, provided no such source accounts for ten per cent or
1185 more of the total amount of covered transfers accepted by the recipient
1186 during the twelve-month period immediately prior to the primary or
1187 election, as applicable.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	9-601(3)
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	9-601a(a)
Sec. 4	<i>from passage</i>	9-601b(a) and (b)
Sec. 5	<i>from passage</i>	9-601c
Sec. 6	<i>from passage</i>	9-601d
Sec. 7	<i>from passage</i>	9-603(a) and (b)
Sec. 8	<i>from passage</i>	9-605(a) to (d)
Sec. 9	<i>from passage</i>	9-607(g)(1) and (2)
Sec. 10	<i>from passage</i>	9-608(c)(1)
Sec. 11	<i>from passage</i>	9-608(e)(1)(C)
Sec. 12	<i>from passage</i>	9-610(b)
Sec. 13	<i>from passage</i>	9-611
Sec. 14	<i>from passage</i>	9-612(a)
Sec. 15	<i>from passage</i>	9-612(d)
Sec. 16	<i>from passage</i>	9-613
Sec. 17	<i>from passage</i>	9-614
Sec. 18	<i>from passage</i>	9-615
Sec. 19	<i>from passage</i>	9-618(a)
Sec. 20	<i>from passage</i>	9-619(a)
Sec. 21	<i>from passage</i>	9-621(d)
Sec. 22	<i>from passage</i>	9-621(j)

Statement of Purpose:

To (1) increase disclosure with respect to independent expenditures, (2) clarify distinctions between coordinated and independent spending, enhancing enforcement of campaign finance laws, and (3) conform statutes to rulings by the United States Supreme Court and the Second Circuit Court of Appeals.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]