

General Assembly

Substitute Bill No. 1225

January Session, 2023



AN ACT CONCERNING REFERENDA, INDEPENDENT EXPENDITURES, STATE ELECTIONS ENFORCEMENT COMMISSION COMPLAINTS AND REPAYMENT OF SURPLUS CITIZENS' ELECTION PROGRAM GRANT FUNDS.

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

- Section 1. Section 9-601 of the general statutes is amended by adding subdivision (33) as follows (*Effective from passage*):
- (NEW) (33) "Independent expenditure political committee" means a political committee that makes only (A) independent expenditures (i) to promote the success or defeat of any candidate seeking (I) the nomination for election, or (II) election, or (ii) for the purpose of aiding or promoting the success or defeat of any (I) referendum question, or (II) political party, and (B) contributions to other independent expenditure political committees.
- Sec. 2. Subdivision (3) of section 9-601 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 13 (3) "Political committee" means (A) a committee organized by a 14 business entity or organization, (B) persons other than individuals, or 15 two or more individuals organized or acting jointly conducting their

- activities in or outside the state, (C) an exploratory committee, (D) a committee established by or on behalf of a slate of candidates in a primary for the office of justice of the peace, but does not mean a candidate committee or a party committee, (E) a legislative caucus
- 20 committee, [or] (F) a legislative leadership committee, or (G) an
- 21 <u>independent expenditure political committee</u>.
- Sec. 3. Section 9-601c of the general statutes is amended by adding subsection (e) as follows (*Effective from passage*):
- (NEW) (e) Notwithstanding the provisions of subsections (a) to (d), inclusive, of this section, an independent expenditure political committee may coordinate with one or more other independent expenditure political committees for the purpose of making one or more independent expenditures.
- Sec. 4. Subsections (a) to (i), inclusive, of section 9-601d of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 32 (a) Any person [, as defined in section 9-601,] may, unless otherwise 33 restricted or prohibited by law, including, but not limited to, any 34 provision of this chapter or chapter 157, make unlimited independent 35 expenditures [, as defined in section 9-601c,] and accept unlimited 36 covered transfers. [, as defined in said section 9-601.] Except as provided 37 [pursuant to] in this section, any such person who makes or obligates to 38 make an independent expenditure or expenditures in excess of one 39 thousand dollars, in the aggregate, shall file statements according to the 40 same schedule and in the same manner as is required of a treasurer of a 41 [candidate] political committee pursuant to section 9-608, as amended 42 by this act. Any such person, other than a committee, shall file with the 43 proper authority, as provided in section 9-603, (1) a long-form report 44 and a short-form report pursuant to subsection (c) of this section for 45 such independent expenditure or expenditures, and (2) a short-form 46 report pursuant to subsection (d) of this section for each subsequent 47 <u>independent expenditure made or obligated to be made</u>.

(b) Any person who makes or obligates to make an independent expenditure or expenditures in an election or primary for the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, Attorney General, state senator or state representative, [which] or to promote the success or defeat of a referendum question proposing a constitutional convention, constitutional amendment or revision of the Constitution, that exceed one thousand dollars, in the aggregate, during [a primary campaign or a general election campaign, as defined in section 9-700, shall file, electronically, a long-form and a short-form report of such independent expenditure or expenditures with the State Elections Enforcement Commission pursuant to subsections (c) and (d) of this section. The person that makes or obligates to make such independent expenditure or expenditures shall file such reports] the period beginning on June first in the year of a regular election, or on the day the Governor issues writs of election pursuant to section 9-215 in the case of a special election for the office of state senator or state representative, and ending on the day following the primary or election for which such person made or obligated to make such independent expenditure or expenditures, shall electronically file, in the case of a committee, a report pursuant to section 9-608, as amended by this act, or, in the case of any person other than a committee, a long-form report and a short-form report pursuant to subsections (c) and (d) of this section not later than twenty-four hours after (1) making any such payment, or (2) obligating to make any such payment, with respect to the primary, [or] election [. If any such person makes or incurs a subsequent independent expenditure, such person shall report such expenditure pursuant to subsection (d) of this section or referendum. In the case of a special election for the office of state senator or state representative, if any person makes or obligates to make an independent expenditure or expenditures for such special election that exceeds one thousand dollars, in the aggregate, prior to the day the Governor issues writs of election pursuant to section 9-215, such person shall file a report not later than twenty-four hours after such writs of election are issued. Such reports shall be filed under penalty of false statement.

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(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) the name of a human being who had direct, extensive and substantive decision-making authority over such independent expenditure or expenditures, and (B) a certification that the person making such independent expenditure is not a foreign national, as defined in 52 USC 30121(b), as amended from time to time; (2) the tax exempt status of such person and, if [applicable] such person files a report with the Federal Election Commission, the Internal Revenue Service or any similar out-of-state agency, provide identifying information under which any such filing is made; (3) the mailing address, and street address if different, of such person; (4) the principal business address of the person, if different from either the mailing address or street address; (5) the mailing address, and street address if different, telephone number and electronic mail address of the agent for service of process in this state of such person and of the human being described in subparagraph (A) of subdivision (1) of this subsection; (6) the date of the primary, [or] election or referendum for which [the] such independent expenditure or expenditures were made or obligated to be made; (7) the name of any candidate who, or the text of any referendum question that, was the subject of [any] such independent expenditure or expenditures and whether [the] such independent expenditure or expenditures were in support of or in opposition to such candidate or referendum question; and (8) the name, telephone number and electronic mail address for the individual filing such report. Such individual filing such report shall, under penalty of false statement, affirm that the expenditure reported is an independent expenditure. [under penalty of false statement.]

