



STATE ELECTIONS ENFORCEMENT COMMISSION CITIZENS' ELECTION PROGRAM



Basic Requirements – 2010 Overview

Chapter 157 of the Connecticut General Statutes establishes the Citizens' Election Program (the "Program"), a voluntary program which provides public financing to qualified candidates for statewide offices and the General Assembly. The Program is financed by the Citizens' Election Fund, which receives funds from the proceeds of sale of abandoned property in the State of Connecticut's custody.

Candidates running for statewide office or the office of State Senator or State Representative may join the Program. Additionally, candidates running for the office of State Senator or State Representative in any special election may join the Program.

Although participation in the Program is voluntary, certain requirements apply to *all* candidates for statewide offices and the General Assembly. For example, all candidates must file an affidavit of intent to abide by Program requirements (SEEC Form CEP 10) *or* an affidavit of intent not to abide by Program requirements (SEEC Form CEP 11). Additionally, all candidates must be aware of additional disclosure requirements, including mandatory supplemental campaign finance disclosure reports.

The State Elections Enforcement Commission (the "Commission") is the filing repository for all campaign forms and disclosure statements. The Commission is also responsible for administering the Program and monitoring compliance with Program requirements.

Inside The Overview

- Basic Requirements..... 1
- Program Goals..... 1
- Qualifying Threshold..... 2
- Candidate's Use of Personal Funds... 3
- Loans to the Candidate Committee.. 3
- Ballot Requirement..... 3
- Primary Campaign Grants..... 4
- General Election Campaign Grants.. 5
- Expenditure Limits..... 8
- Permissible Expenditures..... 9
- Excess Receipts or Expenditures..... 10
- Independent Expenditures.....10
- Supplemental Payments and Reporting.....11

Program Goals

The voluntary public financing program was designed with various goals, including:

- (1) to allow candidates to compete without reliance on special interest money;
- (2) to give candidates without access to sources of wealth a meaningful opportunity to seek elective office in the State of Connecticut;
- (3) to curtail excessive spending in the State of Connecticut's political process; and
- (4) to provide the public with meaningful and timely disclosure of campaign finances.

To participate, candidates must agree to abide by certain requirements, including contribution and expenditure limits and mandatory disclosure.



Qualifying Threshold

To qualify for public financing, candidates must demonstrate they have adequate support from the public. Candidates may accomplish this by meeting a two-part "threshold" that sets requirements for the aggregate amount of money which the candidate must raise and the minimum number of individuals who must have contributed between five dollars to one hundred dollars to the candidate. Qualifying contributions are small monetary contributions from individuals, and do not include in-kind contributions, personal funds or loans. Qualifying contributions must be fully disclosed and adequately documented. Communicator lobbyists and their immediate family members, as well as principals of current and prospective state contractors, may not make qualifying contributions. Additionally, principals of investment services firms "doing business" with the State Treasurer may not contribute to or solicit on behalf of candidates for State Treasurer.

| Qualification Thresholds for Statewide Offices | | | |
|---|--|---|----------------------------|
| Office Sought | Aggregate Contribution Requirement – Individuals Only | Minimum Amount of In-State Contributions | Contribution Limits |
| Governor | \$250,000 | \$225,000 | \$5 to \$100 |
| Lieutenant Governor | \$75,000 | \$67,500 | \$5 to \$100 |
| Attorney General | \$75,000 | \$67,500 | \$5 to \$100 |
| State Comptroller | \$75,000 | \$67,500 | \$5 to \$100 |
| State Treasurer | \$75,000 | \$67,500 | \$5 to \$100 |
| Secretary of State | \$75,000 | \$67,500 | \$5 to \$100 |

| Qualification Thresholds for General Assembly Offices | | |
|--|--|--|
| Office Sought | Aggregate Contribution Requirement – Individuals Only | Minimum Individual Resident Contributions Between \$5 - \$100 |
| State Senator | \$15,000 | 300 residents of municipalities included, in whole or in part, in the district |
| State Representative | \$5,000 | 150 residents of municipalities included, in whole or in part, in the district |



