

General Assembly

Substitute Bill No. 387

February Session, 2024

AN ACT CONCERNING THE USE OF ONLINE DONATION PLATFORMS FOR POLITICAL CAMPAIGNS.

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

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 repealed and the following is substituted in lieu thereof (*Effective from passage*):

- 4 (b) As used in this chapter and chapter 157, "contribution" does not5 mean:
- 6 (1) A loan of money made in the ordinary course of business by a 7 national or state bank;
- 8 (2) Any communication made by a corporation, organization or 9 association solely to its members, owners, stockholders, executive or 10 administrative personnel, or their families;
- (3) Nonpartisan voter registration and get-out-the-vote campaigns by
 any corporation, organization or association aimed at its members,
 owners, stockholders, executive or administrative personnel, or their
 families;
- (4) Uncompensated services provided by individuals volunteering
 their time on behalf of a party committee, political committee, slate
 committee or candidate committee, including any services provided for

18 the benefit of nonparticipating and participating candidates under the 19 Citizens' Election Program and any unreimbursed travel expenses made 20 by an individual who volunteers the individual's personal services to 21 any such committee. For purposes of this subdivision, an individual is 22 a volunteer if such individual is not receiving compensation for such 23 services regardless of whether such individual received compensation 24 in the past or may receive compensation for similar services that may be 25 performed in the future;

26 (5) The use of real or personal property, a portion or all of the cost of 27 invitations and the cost of food or beverages, voluntarily provided by 28 an individual to a candidate, including a nonparticipating or 29 participating candidate under the Citizens' Election Program, or to a 30 party, political or slate committee, in rendering voluntary personal 31 services at the individual's residential premises or a community room 32 in the individual's residence facility, to the extent that the cumulative 33 value of the invitations, food or beverages provided by an individual on 34 behalf of any candidate or committee does not exceed four hundred 35 dollars with respect to any single event or does not exceed eight 36 hundred dollars for any such event hosted by two or more individuals, 37 provided at least one such individual owns or resides at the residential 38 premises, and further provided the cumulative value of the invitations, 39 food or beverages provided by an individual on behalf of any such 40 candidate or committee does not exceed eight hundred dollars with 41 respect to a calendar year or single election, as the case may be;

42 (6) The sale of food or beverage for use by a party, political, slate or 43 candidate committee, including those for a participating or 44 nonparticipating candidate, at a discount, if the charge is not less than 45 the cost to the vendor, to the extent that the cumulative value of the 46 discount given to or on behalf of any single candidate committee does 47 not exceed four hundred dollars with respect to any single primary or 48 election, or to or on behalf of any party, political or slate committee, does 49 not exceed six hundred dollars in a calendar year;

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

51 (8) The payment, by a party committee or slate committee of the costs 52 of preparation, display, mailing or other distribution incurred by the 53 committee or individual with respect to any printed slate card, sample 54 ballot or other printed list containing the names of three or more 55 candidates;

56 (9) The donation of any item of personal property by an individual to 57 a committee for a fund-raising affair, including a tag sale or auction, or 58 the purchase by an individual of any such item at such an affair, to the 59 extent that the cumulative value donated or purchased does not exceed 60 one hundred dollars;

(10) (A) The purchase of advertising space which clearly identifies the purchaser, in a program for a fund-raising affair sponsored by the candidate committee of a candidate for an office of a municipality, provided the cumulative purchase of such space does not exceed two hundred fifty dollars from any single such candidate or the candidate's committee with respect to any single election campaign if the purchaser is a business entity or fifty dollars for purchases by any other person;

68 (B) The purchase of advertising space which clearly identifies the 69 purchaser, in a program for a fund-raising affair or on signs at a fund-70 raising affair sponsored by a party committee or a political committee, 71 other than an exploratory committee, provided the cumulative purchase 72 of such space does not exceed two hundred fifty dollars from any single 73 party committee or a political committee, other than an exploratory 74 committee, in any calendar year if the purchaser is a business entity or 75 fifty dollars for purchases by any other person. Notwithstanding the 76 provisions of this subparagraph, the following may not purchase 77 advertising space in a program for a fund-raising affair or on signs at a 78 fund-raising affair sponsored by a party committee or a political 79 committee, other than an exploratory committee: (i) A communicator 80 lobbyist, (ii) a member of the immediate family of a communicator 81 lobbyist, (iii) a state contractor, (iv) a prospective state contractor, or (v) 82 a principal of a state contractor or prospective state contractor. As used 83 in this subparagraph, "state contractor", "prospective state contractor"

and "principal of a state contractor or prospective state contractor" have
the same meanings as provided in subsection (f) of section 9-612;

86 (11) The payment of money by a candidate to the candidate's
87 candidate committee, provided the committee is for a nonparticipating
88 candidate;

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

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

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

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

(16) An organization expenditure by a party committee, legislativecaucus committee or legislative leadership committee;

112 (17) The donation of food or beverage by an individual for 113 consumption at a slate, candidate, political committee or party 114 committee meeting, event or activity that is not a fund-raising affair to
115 the extent that the cumulative value of the food or beverages donated
116 by an individual for a single meeting or event does not exceed fifty
117 dollars;