(d) As part of any filing made pursuant to subsection (c) of this section and for each subsequent independent expenditure made or obligated to be made by a person with respect to the primary, [or] election or referendum for which a long-form report pursuant to subsection (c) of this section has been filed on behalf of such person, an

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individual shall file [, electronically,] a short-form report for each such independent expenditure. [, not later than twenty-four hours after such person makes a payment for an independent expenditure or obligates to make such an independent expenditure.] Such short-form report shall identify: (1) The name of the person making or obligating to make such independent expenditure; (2) the amount of the independent expenditure; (3) whether the independent expenditure was in support of or in opposition to a candidate or referendum question and the name of such candidate or text of such referendum question; (4) a brief description of the independent expenditure made, including the type of communication, based on categories determined by the State Elections Enforcement Commission, and the allocation of such independent expenditure in support of or in opposition to each such candidate or referendum question, if such independent expenditure was made in support of or in opposition to more than one candidate or question; and (5) the name, telephone number and electronic mail address for the individual filing such report. Such individual filing such report shall, under penalty of false statement, affirm that the expenditure reported is an independent expenditure. [under penalty of false statement.]

- (e) No person reporting an independent expenditure pursuant to the provisions of subsection (c) or (d) of this section shall be required to file a statement pursuant to section 9-608, as amended by this act, for such independent expenditure.
- (f) (1) Except as provided in subdivision (2) of this subsection, as part of any statement filed pursuant to this section, if a person who makes or obligates to make an independent expenditure (A) has received a covered transfer during the twelve-month period prior to (i) a primary or election, as applicable to the reported independent expenditure, for an office that a candidate described in subdivision (7) of subsection (c) of this section is seeking, or (ii) a referendum on a question proposing a constitutional convention, constitutional amendment or revision of the Constitution, and (B) such independent expenditure is made or obligated to be made on or after the date that is one hundred eighty days

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prior to such primary, [or] election <u>or referendum</u>, such person shall disclose the source and the amount of any such covered transfer such person received that is in an amount that is five thousand dollars or more, in the aggregate, during the twelve-month period prior to such primary, [or] election <u>or referendum</u>, as applicable to the reported <u>independent</u> expenditure.

- (2) The provisions of subdivision (1) of this subsection shall not apply to any person who discloses the source and amount of a covered transfer described in subdivision (1) of this subsection as part of any report to the Federal Election Commission, [or] the Internal Revenue Service or any similar out-of-state agency, provided such person includes a copy of, or information sufficient to find, any such report as part of the report of each applicable independent expenditure filed pursuant to this section. If a source and amount of a covered transfer is not included as part of any such report, the maker of the independent expenditure shall disclose the source and amount of such covered transfer pursuant to subdivision (1) of this subsection, if applicable.
- (g) (1) A person may, unless otherwise restricted or prohibited by law, including, but not limited to, any provision of this chapter or chapter 157, establish a dedicated independent expenditure account [, for the purpose of engaging in] that may be used to make independent expenditures, [that] provided such account is segregated from all other accounts controlled by such person. Such dedicated independent expenditure account may receive covered transfers directly from persons other than the person establishing the dedicated account and may not receive transfers from another account controlled by the person establishing the dedicated account, except as provided in subdivision (2) of this subsection. If an independent expenditure is made from such segregated account, any report required pursuant to this section or disclaimer required pursuant to section 9-621, as amended by this act, [may include only] shall include those persons who made covered transfers directly to the dedicated independent expenditure account.
- (2) If a person who has made a covered transfer to another account

controlled by the person establishing a dedicated independent expenditure account requests that such covered transfer be used for the purposes of making an independent expenditure from the dedicated independent expenditure account, the amount of such covered transfer may be transferred to the dedicated independent expenditure account and shall be treated as a covered transfer directly to the dedicated independent expenditure account.

- (h) Any person may file a complaint with the commission upon the belief that (1) any such independent expenditure report or statement is false, or (2) any person who is required to file an independent expenditure report under this subsection has failed to do so. The commission shall make a prompt determination on such a complaint.
- (i) (1) [If a] Notwithstanding the provisions of section 9-623, (A) any person who fails to file a report in accordance with the provisions of this section or section 9-608, as amended by this act, for an independent expenditure or expenditures made or obligated to be made more than ninety days before the day of a primary, [or election, the person] election or referendum shall be subject to a civil penalty, imposed by the State Elections Enforcement Commission, of not more than ten thousand dollars, [. If a] and (B) any person who fails to file a report required in accordance with the provisions of this section for an independent expenditure or expenditures made or obligated to be made ninety days or less before the day of a primary, [or election, such person] election or referendum shall be subject to a civil penalty, imposed by the State Elections Enforcement Commission, of not more than twenty thousand dollars or twice the amount of such independent expenditure or expenditures, whichever is greater.
- (2) [If] Notwithstanding the provisions of section 9-623, if the State Elections Enforcement Commission finds that any such failure is knowing and wilful, the person responsible for [the] such failure shall [also be fined] be subject to an additional civil penalty, imposed by the commission, of not more than fifty thousand dollars or ten times the amount of such independent expenditure or expenditures, whichever is

