



Substitute Senate Bill No. 253

Public Act No. 24-28

AN ACT CONCERNING FOREIGN POLITICAL SPENDING.

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

Section 1. Section 9-601 of the 2024 supplement to the general statutes is amended by adding subdivisions (33) to (38), inclusive, as follows (*Effective from passage*):

(NEW) (33) "Foreign national" means:

(A) A foreign principal and any agent or separate segregated fund of a foreign principal;

(B) An individual who is not (i) a citizen of the United States, (ii) a national of the United States, or (iii) lawfully admitted for permanent residence; or

(C) A firm, partnership, corporation, association, organization or other entity:

(i) With respect to which a foreign owner or a person described in subparagraph (A) or (B) of this subdivision holds, owns, controls or otherwise has a direct or indirect beneficial ownership of at least five per cent of such entity's total equity or outstanding voting shares;

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(ii) With respect to which two or more, in combination, foreign owners or persons described in subparagraph (A) or (B) of this subdivision hold, own, control or otherwise have a direct or indirect beneficial ownership of at least twenty per cent of such entity's total equity or outstanding voting shares, excluding interests held in a widely held, diversified fund;

(iii) With respect to which a foreign owner or individual described in subparagraph (A) or (B) of this subdivision, as applicable, of this subdivision participates directly or indirectly in decisions to engage in any activity subject to the provisions of chapter 155 or 157; or

(iv) That is exempt from taxation under Section 501(c)(4) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, and with respect to which at least twenty per cent of the income received by such entity in the most recent taxable year derives from one or more foreign owners.

(NEW) (34) "Foreign principal" has the same meaning as provided in 22 USC 611(b), as amended from time to time.

(NEW) (35) "National of the United States" has the same meaning as provided in 8 USC 1101(a)(22), as amended from time to time.

(NEW) (36) "Lawfully admitted for permanent residence" has the same meaning as provided in 8 USC 1101(a)(20), as amended from time to time.

(NEW) (37) "Foreign owner" means a firm, partnership, corporation, association, organization or other entity with respect to which a person described in subparagraph (A) or (B) of subdivision (33) of this section holds, owns, controls or otherwise has a direct or indirect beneficial ownership of at least fifty per cent of such entity's total equity or outstanding voting shares, excluding interests held in a widely held,

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diversified fund.

(NEW) (38) "Widely held, diversified fund" means a pooled investment, including a common trust fund of a financial institution, mutual fund or limited partnership, (A) that has more than one hundred investors, (B) that invests not more than five per cent of its value in the securities of a single issuer, other than the federal government, (C) that invests not more than twenty per cent of its value in any one economic or geographic sector, and (D) for which no investor, and no immediate family member of an investor, is able to exercise control over the financial interests held by the pooled investment, including by exercising the pooled investment's authority as the holder of corporate securities.

Sec. 2. Section 9-622 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The following persons shall be guilty of illegal practices and shall be punished in accordance with the provisions of section 9-623:

(1) Any person who, directly or indirectly, individually or by another person, gives or offers or promises to any person any money, gift, advantage, preferment, entertainment, aid, emolument or other valuable thing for the purpose of inducing or procuring any person to sign a nominating, primary or referendum petition or to vote or refrain from voting for or against any person or for or against any measure at any election, caucus, convention, primary or referendum;

(2) Any person who, directly or indirectly, receives, accepts, requests or solicits from any person, committee, association, organization or corporation, any money, gift, advantage, preferment, aid, emolument or other valuable thing for the purpose of inducing or procuring any person to sign a nominating, primary or referendum petition or to vote or refrain from voting for or against any person or for or against any

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measure at any such election, caucus, primary or referendum;

(3) Any person who, in consideration of any money, gift, advantage, preferment, aid, emolument or other valuable thing paid, received, accepted or promised to the person's advantage or any other person's advantage, votes or refrains from voting for or against any person or for or against any measure at any such election, caucus, primary or referendum;

