



*Projected Levels of Candidate Participation  
and Public Grant Distribution for  
the 2008 Citizens' Election Program  
&  
The Sufficiency of the Citizens' Election Fund*

*A Report of the  
Connecticut State Elections  
Enforcement Commission*

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## **Introduction**

By January 1<sup>st</sup> of each calendar year in which a regular election for Connecticut Statewide or General Assembly offices is scheduled, the State Elections Enforcement Commission (“SEEC”) is required by Section 9-716(b) of the General Statutes to determine whether the Citizens’ Election Fund (“CEF”) contains sufficient funds to provide public campaign grants to eligible candidates, in order to carry out Connecticut’s landmark public campaign financing program—the Citizens’ Election Program (the “Program”).

This report explains the SEEC’s assessment that the CEF contains sufficient funds to provide public campaign grants to candidates eligible to receive such grants from the CEF for the 2008 General Assembly elections. Section I sets forth the background of the Citizens’ Election Program and the CEF, as well as the basic framework of the 2008 General Assembly elections. Section II explains the methodology used in this report. Section III applies the methodology to the data, and explains the SEEC’s conclusion that the CEF contains sufficient money to fund any and all public campaign grants for the 2008 General Assembly elections. Section IV presents a conclusion.

## **Section I. Background**

### **The Citizens’ Election Program**

The 2008 elections for Connecticut General Assembly offices will be the first regular election cycle in which Connecticut candidates may participate in the Citizens’ Election Program. The Program is also in effect for any special election to the office of State Senate or State Representative. CONN. GEN. STAT. § 9-702(a)(2).

In December 2005, the Connecticut General Assembly enacted, and Governor M. Jodi Rell signed, the most sweeping reform of the State’s campaign finance laws since the post-Watergate era. Public Act 05-5 of the October 25 Special Session, and the amendments made in Public Act 06-137, incorporate these vast revisions to the manner in which the State’s political campaigns are financed, especially with respect to the Statewide and the General Assembly candidates. These revisions are codified in Chapter 155 (traditional private campaign funding), and Chapter 157 of the Connecticut General Statutes (the “Citizens’ Election Program”).

The Citizens' Election Program allows qualified participating candidates for Statewide offices, State Senate, and State Representative to receive public campaign grants to finance their campaigns.<sup>1</sup> Among other things, public campaign financing enables participating candidates to engage in more meaningful interaction with their constituents about issues (rather than spending much of their time raising campaign funds from private sources). Public campaign financing lessens candidates' reliance on the special interests of wealthy individuals or entities, and helps make candidates more available and accountable to their constituents.<sup>2</sup>

To qualify for a public grant, candidates must be on the ballot for a primary or general election, raise a threshold amount of small contributions from individuals,<sup>3</sup> and agree to abide by spending limits and other Program requirements. Participating candidates may also receive supplemental grants to match high-spending opponents' expenditures exceeding the voluntary spending limits ("excess expenditures"), and to match independent expenditures where the participating candidates are targeted by negative advertising. Participation in the Program is entirely *voluntary*.

Notably, although the first regularly scheduled election cycle in which Connecticut candidates may join the Program is the 2008 election cycle, candidates for the offices of State Senator and State Representative are already participating in the Program in special elections. A special election for the office of State Representative in the 113<sup>th</sup> Assembly District was held on October 9, 2007. Both major parties nominated a candidate to run in the special election, and both major party candidates elected to participate in the Program and qualified for a full initial grant of \$18,750 (75% of the regular election grant amount). No minor party or petitioning candidates were on the ballot for the October 9, 2007 Special Election. A special election for the office of State Senator in the 32<sup>nd</sup> Senate District is scheduled for January 15, 2008. As of the date of this report, the two nominated major party candidates have filed their Affidavit of Intent to Abide by Expenditure Limits. One candidate has applied for and received a grant.

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<sup>1</sup> Statewide candidates eligible to apply for a grant from the CEF are candidates for the offices of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, and Attorney General. *See* CONN. GEN. STAT. § 9-702(a)(1). For more details about the Program, please refer to Overview of the Program for 2008 General Assembly candidates. *See* App. A, *Program Overview*.

<sup>2</sup> In addition, the comprehensive campaign finance reform laws stemming from Public Act 05-5 require the SEEC to create an electronic campaign finance disclosure filing system and to convert all campaign finance disclosure statements filed on paper into electronic form. *See* Chapter 156 of the General Statutes.

<sup>3</sup> These small-dollar contributions are called "qualifying contributions" and cannot exceed \$100 in the aggregate from any one individual contributor in an election cycle.