- 216 greater, and the commission may refer the matter to the office of the 217 Chief State's Attorney.
- 218 (3) If the State Elections Enforcement Commission finds that a person 219 is subject to a civil penalty under this subsection, (A) in the case of a 220 committee, (i) the chairperson, and (ii) any officer, or (B) in the case of a 221 person other than a committee, (i) the chief executive or chief financial 222 officer, or equivalent, (ii) any other officer, and (iii) any manager who 223 had direct, extensive and substantive decision-making authority over 224 the independent expenditure or expenditures made or obligated to be made by such person, shall be liable for paying any amount of such civil 225 226 penalty imposed that is not paid by such person within one year after 227 the latter of the date on which the commission imposed such civil 228 penalty or the date of the final judgment following any judicial review 229 of the commission's action.
- Sec. 5. 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 or controlled by a [business entity or organization] person or an individual acting as the agent of a person, the name of [the entity or organization] such person and, if the committee is established or controlled by a person other than

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a human being, (A) the name of its chief executive officer or equivalent, and (B) a certification that the person making the expenditure is not a foreign national, as defined in 52 USC 30121(b), as amended from time to time; (11) if the committee is established by an organization, a statement of 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, the Internal Revenue Service or any similar out-of-state agency, a statement to that effect including the name of the commission or agency and identifying information under which any such filings are made; (13) a statement indicating whether the committee is established for a single primary, election or 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, as described in subdivision (15) of this subsection, 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, as amended by this act.

Sec. 6. Subdivision (1) of subsection (g) of section 9-607 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) (1) As used in this subsection, (A) "the lawful purposes of the committee" means: (i) For a candidate committee or exploratory committee, the promoting of the nomination or election of the candidate who established the committee, except that after a political party nominates candidates for election to the offices of Governor and Lieutenant Governor, whose names shall be so placed on the ballot in

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the election that an elector will cast a single vote for both candidates, as prescribed in section 9-181, a candidate committee established by either such candidate may also promote the election of the other such candidate; (ii) for a political committee, other than an independent expenditure political committee described in subparagraph (A)(iv) of this subdivision, the promoting of a political party, including party building activities, of the success or defeat of candidates for nomination and election to public office or position subject to the requirements of this chapter, or of the success or defeat of referendum questions, provided [a political committee formed for a single referendum question shall not promote the success or defeat of any candidate, and provided further] a legislative leadership committee or a legislative caucus committee may expend funds to defray costs for conducting legislative or constituency-related business which are not reimbursed or paid by the state; [and] (iii) for a party committee, the promoting of the party, of party building activities, of the candidates of the party and of the success or defeat of referendum questions and the continuing operating costs of the party; and (iv) for an independent expenditure political committee, the promoting of a political party, of the success or defeat of candidates for nomination or election to public office or position subject to the requirements of this chapter, or of the success or defeat of referendum questions, and (B) "immediate family" means a spouse or dependent child of a candidate who resides in the candidate's household.

Sec. 7. Subparagraph (C) of subdivision (1) of subsection (e) of section 9-608 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(C) [(i) Each political committee formed solely to aid or promote the success or defeat of any referendum question, which does not receive contributions from a business entity or an organization, shall distribute its surplus to a party committee, to a political committee organized for ongoing political activities, to a national committee of a political party, to all contributors to the committee on a prorated basis of contribution,

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to state or municipal governments or agencies or to any 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. (ii) Each political committee formed solely to aid or promote the success or defeat of any referendum question, which receives contributions from a business entity or an organization] An independent expenditure political committee, other than such a committee formed for ongoing political activities, shall distribute its surplus to all contributors to the committee on a prorated basis of contribution, to state or municipal governments or agencies, or to any organization which is tax-exempt under [said provisions] Sections 501(c)(3) and 501(c)(19) of the Internal Revenue Code, as amended from time to time. Notwithstanding the provisions of this subsection, a committee formed for a single referendum shall not be required to expend its surplus [not later than] within ninety days after the referendum and may continue in existence if a substantially similar referendum question on the same issue will be submitted to the electorate within six months after the first referendum. If two or more substantially similar referenda on the same issue are submitted to the electorate, each no more than six months apart, the committee shall expend such surplus within ninety days following the date of the last such referendum;

- Sec. 8. Section 9-611 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (a) No individual shall make a contribution or contributions to, for the benefit of, or pursuant to the authorization or request of, a candidate or a committee supporting or opposing any candidate's campaign for nomination at a primary, or any candidate's campaign for election, to the office of (1) Governor, in excess of three thousand five hundred dollars; (2) Lieutenant Governor, Secretary of the State, Treasurer, Comptroller or Attorney General, in excess of two thousand dollars; (3) chief executive officer of a town, city or borough, in excess of one