(4) Any person who solicits from any candidate any money, gift, contribution, emolument or other valuable thing for the purpose of using the same for the support, assistance, benefit or expenses of any club, company or organization, or for the purpose of defraying the cost or expenses of any political campaign, primary, referendum or election;

(5) Any person who, directly or indirectly, pays, gives, contributes or promises any money or other valuable thing to defray or towards defraying the cost or expenses of any campaign, primary, referendum or election to any person, committee, company, club, organization or association, other than to a treasurer, except that this subdivision shall not apply to any expenses for postage, telegrams, telephoning, stationery, express charges, traveling, meals, lodging or photocopying incurred by any candidate for office or for nomination to office, so far as may be permitted under the provisions of this chapter;

(6) Any person who, in order to secure or promote the person's own nomination or election as a candidate, or that of any other person, directly or indirectly, promises to appoint, or promises to secure or assist in securing the appointment, nomination or election of any other person to any public position, or to any position of honor, trust or emolument; but any person may publicly announce the person's own choice or purpose in relation to any appointment, nomination or election in which the person may be called to take part, if the person is nominated for or elected to such office;

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(7) Any person who, directly or indirectly, individually or through another person, makes a payment or promise of payment to a treasurer in a name other than the person's own, and any treasurer who knowingly receives a payment or promise of payment, or enters or causes the same to be entered in the person's accounts in any other name than that of the person by whom such payment or promise of payment is made;

(8) Any person who knowingly and wilfully violates any provision of this chapter;

(9) Any person who offers or receives a cash contribution in excess of one hundred dollars to promote the success or defeat of any political party, candidate or referendum question;

(10) Any person who solicits, makes or receives a contribution that is otherwise prohibited by any provision of this chapter;

(11) Any department head or deputy department head of a state department who solicits a contribution on behalf of, or for the benefit of, any candidate for state, district or municipal office or any political party;

(12) Any municipal employee who solicits a contribution on behalf of, or for the benefit of, any candidate for state, district or municipal office, any political committee or any political party, from (A) an individual under the supervision of such employee, or (B) the spouse or a dependent child of such individual;

(13) Any person who makes an expenditure, that is not an independent expenditure, for a candidate without the knowledge of such candidate. No candidate shall be civilly or criminally liable with regard to any such expenditure;

(14) Any chief of staff of a legislative caucus who solicits a contribution on behalf of or for the benefit of any candidate for state,

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district or municipal office from an employee of the legislative caucus;

(15) Any chief of staff for a state-wide elected official who solicits a contribution on behalf of or for the benefit of any candidate for state, district or municipal office from a member of such official's staff; [or]

(16) Any chief of staff for the Governor or Lieutenant Governor who solicits a contribution on behalf of or for the benefit of any candidate for state, district or municipal office from a member of the staff of the Governor or Lieutenant Governor, or from any commissioner or deputy commissioner of any state agency;

(17) Any foreign national that makes, directly or indirectly, (A) any contribution or any express or implied promise to make a contribution, or (B) any expenditure; or

(18) Any person who solicits, accepts or receives any contribution or covered transfer from a foreign national.

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

(c) The independent expenditure long-form report shall identify: (1) The name of the person making or obligating to make such independent expenditure or expenditures and, in the case of a person other than an individual, provide a certification that the person making such independent expenditure is not a foreign national; (2) the tax exempt status of such person, if applicable; (3) the mailing address of such person; (4) the principal business address of the person, if different from the mailing address; (5) the address, telephone number and electronic mail address of the agent for service of process in this state of such person; (6) the date of the primary or election for which the independent expenditure or expenditures were made or obligated to be made; (7) the name of any candidate who was the subject of any independent

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expenditure or expenditures and whether the independent expenditure or expenditures were in support of or in opposition to such candidate; and (8) the name, telephone number and electronic mail address for the individual filing such report. Such individual filing such report shall affirm that the expenditure reported is an independent expenditure under penalty of false statement.