## **The Citizens' Election Fund**

The Citizens' Election Program is financed by the Citizens' Election Fund. The CEF is a separate, non-lapsing fund within the State's General Fund. See CONN. GEN. STAT. § 9-701. The primary source of the CEF's deposits is money derived from the sale of property deposited in the State's Special Abandoned Property Fund, which is administered by the State Treasurer. See CONN. GEN. STAT. § 3-69a. In addition to the sale of abandoned property in the State's custody, the CEF is comprised of voluntary contributions, as well as interest earned on the CEF's assets. For a report on the status of the CEF as of December 31, 2006, see App. B, *Report to the Connecticut General Assembly Concerning the Status of the Citizens' Election Fund as of December 31, 2006* (May 18, 2007).

### **Projected Total Available Funds in CEF for 2008 General Assembly Elections**

As of December 21, 2007, the CEF contains \$35,674,342.17 available for grant disbursements. Following the passage of Public Act 05-5, the State Treasurer has deposited a total of \$30,000,000 into the CEF (\$15,000,000 deposited in each fiscal year for FY06 and FY07). In accordance with CONN. GEN. STAT. § 3-69a(a)(2), as amended by Section 97 of Public Act 07-1 (June Special Session), the State Treasurer must deposit an additional \$15,000,000 from the sales of abandoned property into the CEF for the fiscal year ending June 30, 2008 (FY08) for purposes of the payment of grants to participating candidates.

Thus, the CEF will contain in excess of \$50,000,000 for grant disbursements for the 2008 General Assembly election cycle.

### **SEEC Statutory Responsibility to Assess Sufficiency of the CEF for Regularly Scheduled Election Cycles**

In addition to its various responsibilities to implement and administer the campaign finance reform laws, including the Citizens' Election Program, the SEEC is required by statute to prepare a report on or before January 1 of each calendar year in which a regular state election is scheduled. The purpose of the report is to determine whether the CEF contains enough funds to distribute public campaign grants to all potential Program participants during each regular election cycle for statewide or General Assembly offices.

The statute provides that

Not later than January first in any year in which a state election is to be held, the commission shall determine whether the amount in the fund is sufficient to carry out the purposes of sections 9-700 to 9-716, inclusive.

CONN. GEN. STAT. § 9-716(b).

A regular state election for the offices of State Senator and State Representative will be held on Tuesday, November 4, 2008. Because regular elections for the offices of State Senator and State Representative are scheduled in 2008, this report addresses the sufficiency of the Citizens' Election Fund for the election cycle for 2008 General Assembly races.<sup>4</sup>

### **Number of State Senator and State Representative Election Contests in 2008**

Presently, there are thirty-six (36) state senate districts, each represented by one State Senator. There are one hundred fifty-one (151) state assembly districts, each represented by one State Representative. Therefore, the 2008 General Assembly elections will be comprised of thirty-six election contests for State Senator and one hundred fifty-one election contests for State Representative.

Nominating primaries are not mandatory in Connecticut and are regulated under Chapter 153 of the General Statutes. Party endorsed candidates for nomination to the offices of State Senator or State Representative are chosen in a manner and at a time prescribed by the party's rules and in conformity with Part III, Subchapter A of Chapter 153 (Major Parties) and Part III, Subchapter B of Chapter 153 (Minor Parties). If any primary to determine the nominee of a party to a General Assembly office is required, then it shall be held on August 12, 2008.

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<sup>4</sup> Regular elections for General Assembly members are held every other year, in even-numbered years, on the Tuesday following the first Monday in November. Article Three § 8 of the Connecticut Constitution. Regular elections for the Statewide offices of Governor, Lieutenant Governor, Secretary of the State, Treasurer, Comptroller and Attorney General are held every four years on the Tuesday after the first Monday of November (beginning in 1974). Article Four § 1 of the Connecticut Constitution. Thus, the next regular election cycle for these statewide offices will be in 2010.