Candidate's Personal Funds

The Program permits candidates to provide a limited amount of personal funds to their candidate committees. Candidates may only provide such personal funds to their candidate committees before applying for initial grants. Any allowable personal funds reduce the grant by a corresponding amount. Personal funds do not constitute qualifying contributions. The maximum allowable amount of personal funds varies depending on the office being sought.

| Office Sought | Maximum Allowable Personal Funds |
|---|----------------------------------|
| Governor | \$20,000 |
| Lieutenant Governor, Attorney General, State Comptroller, State Treasurer, Secretary of State | \$10,000 |
| State Senator | \$2,000 |
| State Representative | \$1,000 |

Loans to the Candidate Committee

The Program expressly limits the aggregate amount and permissible sources of any loans provided to the candidate committees of candidates intending to participate in the Program to an aggregate of one thousand dollars from financial institutions. The term "financial institution" includes "a bank, Connecticut credit union, federal credit union, an out-of-state bank that maintains a branch in this state and an out-of-state credit union that maintains an office in this state." CONN. GEN. STAT. § 36a-41. No person, political committee, or party committee can endorse or guarantee a loan or aggregate loans exceeding five hundred dollars, except the candidate, or, in a general election, a state central committee.

The one thousand dollar loan limit applies to candidate committees of candidates seeking any statewide or legislative office covered by the Program. Program requirements further provide that any such borrowed funds do not constitute qualifying contributions. A participating candidate must repay all outstanding loans before applying for a grant from the Citizens' Election Fund.

Ballot Requirement

In addition to raising the required amount of qualifying contributions, candidates must also qualify for the ballot to be eligible to receive public funds. This ballot requirement applies in any primary, general or special election. The Office of the Secretary of the State administers the ballot qualification process. Further, if a candidate raises the required qualifying contributions and qualifies for the ballot as a minor party or petitioning candidate, such candidate must meet additional requirements to receive a grant, as discussed below.



Primary Campaign Grants

Major Party Candidates

Eligible major party candidates who qualify for the ballot in a primary may qualify to receive a grant. The amount of the primary grant is reduced by the allowable amount of personal funds, if any, provided by the candidate during the qualifying period. Additionally, all General Assembly grant amounts are subject to a Consumer Price Index adjustment in 2010.

| Nomination Sought | Grant Amount |
|---|--------------|
| Governor | \$1,250,000 |
| Lieutenant Governor, Attorney General, State Comptroller, State Treasurer, and Secretary of State | \$375,000 |
| State Senator | \$35,000 |
| State Representative | \$10,000 |

General Assembly Candidates in "Party-Dominant" Districts

- Candidates in "party-dominant" districts are eligible for larger grants in primary campaigns.
- A "party-dominant" district is one in which the percentage of active electors (registered voters) in the district who are enrolled in a major party exceeds the percentage of active electors in the district who are enrolled in the other major party by at least 20 percentage points.

| "Party Dominant" Districts | Grant Amount |
|----------------------------|--------------|
| State Senator | \$75,000 |
| State Representative | \$25,000 |



General Election Grant

The qualified committee of a candidate who received a primary grant and then won the party nomination through a primary election does not have to re-apply for a grant for the general election campaign. But any unspent primary grant funds that remain in the candidate's account will be subtracted from the general election grant. Additionally, all General Assembly grant amounts are subject to a Consumer Price Index adjustment in 2010.

General Election Campaign Grants

Major Party Candidates

- Reduced by the amount of unspent primary grant funds if the candidate received a primary grant.
- Reduced by any allowable personal funds if the candidate did not have a primary.
- Reduced to 30% of the full amount if the candidate is unopposed in the general election.
- Reduced by 60% of the full amount if the candidate faces only a minor party or petitioning opponent who has not raised an amount equal to the qualifying contribution threshold level for that office.