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- thousand dollars; (4) state senator or probate judge, in excess of one thousand dollars; or (5) state representative or any other office of a municipality not previously included in this subsection, in excess of two hundred fifty dollars. The limits imposed by this subsection shall be applied separately to primaries and elections.
 - (b) (1) No individual shall make a contribution or contributions to, or for the benefit of, an exploratory committee, in excess of three hundred seventy-five dollars, if the candidate establishing the exploratory committee certifies on the statement of organization for the exploratory committee pursuant to subsection (c) of section 9-604 that the candidate will not be a candidate for the office of state representative. No individual shall make a contribution or contributions to, or for the benefit of, any exploratory committee, in excess of two hundred fifty dollars, if the candidate establishing the exploratory committee does not so certify.
 - (2) No individual shall make a contribution or contributions to, or for the benefit of, a political committee formed by a slate of candidates in a primary for the office of justice of the peace, in excess of two hundred fifty dollars.
 - [(c) No individual shall make contributions to such candidates or committees which in the aggregate exceed thirty thousand dollars for any single election and primary preliminary to such election.]
 - [(d)] (c) No individual shall make a contribution to any candidate or committee, other than a contribution in kind, in excess of one hundred dollars except by personal check or credit card of that individual.
 - [(e)] (d) No individual who is less than eighteen years of age shall make a contribution or contributions, in excess of thirty dollars to, for the benefit of, or pursuant to the authorization or request of: (1) A candidate or a committee supporting or opposing any candidate's campaign for nomination at a primary to any office; (2) a candidate or a committee supporting or opposing any candidate's campaign for

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- election to any office; (3) an exploratory committee; (4) any other political committee in any calendar year; or (5) a party committee in any calendar year. Notwithstanding any provision of subdivision (2) of section 9-7b, any individual who is less than eighteen years of age who violates any provision of this subsection shall not be subject to the provisions of subdivision (2) of section 9-7b.
- Sec. 9. Subsections (a) and (b) of section 9-612 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) (1) No individual shall make a contribution or contributions in any one calendar year in excess of ten thousand dollars to the state central committee of any party, or for the benefit of such committee pursuant to its authorization or request; or two thousand dollars to a town committee of any political party, or for the benefit of such committee pursuant to its authorization or request; or two thousand dollars to a legislative caucus committee or legislative leadership committee; [,] or one thousand dollars to any other political committee [other than (1)] except (A) a political committee formed solely to aid or promote the success or defeat of a referendum question, [(2)] (B) an exploratory committee, [(3)] (C) a political committee established by an organization, or for the benefit of such committee pursuant to its authorization or request, or [(4)] (D) a political committee formed by a slate of candidates in a primary for the office of justice of the peace of the same town.
 - (2) Notwithstanding the provisions of subdivision (1) of this subsection and unless otherwise restricted or prohibited by law, an individual may make contributions to an independent expenditure political committee, including a political committee formed solely to aid or promote the success or defeat of any referendum question.
 - (b) (1) No individual shall make a contribution to a political committee established by an organization which receives its funds from the organization's treasury. With respect to a political committee

- established by an organization which has complied with the provisions of subsection (b) or (c) of section 9-614, as amended by this act, and has elected to receive contributions, no individual other than a member of the organization may make contributions to the committee, in which case the individual may contribute not more than seven hundred fifty dollars in any one calendar year to such committee or for the benefit of such committee pursuant to its authorization or request.
- 418 (2) Notwithstanding the provisions of subdivision (1) of this 419 subsection and unless otherwise restricted or prohibited by law, an 420 individual may make contributions to an independent expenditure 421 political committee established by an organization.
- Sec. 10. Section 9-613 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) [No] Except as provided in subsection (f) of this section, a business entity shall not make any contributions or expenditures (1) to, or for the benefit of, any candidate's campaign (A) for election to any public office or position subject to this chapter, or (B) for nomination at a primary for any such office or position, or (2) to promote the defeat of any candidate for any such office or position. [No] A business entity shall not make any other contributions or expenditures to promote the success or defeat of any political party. [, except as provided in subsection (b) of this section. No] A business entity shall not establish more than one political committee. A political committee shall be deemed to have been established by a business entity if the initial disbursement or contribution to the committee is made under subsection (b) of this section or by an officer, director, owner, limited or general partner or holder of stock constituting five per cent or more of the total outstanding stock of any class of the business entity.
 - (b) A business entity may make reasonable and necessary transfers or disbursements to or for the benefit of a political committee established by such business entity, for the administration of, or solicitation of contributions to, such political committee. Nonmonetary contributions

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- by a business entity which are incidental in nature and are directly attributable to the administration of such political committee shall be exempt from the reporting requirements of this chapter.
- I(c) The provisions of this section shall not preclude a business entity from making contributions or expenditures to promote the success or defeat of a referendum question.]
 - [(d) A] (c) Except as provided in subsection (f) of this section, a political committee organized by a business entity shall not make a contribution or contributions to or for the benefit of any candidate's campaign for nomination at a primary or any candidate's campaign for election to the office of: (1) Governor, in excess of five thousand dollars; (2) Lieutenant Governor, Secretary of the State, Treasurer, Comptroller or Attorney General, in excess of three thousand dollars; (3) state senator, probate judge or chief executive officer of a town, city or borough, in excess of one thousand five hundred dollars; (4) state representative, in excess of seven hundred fifty dollars; or (5) any other office of a municipality not included in subdivision (3) of this subsection, in excess of three hundred seventy-five dollars. The limits imposed by this subsection shall apply separately to primaries and elections and contributions by any such committee to candidates designated in this subsection shall not exceed one hundred thousand dollars in the aggregate for any single election and primary preliminary thereto. Contributions to such committees shall also be subject to the provisions of section 9-618, as amended by this act, in the case of committees formed for ongoing political activity or section 9-619, as amended by this act, in the case of committees formed for a single election or primary.
 - [(e) No] (d) A political committee organized by a business entity shall not make a contribution or contributions to (1) a state central committee of a political party, in excess of seven thousand five hundred dollars in any calendar year, (2) a town committee of any political party, in excess of one thousand five hundred dollars in any calendar year, (3) an exploratory committee in excess of three hundred seventy-five dollars,

