OLR Bill Analysis
SB 1042

AN ACT CONCERNING THE AUTOMATIC DISMISSAL OF STATE ELECTIONS ENFORCEMENT COMMISSION COMPLAINTS.

SUMMARY

This bill modifies the circumstances under which the State Elections Enforcement Commission (SEEC) must dismiss a complaint within one year after receiving it. Currently, SEEC must dismiss any complaint it receives on or after January 1, 2018, for which it does not issue a final opinion within one year after receiving the complaint. However, the deadline must be extended if specified actions delay the final decision’s issuance.

The bill instead requires SEEC to dismiss any such complaint for which it does not find reason to believe, within one year after receiving the complaint, that an election law violation occurred. The bill (1) requires that the deadline for making this finding be extended for the same reasons that the final decision deadline must be extended under current law and (2) establishes additional reasons for extending this deadline. As under current law, the one-year deadline must be extended by the length of the delay.

EFFECTIVE DATE: Upon passage

DEADLINE EXTENSIONS

Under current law, the one-year deadline for SEEC to issue a final decision must be extended if its issuance is delayed for the following reasons:

1. extension or continuance granted to a respondent by SEEC or its staff before issuing the decision;

2. issuance of a subpoena in connection with the complaint;
3. litigation in state or federal court is related to the complaint; or

4. consultation with the chief state's attorney, attorney general, U.S. Department of Justice, or U.S. attorney for Connecticut.

The bill similarly requires an extension, for these same reasons, of the one-year deadline for finding reason to believe that an election law violation occurred. (SEEC regulations generally prohibit the commission from proceeding with a contested case unless it finds, by a majority vote of a quorum, reason to believe that a violation occurred (Conn. Agencies Regs., § 9-7b-35).)

The bill also requires an extension if a reason to believe finding is delayed because of an investigation by the commission or its staff involving a potential (1) independent expenditure (IE) violation or (2) state election law violation by a foreign national or foreign-influenced entity.

**DEFINITIONS**

Under the bill, a "foreign-influenced entity" means an entity in which:

1. one foreign owner holds, owns, controls, or has directly or indirectly acquired beneficial ownership of at least 5% of the total equity or outstanding voting shares;

2. multiple foreign owners hold, own, control, or have directly or indirectly acquired beneficial ownership of at least 20% of the total equity or outstanding voting shares; or

3. any foreign owner participates in any way, directly or indirectly, in the process of making decisions with regard to the making of campaign expenditures or contributions by the entity.

A "foreign owner" is a (1) foreign national or (2) entity in which a foreign national holds, owns, controls, or otherwise has directly or indirectly acquired beneficial ownership of at least 50% of the total equity or outstanding voting shares. Finally, "foreign national" has the
same meaning as under federal law (see BACKGROUND).

BACKGROUND

**Foreign Nationals and Related Federal Law**

**Foreign Nationals.** Federal law defines a “foreign national” as any of the following:

1. a government of a foreign country and a foreign political party;

2. a person outside of the United States unless it is established that the person is (a) an individual and a U.S. citizen domiciled within the United States or (b) not an individual, has its principal place of business in the United States, and is organized under, or created by, the United States, a state, or other place subject to U.S. jurisdiction;

3. a partnership, association, corporation, organization, or other combination of persons organized under the laws of, or having its principal place of business in, a foreign country; or

4. an individual who is not a U.S. citizen or national and is not lawfully admitted for permanent residence (52 U.S.C. § 30121(b) and 22 U.S.C. § 611(b)).

**Prohibited Activities.** Federal law prohibits a foreign national from, among other things, directly or indirectly making:

1. in connection with a federal, state, or local election, a contribution or donation of money or anything of value; an express or implied promise to make a contribution or donation; or an expenditure or IE or

2. a contribution or donation to a federal, state, or local political party's committee.

It similarly prohibits a person from soliciting, accepting, or receiving any contribution or donation described above from a foreign national (52 U.S.C. § 30121 and 11 C.F.R. § 110.20).
**Related Bill**

sHB 7329 (§ 22), reported favorably by the Government Administration and Elections Committee, makes the same changes to SEEC’s complaint disposition process.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable

Yea 10  Nay 5  (03/29/2019)