118 (18) The value associated with the de minimis activity on behalf of a 119 party committee, political committee, slate committee or candidate 120 committee, including for activities including, but not limited to, (A) the 121 creation of electronic or written communications or digital photos or 122 video as part of an electronic file created on a voluntary basis without 123 compensation, including, but not limited to, the creation and ongoing 124 content development and delivery of social media on the Internet or 125 telephone, including, but not limited to, the sending or receiving of 126 electronic mail or messages, (B) the posting or display of a candidate's 127 name or group of candidates' names at a town fair, county fair, local 128 festival or similar mass gathering by a party committee, (C) the use of 129 personal property or a service that is customarily attendant to the 130 occupancy of a residential dwelling, or the donation of an item or items 131 of personal property that are customarily used for campaign purposes, 132 by an individual, to a candidate committee, provided the cumulative 133 fair market value of such use of personal property or service or items of 134 personal property does not exceed one hundred dollars in the aggregate 135 for any single election or calendar year, as the case may be;

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

(20) A communication, as described in subdivision (7) of subsection(b) of section 9-601b, as amended by this act;

143 (21) An independent expenditure, as defined in section 9-601c;

144 (22) A communication containing an endorsement on behalf of a 145 candidate for nomination or election to the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, Attorney General, state senator or state representative, from a candidate for the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, Attorney General, state senator or state representative, provided the candidate (A) making the endorsement is unopposed at the time of the communication, and (B) being endorsed paid for such communication;

153 (23) A communication that is sent by mail to addresses in the district 154 for which a candidate being endorsed by another candidate pursuant to 155 this subdivision is seeking nomination or election to the office of state 156 senator or state representative, containing an endorsement on behalf of 157 such candidate for such nomination or election from a candidate for the 158 office of state senator or state representative, provided the candidate (A) 159 making the endorsement is not seeking election to the office of state 160 senator or state representative for a district that contains any 161 geographical area shared by the district for the office to which the 162 endorsed candidate is seeking nomination or election, and (B) being 163 endorsed paid for such communication; [or]

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

(25) With respect to an online platform that collects any contribution
from a contributor and transmits such contribution to a committee, a
voluntary payment made by such contributor to such online platform,
which is (A) in addition to such contribution, and (B) used by such
online platform to conduct its operations.
Sec. 2. Subsection (b) of section 9-601b of the general statutes is

Sec. 2. Subsection (b) of section 9-601b of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

(1) A loan of money, made in the ordinary course of business, by astate or national bank;

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

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

186 (4) Uncompensated services provided by individuals volunteering 187 their time on behalf of a party committee, political committee, slate 188 committee or candidate committee, including any services provided for 189 the benefit of nonparticipating and participating candidates under the 190 Citizens' Election Program and any unreimbursed travel expenses made 191 by an individual who volunteers the individual's personal services to 192 any such committee. For purposes of this subdivision, an individual is 193 a volunteer if such individual is not receiving compensation for such 194 services regardless of whether such individual received compensation 195 in the past or may receive compensation for similar services that may be 196 performed in the future;

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

201 (6) The use of real or personal property, a portion or all of the cost of 202 invitations and the cost of food or beverages, voluntarily provided by 203 an individual to a candidate, including a nonparticipating or 204 participating candidate under the Citizens' Election Program, or to a 205 party, political or slate committee, in rendering voluntary personal 206 services at the individual's residential premises or a community room 207 in the individual's residence facility, to the extent that the cumulative 208 value of the invitations, food or beverages provided by an individual on

209 behalf of any candidate or committee does not exceed four hundred 210 dollars with respect to any single event or does not exceed eight 211 hundred dollars for any such event hosted by two or more individuals, 212 provided at least one such individual owns or resides at the residential 213 premises, and further provided the cumulative value of the invitations, 214 food or beverages provided by an individual on behalf of any such 215 candidate or committee does not exceed eight hundred dollars with 216 respect to a calendar year or single election, as the case may be;

(7) A communication described in subdivision (2) of subsection (a) of 217 218 this section that includes speech or expression made (A) prior to the 219 ninety-day period preceding the date of a primary or an election at 220 which the clearly identified candidate or candidates are seeking 221 nomination to public office or position, that is made for the purpose of 222 influencing any legislative or administrative action, as defined in section 223 1-91, or executive action, or (B) during a legislative session for the 224 purpose of influencing legislative action;

(8) An organization expenditure by a party committee, legislativecaucus committee or legislative leadership committee;

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

231 (10) A communication containing an endorsement on behalf of a 232 candidate for nomination or election to the office of Governor, 233 Lieutenant Governor, Secretary of the State, State Treasurer, State 234 Comptroller, Attorney General, state senator or state representative, 235 from a candidate for the office of Governor, Lieutenant Governor, 236 Secretary of the State, State Treasurer, State Comptroller, Attorney 237 General, state senator or state representative, shall not be an 238 expenditure attributable to the endorsing candidate, if the candidate 239 making the endorsement is unopposed at the time of the 240 communication;

241 (11) A communication that is sent by mail to addresses in the district 242 for which a candidate being endorsed by another candidate pursuant to 243 the provisions of this subdivision is seeking nomination or election to 244 the office of state senator or state representative, containing an 245 endorsement on behalf of such candidate for such nomination or 246 election, from a candidate for the office of state senator or state 247 representative, shall not be an expenditure attributable to the endorsing 248 candidate, if the candidate making the endorsement is not seeking 249 election to the office of state senator or state representative for a district 250 that contains any geographical area shared by the district for the office 251 to which the endorsed candidate is seeking nomination or election;

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

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

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

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

(16) With respect to an online platform that collects any contribution
 from a contributor and transmits such contribution to a committee, the
 use of such online platform to request a voluntary payment made by
 such contributor to such online platform, which is (A) in addition to
 such contribution, and (B) used by such online platform to conduct its

273 <u>operations</u>.

This act shall take effect as follows and shall amend the following sections:

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Section 1	from passage	9-601a(b)
Sec. 2	from passage	9-601b(b)

GAE Joint Favorable Subst.