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- or (4) any other kind of political committee, in excess of two thousand dollars in any calendar year.
- 478 [(f)] (e) As used in this subsection, "investment services" means 479 investment legal services, investment banking services, investment 480 advisory services, underwriting services, financial advisory services or 481 brokerage firm services. [No] A political committee established by a 482 firm which provides investment services and to which the State 483 Treasurer pays compensation, expenses or fees or issues a contract shall 484 not make a contribution to, or solicit contributions on behalf of, an 485 exploratory committee or candidate committee established by a 486 candidate for nomination or election to the office of State Treasurer 487 during the term of office of the State Treasurer who does business with 488 such firm.
- [(g)] (f) (1) Notwithstanding the provisions of <u>subsections</u> (a) to (e), inclusive, of this section, a [corporation, cooperative association, limited partnership, professional association, limited liability company or limited liability partnership, whether formed in this state or any other, acting alone,] <u>business entity</u> may make independent expenditures <u>and</u> contributions to an independent expenditure political committee.
- 495 (2) An independent expenditure political committee organized by a 496 business entity shall not make any contribution unless such contribution 497 is to another independent expenditure political committee.
- Sec. 11. Section 9-614 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) An organization may make contributions or expenditures, other than [those made to promote] for the purposes of promoting the success or defeat of a referendum question, only by first forming its own political committee. [The] <u>Unless such political committee is an independent expenditure political committee, the</u> political committee shall then be authorized to (1) receive funds (A) exclusively from the organization's treasury or from voluntary contributions made by its

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507 members, but not both, (B) from another political committee, or [,] (C) 508 from a candidate committee distributing a surplus, and [(1) to] (2) make 509 (A) contributions or expenditures to, or for the benefit of, a candidate's campaign or a political party, or [(2) to make] (B) contributions to 510 511 another political committee. [No] An organization shall not form more 512 than one political committee. A political committee shall be deemed to 513 have been established by an organization if the initial contribution to the 514 committee is made by the organization's treasury or an officer or 515 director of the organization.

- (b) A political committee established by an organization may elect to alter the manner in which it is funded if it complies with the requirements of this subsection. The committee chairperson shall notify the repository with which the committee's most recent statement of organization is filed, in writing, of the committee's intent to alter its manner of funding. [Within] Not later than fifteen days after the date of receipt of such notification, the treasurer of such political committee shall return any funds remaining in the account of the committee to the organization's treasury after payment of each outstanding liability. [Within] Not later than seven days after the distribution and payments have been made, the treasurer shall file a statement with the same repository itemizing each such distribution and payment. Upon such filing, the treasurer may receive voluntary contributions from any member of the organization which established such committee subject to the limitations imposed in subsection (b) of section 9-612, as amended by this act.
- (c) The chairperson of each political committee established by an organization on or after July 1, 1985, shall designate the manner in which the committee shall be funded in the committee's statement of organization.
- (d) Notwithstanding the provisions of <u>subsections (a) to (c), inclusive,</u> <u>of</u> this section, an organization [, acting alone,] may make independent expenditures <u>and contributions to an independent expenditure political committee</u>.

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- Sec. 12. Section 9-615 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (a) [No] A political committee established by an organization shall not make a contribution or contributions to, or for the benefit of, any candidate's campaign for nomination at a primary or for election to the office of: (1) Governor, in excess of five thousand dollars; (2) Lieutenant Governor, Secretary of the State, Treasurer, Comptroller or Attorney General, in excess of three thousand dollars; (3) chief executive officer of a town, city or borough, in excess of one thousand five hundred dollars; (4) state senator or probate judge, in excess of one thousand five hundred dollars; (5) state representative, in excess of seven hundred fifty dollars; or (6) any other office of a municipality not previously included in this subsection, in excess of three hundred seventy-five dollars.
 - (b) [No such] A political committee established by an organization shall <u>not</u> make a contribution or contributions to, or for the benefit of, an exploratory committee, in excess of three hundred seventy-five dollars. Any such <u>political</u> committee may make unlimited contributions to a political committee formed solely to aid or promote the success or defeat of a referendum question.
 - (c) The limits imposed by subsection (a) of this section shall apply separately to primaries and elections. [and no such] A political committee established by an organization shall not make contributions to the candidates designated in this section which in the aggregate exceed fifty thousand dollars for any single election and primary preliminary thereto.
 - (d) [No] Except as provided in subsection (f) of this section, a political committee established by an organization shall <u>not</u> make contributions in any one calendar year to, or for the benefit of, (1) the state central committee of a political party, in excess of seven thousand five hundred dollars; (2) a town committee, in excess of one thousand five hundred dollars; or (3) any political committee, other than an exploratory