| Grants for Major Party Candidates | | | |
|--|---|--|---|
| Office Sought | General Election Nominated Candidate with Major Party Opponent | General Election Nominated Candidate with No Opposition | General Election Nominated Candidate With Limited Minor or Petitioning Party Opponents |
| Governor | \$3,000,000 | \$900,000 | \$1,800,000 |
| Lieutenant Governor | NA | NA | NA |
| Attorney General | \$750,000 | \$225,000 | \$450,000 |
| State Comptroller | \$750,000 | \$225,000 | \$450,000 |
| State Treasurer | \$750,000 | \$225,000 | \$450,000 |
| Secretary of State | \$750,000 | \$225,000 | \$450,000 |
| State Senator | \$85,000 | \$25,500 | \$51,000 |
| State Representative | \$25,000 | \$7,500 | \$15,000 |



General Election Campaign Grants

Minor Party Candidates

- If a candidate for the same office representing the same minor party in the prior regular election received 20% or more of the votes cast for that office, the eligible minor party candidate in the current election may receive the full grant amount.
- If a candidate for the same office representing the same minor party in the prior regular election received at least 15% of the votes cast for that office, the eligible minor party candidate in the current election may receive 2/3 of the full grant.
- If a candidate for the same office representing the same minor party in the prior regular election received at least 10% of the votes cast for that office, the eligible minor party candidate in the current election may receive 1/3 of the full grant.
- If a candidate for the same office representing the same minor party in the prior regular election received less than 10% of the votes cast for that office, the eligible minor party candidate in the current election may qualify for a grant by gathering signatures on nominating petitions approved by the Secretary of the State.
- Minor party candidates who receive less than the full grant amount may raise additional contributions that meet the criteria for qualifying contributions to make up the difference between the grant received and the amount of the full grant.
- Minor party candidates who receive a grant and report a deficit in post-election disclosure statements may be eligible to receive supplemental grant money depending on the percentage of votes they received.

| Grants for Minor Party Candidates | | | |
|--|---|---|---|
| Office Sought | <i>Candidate for Minor Party Where Party's Prior Candidate for Same Office Received 10% of Vote</i> | <i>Candidate for Minor Party Where Party's Prior Candidate for Same Office Received 15% of Vote</i> | <i>Candidate for Minor Party Where Party's Prior Candidate for Same Office Received 20% of Vote</i> |
| Governor | \$1,000,000 | \$2,000,000 | \$3,000,000 |
| Lieutenant Governor | NA | NA | NA |
| Attorney General | \$250,000 | \$500,000 | \$750,000 |
| State Comptroller | \$250,000 | \$500,000 | \$750,000 |
| State Treasurer | \$250,000 | \$500,000 | \$750,000 |
| Secretary of State | \$250,000 | \$500,000 | \$750,000 |
| State Senator | \$28,333 | \$55,667 | \$85,000 |
| State Representative | \$8,333 | \$16,667 | \$25,000 |



General Election Campaign Grants

Petitioning Candidates

- If a petitioning candidate's nominating petition is signed by electors equaling at least 20% of the votes cast for that office in the prior regular election, the eligible petitioning party candidate in the current election may receive the full grant.
- If a petitioning candidate's nominating petition is signed by electors equaling at least 15% of the votes cast for that office in the prior regular election, the eligible petitioning party candidate in the current election may receive 2/3 of the full grant.
- If a petitioning candidate's nominating petition is signed by electors equaling at least 10% of the votes cast for that office in the prior regular election, the eligible petitioning party candidate in the current election may receive 1/3 of the full grant.
- Petitioning candidates who receive less than the full grant amount may raise additional contributions that meet the criteria for qualifying contributions to make up the difference between the grant amount received by such candidate and the full grant amount.
- Petitioning candidates who receive a grant and report a deficit in post-election disclosure statements may be eligible to receive supplemental grant money depending on the percentage of votes they received.