Sec. 4. Subsection (b) of section 9-605 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The registration statement shall include: (1) The name and address of the committee; (2) a statement of the purpose of the committee; (3) the name and address of its treasurer, and deputy treasurer if applicable; (4) the name, address and position of its [chairman] chairperson, and other principal officers if applicable; (5) the name and address of the depository institution for its funds; (6) the name of each person, other than an individual, that is a member of the committee; (7) the name and party affiliation of each candidate whom the committee is supporting and the office or position sought by each candidate; (8) if the committee is supporting the entire ticket of any party, a statement to that effect and the name of the party; (9) if the committee is supporting or opposing any referendum question, a brief statement identifying the substance of the question; (10) if the committee is established by a business entity or organization, the name of the business entity or organization and, if the committee is established by a person other than a human being, a certification that the person making the expenditure is not a foreign national; (11) if the committee is established by an organization, whether it will receive its funds from the organization's treasury or from voluntary contributions; (12) if the committee files reports with the Federal Elections Commission or any out-of-state agency, a statement to that effect including the name of the agency; (13) a statement indicating whether the committee is established for a single primary, election or

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referendum or for ongoing political activities; (14) if the committee is established or controlled by a lobbyist, a statement to that effect and the name of the lobbyist; (15) the name and address of the person making the initial contribution or disbursement, if any, to the committee; and (16) any information that the State Elections Enforcement Commission requires to facilitate compliance with the provisions of this chapter or chapter 157. If no such initial contribution or disbursement has been made at the time of the filing of such statement, the treasurer of the committee shall, not later than forty-eight hours after receipt of such contribution or disbursement, file a report with the State Elections Enforcement Commission. The report shall be in the same form as statements filed under section 9-608.

Sec. 5. Subdivision (1) of subsection (g) of section 9-7a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) (1) (A) In the case of a written complaint filed with the commission pursuant to section 9-7b, commission staff shall conduct and complete a preliminary examination of such complaint by the fourteenth day following its receipt, at which time such staff shall, at its discretion, ~~[(A)]~~ (i) dismiss the complaint for failure to allege any substantial violation of state election law supported by evidence, ~~[(B)]~~ (ii) engage the respondent in discussions in an effort to speedily resolve any matter pertaining to a de minimis violation, or ~~[(C)]~~ (iii) investigate and docket the complaint for a determination by the commission that probable cause or no probable cause exists for any such violation. If commission staff dismisses a complaint pursuant to subparagraph ~~[(A)]~~ (A)(i) of this subdivision, such staff shall provide a brief written statement concisely setting forth the reasons for such dismissal. If commission staff engages a respondent pursuant to subparagraph ~~[(B)]~~ (A)(ii) of this subdivision but is unable to speedily resolve any such matter described in said subparagraph by the forty-fifth day following receipt of the complaint,

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such staff shall docket such complaint for a determination by the commission that probable cause or no probable cause exists for any violation of state election law. If the commission does not, by the sixtieth day following receipt of the complaint, either issue a decision or render its determination that probable cause or no probable cause exists for any violation of state election laws, the complainant or respondent may apply to the superior court for the judicial district of Hartford for an order to show cause why the commission has not acted upon the complaint and to provide evidence that the commission has unreasonably delayed action.

(B) (i) For any complaint received on or after January 1, 2018, if the commission does not, by one year following receipt of such complaint, issue a decision thereon, the commission shall dismiss such complaint, provided the length of time of any delay caused by [(i)] (I) the commission or commission staff granting any extension or continuance to a respondent prior to the issuance of any such decision, [(ii)] (II) any subpoena issued in connection with such complaint, [(iii)] (III) any litigation in state or federal court related to such complaint, or [(iv)] (IV) any investigation by, or consultation of the commission or commission staff with, the Chief State's Attorney, the Attorney General, the United States Department of Justice or the United States Attorney for Connecticut related to such complaint, shall be added to such one year.

(ii) The provisions of subparagraph (B)(i) of this subdivision shall not apply to any complaint received on or after July 1, 2024, that relates to a potential violation of state election law by a foreign national.

Approved May 21, 2024