- committee or a committee formed solely to aid or promote the success or defeat of a referendum question, in excess of two thousand dollars.
- (e) Contributions to a political committee established by an organization shall be subject to the provisions of section 9-618, as amended by this act, in the case of a committee formed for ongoing political activity or section 9-619, as amended by this act, in the case of a committee formed for a single election or primary.
- (f) An independent expenditure political committee established by an
 organization shall not make any contribution unless such contribution
 is to another independent expenditure political committee.
 - Sec. 13. Subsection (a) of section 9-618 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) (1) A political committee organized for ongoing political activities may make unlimited contributions to, or for the benefit of, any national committee of a political party [;] or a committee of a candidate for federal or out-of-state office. Except as provided in subdivision (3) of subsection (d) of this section, no such political committee shall make a contribution or contributions in excess of two thousand dollars to another political committee in any calendar year. No political committee organized for ongoing political activities shall make a contribution in excess of three hundred seventy-five dollars to an exploratory committee. If such an ongoing committee is established by an organization or a business entity, its contributions shall be subject to the limits imposed by sections 9-613 to 9-615, inclusive, as amended by this act. A political committee organized for ongoing political activities may make [contributions] donations to a charitable organization which is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, as from time to time amended, or make memorial [contributions] donations.
 - (2) An independent expenditure political committee organized for

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- ongoing political activities shall not make any contribution unless such contribution is to another independent expenditure political committee.
- Sec. 14. Subsection (a) of section 9-619 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 608 (a) [No] (1) A political committee established for a single primary or 609 election shall not make contributions to a national committee, or a 610 committee of a candidate for federal or out-of-state office. If such a 611 political committee is established by an organization or a business 612 entity, its contributions shall also be subject to the limitations imposed 613 by sections 9-613 to 9-615, inclusive, as amended by this act. Except as 614 provided in subdivision (2) of subsection (d) of this section, [no] a 615 political committee [formed] <u>established</u> for a single <u>primary or</u> election 616 [or primary] shall not, with respect to such primary or election, [or 617 primary make a contribution or contributions in excess of two thousand 618 dollars to another political committee, provided [no] any such political 619 committee shall not make a contribution in excess of three hundred seventy-five dollars to an exploratory committee. 620
 - (2) An independent expenditure political committee established for a single primary or election shall not make any contribution unless such contribution is to another independent expenditure political committee.
- Sec. 15. Section 9-620 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) [A political committee formed solely to aid or promote the success or defeat of a referendum question shall not make contributions to, or for the benefit of, a party committee, a political committee, a national committee, a committee of a candidate for federal or out-of-state office or a candidate committee, except in the distribution of a surplus, as provided in subsection (e) of section 9-608] Subject to the provisions of this chapter, any person may establish an independent expenditure political committee that may only make expenditures without the

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- consent, coordination or consultation of, a candidate or agent of the candidate, candidate committee, party committee or political committee. Subject to the provisions of this chapter, any such independent expenditure political committee may accept contributions from any person.
 - (b) [A political committee formed solely to aid or promote the success or defeat of a referendum question shall not receive contributions from a national committee or from a committee of a candidate for federal or out-of-state office] Any person may establish an independent expenditure political committee solely to aid or promote the success or defeat of a single referendum question, or of multiple referendum questions submitted to a vote on the same date. Such committee may only make independent expenditures to aid or promote the success or defeat of a single referendum question, or of multiple referendum questions submitted to a vote on the same date. Subject to the provisions of this chapter, such committee may accept contributions from any person.
 - (c) [No person, other than an individual or a committee, shall make a contribution to a political committee formed solely to aid or promote the success or defeat of a referendum question, or to any other person, to aid or promote the success or defeat of a referendum question, in excess of ten cents for each individual residing in the state or political subdivision thereof in which such referendum question is to be voted upon, in accordance with the last federal decennial census] Except as provided in this section, an independent expenditure political committee shall not make contributions to, or for the benefit of, a party committee, a political committee, a national committee, a committee of a candidate for federal or out-of-state office or a candidate committee.
 - (d) Notwithstanding the provisions of subsections (a) to (c), inclusive, of this section, an independent expenditure political committee may make contributions to another independent expenditure political committee, make donations to any organization which is a tax-exempt organization under Sections 501(c)(3) and 501(c)(19) of the Internal