| Grants for Petitioning Candidates | | | |
|--|---|---|---|
| Office Sought | <i>Petitioning Candidates Whose Nominating Petition has Signatures Equaling 10% of Votes Cast</i> | <i>Petitioning Candidates Whose Nominating Petition has Signatures Equaling 15% of Votes Cast</i> | <i>Petitioning Candidates Whose Nominating Petition has Signatures Equaling 20% of Votes Cast</i> |
| Governor | \$1,000,000 | \$2,000,000 | \$3,000,000 |
| Lieutenant Governor | NA | NA | NA |
| Attorney General | \$250,000 | \$500,000 | \$750,000 |
| State Comptroller | \$250,000 | \$500,000 | \$750,000 |
| State Treasurer | \$250,000 | \$500,000 | \$750,000 |
| Secretary of State | \$250,000 | \$500,000 | \$750,000 |
| Senator | \$28,333 | \$55,667 | \$85,000 |
| Representative | \$8,333 | \$16,667 | \$25,000 |



Expenditure Limits

- Expenditures during the pre-primary campaign or pre-general election campaign period (the “*qualifying period*”) are limited to the required amount of qualifying contributions, plus any allowable personal funds the candidate provides to the candidate committee. The “qualifying period” ends with the commencement of the primary campaign period or the general election campaign period, as discussed below.
- For candidates for statewide office or the district office of State Senator or State Representative, the *primary campaign period* begins the day after the close of the state or district convention held to endorse such candidate. For candidates for the municipal office of State Senator or State Representative, the primary campaign period begins the day after the close of the caucus, convention, or town committee meeting held to endorse such candidate. The primary campaign period ends on the day of the primary election.
- The *primary campaign period* limit is calculated by adding the amount of the primary grant, and any unspent qualifying contributions or unspent personal funds provided by the candidate.
- If a primary election is held, the *general election campaign period* for the candidate nominated at the primary begins the day after the primary election. If there is no primary election, the general election campaign period begins the day after the candidate is nominated without a primary. The general election campaign period ends the day the campaign treasurer files the final required campaign finance disclosure statement.
- The *general election campaign period* limit is calculated by adding the amount of the general election grant, and any unspent qualifying contributions or unspent personal funds provided by the candidate.

| Expenditure Limits during “Qualifying Period” | | | |
|---|-------------------|--|---|
| Office Sought | Qualifying Amount | Maximum Amount of Candidate’s Personal Funds | Maximum Expenditures during Qualifying Period |
| Governor | \$250,000 | \$20,000 | \$250,000 - \$270,000 |
| | | | |
| Lieutenant Governor | \$75,000 | \$10,000 | \$75,000 - \$85,000 |
| Attorney General | \$75,000 | \$10,000 | \$75,000 - \$85,000 |
| State Comptroller | \$75,000 | \$10,000 | \$75,000 - \$85,000 |
| State Treasurer | \$75,000 | \$10,000 | \$75,000 - \$85,000 |
| Secretary of State | \$75,000 | \$10,000 | \$75,000 - \$85,000 |
| | | | |
| State Senator | \$15,000 | \$2,000 | \$15,000 - \$17,000 |
| State Representative | \$5,000 | \$1,000 | \$5,000 - \$6,000 |



Permissible and Impermissible Expenditures

- Public funds may be used only for campaign-related expenditures made to directly further the participating candidate's nomination for election or election.
- Campaigns must maintain detailed documentation indicating that campaign expenditures were made to directly further the participating candidate's campaign. Such documentation should be created at the time of the transaction.
- Campaign records are subject to comprehensive audits to ensure compliance with Program requirements.
- For detailed guidelines about permissible expenditures, please review the Citizens' Election Program regulations which can be found on the commission's web site.

Examples of Permissible Expenditures Include:

- **Political Campaign Advertising Expenses**, such as advertisements in any communications medium; production or postage costs related to customary campaign paraphernalia, such as flyers, signs stickers, t-shirts, hats, buttons, etc.;
- **Campaign Promotional Events**, including expenditures for food, space rental, staff and entertainment at such events;
- **Polling or Get-Out-the-Vote Activities** in furtherance of the participating candidates campaign;
- **Food and Beverages for Campaign Workers** not to exceed \$15 per person for breakfast, \$20 per person for lunch, or \$30 per person for dinner;
- **Salaries for Campaign Staff or Consultants**, provided the campaign treasurer maintains a written agreement signed before the performance of any work or services, and contemporaneous records documenting the work performed or services rendered; and
- **Campaign Office Expenses**, including office rent and office supplies.