## Basic Grant Amounts for State Senate and State Representative Participating Candidates Eligible for Full Public Campaign Grants

### Initial Grants

The following chart sets forth the amount of the initial public campaign grant that an eligible major party participating candidate may receive.<sup>5</sup>

<i>Major Party Candidate for</i>	<i>Primary for Nomination</i>	<i>Primary for Nomination in Party-Dominant District<sup>6</sup></i>	<i>General Election, Nominated Candidate Opposed by Major Party Candidate</i>
State Senator	\$35,000	\$75,000	\$85,000
State Representative	\$10,000	\$25,000	\$25,000

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<sup>5</sup> In uncontested general elections, an eligible major party participating candidate receives a thirty percent (30%) grant. Thus, an unopposed major party candidate for State Senator is eligible to receive a general election grant of \$25,500; an unopposed major party candidate for State Representative is eligible to receive a general election grant of \$7,500. Major party participating candidates whose only opposition in a general election is a minor party or petitioning candidate who has not raised an amount equal to the qualifying contribution threshold level for that office receive a 60% grant (a State Senate candidate would receive \$51,000, and a State Representative candidate would receive \$15,000). The initial grant amount that minor party and petitioning candidates may receive depends upon the number of votes that the minor party candidate in the same race in the prior regular election received (for minor party candidates) or the number of petition signatures received (for petitioning candidates). Eligible minor party or petitioning candidates may receive a full grant, 2/3, or 1/3 of the applicable full grant amount. For more details on the grant amount calculations, see pages 3-5 of App. A, which provide an overview of the Program for 2008 General Assembly candidates.

<sup>6</sup> A party-dominant district is a district in which the percentage of active electors (registered voters) who are enrolled in a major party exceeds the percentage of active electors who are enrolled in the other major party by at least twenty percentage points. Electors on the inactive registry list are not factored into this calculation. CONN. GEN. STAT. § 9-705(e)(1).

## **Supplemental Public Campaign Grants – Matching Excess Expenditures of Opponents**

The Program permits participating candidates facing high-spending opponents to receive additional public campaign grant money from the CEF. CONN. GEN. STAT. § 9-713(a) – (d).<sup>7</sup> An expenditure made or obligated to be made by a nonparticipating candidate or a participating candidate who is opposed by a participating candidate or candidates, and which exceeds the limit on expenditures of the participating candidate(s), constitutes an “excess expenditure.” CONN. GEN. STAT. § 9-712(b). Under the excess expenditure provisions, a participating candidate may receive additional grants of 25% of the applicable initial grant amount, up to a total of 100% of the full grant amount.

For example, a participating candidate for State Senator who receives an initial general election grant of \$85,000 may receive up to an additional \$85,000 if opposed by a high-spending opponent. A participating candidate for State Representative who receives an initial general election grant of \$25,000 may receive up to an additional \$25,000 if opposed by a high-spending opponent.

The excess expenditure supplemental grant provisions also apply to primaries. Thus, a candidate for State Senator may receive supplemental grants of up to \$35,000 (or \$75,000 if the candidate is in a primary in a party-dominant district). A candidate for State Representative may receive supplemental grants of up to \$10,000 (or \$25,000 if the candidate is in a primary in a party-dominant district).

A large number of candidates participating in the voluntary Program will necessarily result in a lower amount of supplemental grants to match excess expenditures, since a high participation rate means that more candidates will elect to be bound by the Program’s expenditure limits.

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<sup>7</sup> For purposes of this report, a high-spending opponent means an opponent whose expenditures, in the aggregate, exceed the amount of the required qualifying contributions plus the amount of the full applicable initial grant amount for the office sought. For example, a participating State Senate candidate who has received an initial grant would be eligible for a supplemental grant if an opponent spends in excess of \$100,000 (which is the sum of the \$15,000 qualifying contributions required for participating State Senate candidates plus the \$85,000 initial grant amount). CONN. GEN. STAT. § 9-713

## Supplemental Public Campaign Grants – Matching Independent Expenditures

A participating candidate who is the target of an independent expenditure may be entitled to additional funding to match the amount of the independent expenditure. CONN. GEN. STAT. §§ 9-714(a), (b).

An independent expenditure is an expenditure made without the consultation of or coordination with a candidate or agent of the candidate committee. CONN. GEN. STAT. § 9-601(18). Any individual or entity making an independent expenditure or expenditures which exceed(s) \$1,000 in the aggregate, and which is intended to promote the election or defeat of a candidate for a Statewide or General Assembly office, must file an independent expenditure report. CONN. GEN. STAT. § 9-612(e). If the SEEC determines that such an independent expenditure or expenditures was made with the intent to promote the defeat of a participating candidate who has received a grant, the participating candidate may be eligible to receive supplemental grant funds in the amount of the independent expenditure. CONN. GEN. STAT. § 9-714.