- 667 Revenue Code, as amended from time to time, and refund contributions 668 to contributors.
- Sec. 16. Subsections (c) to (m), inclusive, of section 9-621 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (c) (1) No business entity, organization, association, committee, or group of two or more individuals who have joined solely to promote the success or defeat of a referendum question shall make or incur any expenditure for any written, typed or other printed communication which promotes the success or defeat of any referendum question unless such communication bears upon its face, as a disclaimer, the words "paid for by" and the following: [(1)] (A) In the case of a business entity, organization or association, the name of the business entity, organization or association and the name of its chief executive officer or equivalent, and in the case such communication is made during the ninety-day period immediately prior to the referendum, such communication shall also bear on its face the names of the five persons who made the five largest aggregate covered transfers to such business entity, organization or association during the twelve-month period immediately prior to such referendum. The communication shall also state that additional information about the business entity, organization or association making such communication may be found on the State Elections Enforcement Commission's Internet web site; [(2)] (B) in the case of a political committee, the name of the committee and the name of its treasurer; [(3)] (C) in the case of a party committee, the name of the committee; or [(4)] (D) in the case of such a group of two or more individuals, the name of the group and the name and address of its agent.
 - (2) No person shall make or incur an independent expenditure for:
 - (A) A video broadcast by television, satellite or Internet which promotes the success or defeat of any referendum question unless such video is accompanied by the disclaimer described in subdivision (2) of

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- 699 subsection (h) of this section;
- 700 (B) An audio communication broadcast by radio, satellite or Internet 701 which promotes the success or defeat of any referendum question unless 702 such audio communication is accompanied by the disclaimer described 703 in subdivision (3) of subsection (h) of this section; or
- 704 (C) Telephone calls which promote the success or defeat of any 705 referendum question unless such telephone calls are accompanied by 706 the disclaimer described in subdivision (4) of subsection (h) of this 707 section.
- 708 (d) The provisions of subsections (a), (b), [and] (c) and (h) of this 709 section do not apply to (1) any editorial, news story, or commentary 710 published in any newspaper, magazine or journal on its own behalf and 711 upon its own responsibility and for which it does not charge or receive 712 any compensation whatsoever, (2) any banner, (3) political 713 paraphernalia including pins, buttons, badges, emblems, hats, bumper 714 stickers or other similar materials, or (4) signs with a surface area of not 715 more than thirty-two square feet.
 - (e) The treasurer of a candidate committee which sponsors any written, typed or other printed communication for the purpose of raising funds to eliminate a campaign deficit of that committee shall include in such communication a statement that the funds are sought to eliminate such a deficit.
 - (f) The treasurer of an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Treasurer which committee sponsors any written, typed or other printed communication for the purpose of raising funds shall include in such communication a statement concerning the prohibitions set forth in subsection (n) of section 1-84, subsection (e) of section 9-612 and subsection (f) of section 9-613, as amended by this act.
- (g) In the event a treasurer of a candidate committee is replaced pursuant to subsection (c) of section 9-602, nothing in this section shall

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be construed to prohibit the candidate committee from distributing any printed communication subject to the provisions of this section that has already been printed or otherwise produced, even though such communication does not accurately designate the successor treasurer of such candidate committee.

(h) (1) No person shall make or incur an independent expenditure for any written, typed or other printed communication, including on a billboard, or any web-based, written communication, communication promotes the success or defeat of any candidate's campaign for nomination at a primary or election, unless such communication bears upon its face, as a disclaimer, the words "Paid for by" and the name of such person and the following statement: "This message was made independent of any candidate or political party.". In the case of a person making or incurring such an independent expenditure during the ninety-day period immediately prior to the primary or election for which the independent expenditure is made, such communication shall also bear upon its face the names of the five persons who made the five largest aggregate covered transfers to the person making such communication during the twelve-month period immediately prior to such primary or election, as applicable. The communication shall also state that additional information about the person making such communication may be found on the State Elections Enforcement Commission's Internet web site.

(2) In addition to the requirements of subdivision (1) of this subsection, no person shall make or incur an independent expenditure for a video broadcast by television, satellite or Internet, unless at the end of such advertising there appears for a period of not less than four seconds as a disclaimer, the following as an audio message and a written statement: "This message was paid for by (person making the communication) and made independent of any candidate or political party.". In the case of a person making or incurring such an independent expenditure during the ninety-day period immediately prior to the primary or election for which the independent expenditure is made,

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such communication shall also list the names of the five persons who made the five largest aggregate covered transfers to the person making such communication during the twelve-month period immediately prior to such primary or election, as applicable. The communication shall also state that additional information about the person making such communication may be found on the State Elections Enforcement Commission's Internet web site.

- (3) In addition to the requirements of subdivision (1) of this subsection, no person shall make or incur an independent expenditure for an audio communication broadcast by radio, satellite or Internet, unless the advertising ends with a disclaimer that is a personal audio statement by such person's agent (A) identifying the person paying for the expenditure, and (B) indicating that the message was made independent of any candidate or political party, using the following form: "I am (name of the person's agent), (title), of (the person). This message was made independent of any candidate or political party.". In the case of a person making or incurring such an independent expenditure during the ninety-day period immediately prior to the primary or election for which the independent expenditure is made, such communication shall state the names of the five persons who made the five largest aggregate covered transfers to the person making such communication during the twelve-month period immediately prior to such primary or election, as applicable. The communication shall also state that additional information about the person making such communication may be found on the State Elections Enforcement Commission's Internet web site.
- (4) In addition to the requirements of subdivision (1) of this subsection, no person shall make or incur an independent expenditure for telephone calls, unless the narrative of the telephone call identifies the person making the expenditure and during the ninety-day period immediately prior to the primary or election for which the independent expenditure is made, such communication shall state the names of the five persons who made the five largest aggregate covered transfers to