Examples of Impermissible Expenditures Include:

- **Personal Use** of any candidate or individual;
- **Payments to the Candidate or Candidate's Family Members** or the businesses of the participating candidate or any of the candidate's family members;
- **Contributions, Loans or Expenditures to other Candidates or Committees;**
- **Payments Above the Fair Market Value for the Goods or Services Received;** and
- **Expenditures Lacking Sufficient Contemporaneous Documentation.**



Excess Receipts or Expenditures

- Excess receipts or expenditures are contributions, loans, or other funds received, or expenditures made, or obligated to be made, by a candidate that in the aggregate exceed the applicable expenditure limit for a participating candidate. For the purposes of triggering a supplemental grant, a participating candidate's applicable expenditure limit is the sum of the amount of required qualifying contributions plus the amount of the full grant for the applicable primary or general election period.
- If a participating candidate is opposed by a candidate who receives funds or makes or incurs expenditures that exceed the participating candidate's applicable expenditure limit, the participating candidate may be eligible to receive supplemental grant funds.
- Nonparticipating candidates are not required to follow the Program's expenditure limits; however, participating candidates are required to follow the Program's expenditure limits. Accordingly, participating candidates should not make excess expenditures. A participating candidate and campaign treasurer of a candidate committee which has received public funds are subject to various penalties if the participating candidate makes or incurs an obligation to make an obligation to make an excess expenditure.

Excess Receipt or Expenditure Reporting within 24 to 48 Hours

- If a candidate committee receives funds or makes or incurs an excess expenditure exceeding the participating candidate's applicable expenditure limit more than 20 days before a primary or election, the campaign treasurer must file a declaration of excess receipts or expenditures within 48 hours of receiving the excess funds or making or incurring the expenditure;
- If a candidate committee receives funds or makes or incurs an excess expenditure exceeding the participating candidate's applicable expenditure limit 20 days or less before a primary or election, the campaign treasurer must file a declaration of excess receipts or expenditures within 24 hours of receiving the excess funds or making or incurring the expenditure.

Independent Expenditures

- An independent expenditure is an expenditure that is made without the consent, knowing participation, or consultation of, a candidate or agent of a candidate committee, and is not a coordinated expenditure.
- Independent expenditures in excess of \$1000, in the aggregate, must be reported to the Commission by the person or entity who makes the independent expenditure.
- Independent expenditures made with the intent to promote the *defeat* of a participating candidate who has received a grant from the Program may trigger a supplemental payment or supplemental payments to the participating candidate.



Independent Expenditure Reporting Requirements

- If any person or entity makes or incurs an independent expenditure more than 20 days before a primary or election, such person or entity must report such expenditure within 48 hours of making or incurring the expenditure;
- If any person or entity makes or incurs an independent expenditure 20 days or less before a primary or election, such person or entity must report such expenditure within 24 hours of making or incurring the expenditure.

Supplemental Payments to Participating Candidates Targeted by Independent Expenditures

- A participating candidate is eligible for a supplemental payment only if the opposing non-participating candidate's campaign expenditures, plus the amount of the independent expenditure, exceeds the applicable initial grant amount;
- An eligible participating candidate can receive a supplemental grant matching the amount of the independent expenditure, up to the applicable primary or general election grant amount.

Supplemental Reporting

Candidates in Campaigns with any Participating Candidates – 90% Initial Threshold

- If **any** candidate in a primary or general election campaign with at least one participating candidate receives contributions, loans or other funds **or** makes or incurs an expenditure exceeding 90% of the applicable expenditure limit for that campaign, the campaign treasurer must file a supplemental campaign finance statement within 48 hours;
- After the initial report, **ALL** candidates in the campaign for that office must file additional periodic supplemental campaign finance statements with the Commission regardless of the committee's level of expenditures; and
- The Commission may impose penalties of up to \$5000 for the failure to timely file supplemental campaign finance statements.

Purpose of Overview Materials

The purpose of this overview is to provide general information about the various rules and requirements of the Program. This document however, is not a substitute for the law, which can be found on the Commission's web site.