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## OLR Bill Analysis

### sSB 392

#### **AN ACT CONCERNING TREASURERS OF CANDIDATE COMMITTEES AND STATE ELECTIONS ENFORCEMENT COMMISSION COMPLAINTS.**

#### **SUMMARY**

This bill makes several changes to campaign finance laws. It requires contributions that do not meet the law's criteria for being a qualifying contribution (QC) for the Citizens' Election Program (CEP) to be returned by treasurers to their contributors. It correspondingly eliminates the option to deposit them into the Citizens' Election Fund (CEF) (§§ 1 & 2).

The bill also allows individuals to make contributions to candidate committees through mobile application electronic payment services (e.g., PayPal). Current law generally requires that contributions be made by personal check or credit card (§§ 3 & 4).

Lastly, the bill requires the State Elections Enforcement Commission (SEEC) to issue a decision on or dismiss complaints before the day of an election if the complaint relates to that election and is received within 90 days before it (§ 5).

EFFECTIVE DATE: Upon passage

#### **§§ 1 & 2 — RETURN OF CONTRIBUTIONS**

The law allows candidates for legislative and statewide office to seek public campaign financing by participating in the CEP. To qualify, a candidate must raise an aggregate amount of QCs and apply to SEEC for a grant. QCs must come from an individual donor and meet certain other criteria (see below).

If a candidate committee receives a contribution that does not meet the QC criteria, current law authorizes treasurers to either (1) return it

to the contributor or (2) submit it to SEEC for deposit in the CEF (which funds the CEP). The bill eliminates the option to deposit it in the fund and instead requires that the contribution be returned to the contributor.

For contributions submitted to SEEC as part of a CEP grant application, the bill similarly requires the commission to (1) notify the candidate committee of any contribution that does not meet the QC criteria and (2) return any disqualified contributions to the committee. Under the bill, SEEC must also cite the applicable statutory reason for the determination.

By law and unchanged by the bill, a contribution is not a QC if (1) it is from a principal of a state contractor or prospective state contractor, (2) it is less than \$5, (3) the contributor does not provide his or her full name and address, (4) it is from an out-of-state resident to a candidate for statewide office and exceeds the applicable limit on out-of-state contributions, or (5) the contributor is younger than 12 years old.

### **§§ 3 & 4 — CONTRIBUTIONS MADE THROUGH MOBILE APPLICATIONS**

Under current law, individuals who contribute more than \$100 to candidate or other committees (e.g., political committees) must do so by personal check or credit card. The bill creates an exception for candidate committees by allowing them to accept contributions through mobile application electronic payment service accounts (e.g., PayPal) as long as the source of the contribution is a personal checking account or credit card.

Under the bill, the contributions must also comply with certain campaign finance reporting requirements. For example, existing law requires individuals making contributions exceeding \$50 in the aggregate to a candidate or exploratory committee for legislative or statewide office, a political committee that may contribute to these committees, or a party committee to disclose to the treasurer:

1. the contributor's employer;
2. the contributor's status as a communicator lobbyist, immediate

family of a communicator lobbyist, a state contractor, a prospective state contractor, or a state contractor's or prospective state contractor's principal; and

3. a certification that they are not prohibited from contributing.

The law prohibits the treasurer from depositing these contributions without this certification.

## **§ 5 — SEEC COMPLAINTS**

By law, SEEC receives complaints from the secretary of the state, registrars of voters, town clerks, and individuals under oath about alleged election law violations. Generally, SEEC must dismiss a complaint for which it has not issued a decision within one year after receiving it, and the law sets various procedural requirements and deadlines that the commission must follow when investigating complaints (see BACKGROUND).

The bill creates an exception for complaints filed in the 90 days immediately before an election alleging a violation relating to that election. It requires SEEC to issue a decision on or dismiss these complaints before the day of the election.

## **BACKGROUND**

### ***SEEC Complaints***

The law requires SEEC to conduct and complete a preliminary examination within 14 days after receiving a complaint. At that time, SEEC may (1) dismiss the complaint, (2) attempt to speedily resolve the matter with the respondent, or (3) investigate and docket the complaint for a probable cause determination.

If a complaint cannot be resolved within 45 days after receipt, then SEEC must docket it for a probable cause determination. If the commission fails to issue a decision or make a probable cause determination within 60 days after receiving the complaint, the complainant or respondent may apply to Hartford Superior Court for an order to show cause as to why the complaint has not been resolved and to provide evidence that SEEC has unreasonably delayed action.

Generally, SEEC must dismiss a complaint for which it has not issued a decision within one year after receiving it. This deadline may be extended under certain circumstances (e.g., an investigation by or consultation with certain law enforcement entities).

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable

Yea 19 Nay 0 (03/26/2024)