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- the person making such communication during the twelve-month period immediately prior to such primary or election, as applicable. The communication shall also state that additional information about the person making such communication may be found on the State Elections Enforcement Commission's Internet web site.
- (i) In any [print, television or social media promotion of a slate of] organization expenditure for a party candidate listing of a candidate or candidates by a party committee, [the party] legislative caucus committee or legislative leadership committee, such committee shall use applicable disclaimers pursuant to the provisions of this section for such [promotion] organization expenditure, and no individual candidate disclaimers shall be required.
- (j) (1) Except as provided in subdivisions (2) and (3) of this subsection, if any person whose name is included on a disclaimer of a communication pursuant to the provisions of this section, as a person who made a covered transfer to the maker of the communication, is also a recipient of a covered transfer, the maker of the communication, as part of any report filed pursuant to section 9-601d, as amended by this act, associated with the making of such communication, shall include the names of the five persons who made the top five largest aggregate covered transfers to such recipient during the twelve-month period immediately prior to the primary or election, as applicable.
- (2) The name of any person who made a covered transfer to a tax-exempt organization recognized 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, that has not had its tax exempt status revoked, shall not be disclosed pursuant to the provisions of subdivision (1) of this subsection.
- (3) The name of any person who made a covered transfer to a person whose name is included on a disclaimer pursuant to the provisions of this section shall not be disclosed pursuant to the provisions of subdivision (1) of this subsection if the recipient of such covered transfer

- accepts covered transfers from at least one hundred different sources, provided no such source accounts for ten per cent or more of the total amount of covered transfers accepted by the recipient during the twelve-month period immediately prior to the primary or election, as applicable.
- (k) Any disclaimer required to be on the face of a written, typed or other printed communication pursuant to the provisions of this section shall be printed in no smaller than eight-point type of uniform font when such disclaimer is on a communication contained in a flyer or leaflet, newspaper, magazine or similar literature, or that is delivered by mail.
 - (l) Notwithstanding the provisions of <u>subsections</u> (a) to (k), inclusive, <u>of</u> this section, no person making an independent expenditure for a communication shall be required to list as part of any disclaimer pursuant to this section any person whose covered transfers to the maker of the communication are not in an aggregate amount of five thousand dollars or more during the twelve-month period immediately prior to the primary $_{L}$ [or] election <u>or referendum</u>, as applicable, for which such independent expenditure is made.
 - (m) Notwithstanding the provisions of <u>subsections</u> (a) to (k), <u>inclusive</u>, of this section, any disclaimer required to be on the face of any Internet text advertisement communication (1) that appears based on the result of a search conducted by a user of an Internet search engine, and (2) the text of which contains two hundred or fewer characters, shall not be required to list the names of the five persons who made the top five largest aggregate covered transfers to the maker of such communication, as otherwise required by this section, if such disclaimer (A) includes a link to an Internet web site that discloses the names of such five persons, and (B) otherwise contains any statement required pursuant to the provisions of this section.
- Sec. 17. 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):

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(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, 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, but prior to July 1, 2023, 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) For any complaint received on or after July 1, 2023, if the commission does not, by one year following receipt of such complaint, find reason to believe that a violation of state election law has been committed and commence a contested case, as defined in section 4-166, the commission shall dismiss such complaint, provided the length of time of any delay caused by (I) the commission or commission staff granting any extension or continuance to a respondent prior to the issuance of any such decision, (II) any subpoena issued in connection with such complaint, (III) any litigation in state or federal court related to such complaint, (IV) any investigation by the commission or commission staff involving a potential violation of state election law by a foreign national, as defined in 52 USC 30121(b), as amended from time to time, or of section 9-601c or 9-601d, as amended by this act, or (V) 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.
- 917 Sec. 18. Subdivision (18) of section 53a-119 of the general statutes is 918 repealed and the following is substituted in lieu thereof (*Effective from* 919 *passage*):
 - (18) Failure to repay surplus Citizens' Election Fund grant funds. A person is guilty of failure to repay surplus Citizens' Election Fund grant funds when such person fails to return to the Citizens' Election Fund any surplus funds from a grant made pursuant to sections 9-700 to 9-716, inclusive, [not later than ninety days after the primary or election for which the grant is made] within the time prescribed for the

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926 <u>distribution of surplus under subdivision (1) of subsection (e) of section</u> 927 <u>9-608, as amended by this act.</u>

This act shall take effect as follows and shall amend the following sections:		
Section 1	from passage	9-601(33)
Sec. 2	from passage	9-601(3)
Sec. 3	from passage	9-601c(e)
Sec. 4	from passage	9-601d(a) to (i)
Sec. 5	from passage	9-605(b)
Sec. 6	from passage	9-607(g)(1)
Sec. 7	from passage	9-608(e)(1)(C)
Sec. 8	from passage	9-611
Sec. 9	from passage	9-612(a) and (b)
Sec. 10	from passage	9-613
Sec. 11	from passage	9-614
Sec. 12	from passage	9-615
Sec. 13	from passage	9-618(a)
Sec. 14	from passage	9-619(a)
Sec. 15	from passage	9-620
Sec. 16	from passage	9-621(c) to (m)
Sec. 17	from passage	9-7a(g)(1)
Sec. 18	from passage	53a-119(18)

GAE Joint Favorable Subst.

JUD Joint Favorable