The total amount of supplemental grant money a candidate may receive to match independent expenditures is the amount of the applicable full initial grant amount. CONN. GEN. STAT. § 9-714(c)(1). For example, a participating candidate for State Senator who receives an initial general election grant of \$85,000 may receive up to an additional \$85,000 if such candidate is targeted by independent expenditures. A participating candidate for State Representative who receives an initial general election grant of \$25,000 may receive up to an additional \$25,000.<sup>8</sup>

The independent expenditure supplemental grant provisions also apply to primaries. Thus, a candidate for State Senator may receive supplemental grants of up to \$35,000 (or \$75,000 if the candidate is in a primary in a party-dominant district). A candidate for State Representative may receive supplemental grants of up to \$10,000 (or \$25,000 if the candidate is in a primary in a party-dominant district).

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<sup>8</sup> It should be noted that a participating candidate may only receive such supplemental grant money if an opposing nonparticipating candidate's campaign expenditures plus the amount of the independent expenditure exceed the amount the applicable grant of the participating candidate. CONN. GEN. STAT. § 9-714(c)(2).

In the past, very few independent expenditure reports have been filed. It is largely unknown whether the general campaign finance reform laws, along with the public campaign financing provisions, will result in an increase in independent expenditures. Nonetheless, the low historical amount of reported independent expenditures indicates that there likely will not be substantial independent expenditures during the 2008 election cycle. If the minimal independent expenditure trend continues, there will be minimal supplemental grant funds disbursed to match independent expenditures.<sup>9</sup>

## **Section II. Projection Methodology**

Because 2008 is the first regular election year in which the Program is in effect, no past data exists on General Assembly candidates' participation rates in the Program. To evaluate the CEF's sufficiency for the 2008 election cycle, the SEEC reviewed campaign finance data from recent General Assembly elections, the fiscal analysis for SB-2103 compiled by the Office of Fiscal Analysis (OFA) and utilized by the General Assembly when creating the Program and determining annual allocations to the CEF in Public Act 05-5, and a recent professional survey conducted by the Center for Survey Research & Analysis at the University of Connecticut ("CSRA"). The SEEC hired the CSRA to conduct a survey of candidates who ran in the 2006 General Assembly elections in order to estimate the number of those candidates who plan to seek election or re-election to the General Assembly in 2008, and whether such candidates intend to participate in the Citizens' Election Program in 2008.

### **Office of Fiscal Analysis Findings (SB-2103, 2005)**

To inform the General Assembly of the fiscal impact of the proposed campaign finance reform legislation during the October 2005 special session, the Office of Fiscal Analysis ("OFA") prepared a Fiscal Note, setting forth the anticipated financial impact of the proposed legislation. See App. C, *OFA Fiscal Note, SB-2103, An Act Concerning Comprehensive Campaign Finance Reform For State-Wide Constitutional And General Assembly Offices* ("OFA Fiscal Note, SB-2103").

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<sup>9</sup> Due to the differing political cultures in Arizona and Maine (which offer public campaign financing for state candidates), as well as the fact that the definitions of "independent expenditure" in those states differ substantively from Connecticut's definition, Arizona and Maine's statistics on matching grants to participating candidates to counteract the effects of independent expenditures do not form a definitive basis for projecting the number and amount of independent expenditure supplemental grants in Connecticut. It is clear that the number of grants made to participating candidates in Arizona and Maine to match independent expenditures was very low in the initial years of each state's public campaign financing program, but rose in number and amount from 2000-2006.

Among other things, the OFA Fiscal Note calculated the anticipated amount of public campaign grant funds that the SEEC would need to distribute during the 2008 General Assembly election cycle. The OFA based its calculations on its analysis of the 2004 General Assembly elections, and assumed for the projection that all 2004 candidates who raised total contributions equaling at least the threshold amount of contributions Program participants must raise (*i.e.*, \$5,000 for a candidate for State Representative and \$15,000 for a candidate for State Senate) would qualify and participate in the Program in 2008.

The OFA concluded that approximately \$8.7 million in public campaign grant payments must be available for the CEF to fund the 2008 General Assembly elections. The OFA estimated that thirty-five candidates for State Senate would qualify for full grants. The OFA estimated that eight candidates would receive a 60% grant (\$51,000), because in 2004 they were opposed by a minor party candidate who raised less than the required amount of qualifying contributions. In addition, five candidates assumed eligible for a grant sought office in uncontested races, making them eligible for a 30% grant (\$25,500). Finally, two Senate races involved primaries, including one party-dominant district, meaning that primary grants of \$35,000 (non party-dominant district) and \$75,000 (party-dominant district) would be disbursed. Thus, the total amount of grants for State Senate candidates in 2008, based on 2004 contribution levels, equals \$3.7 million.

For 2008 State Representative races, the OFA concluded that a total of \$5 million in grant disbursements would be required. It estimated that 165 candidates would be eligible for a full grant (\$25,000), that twenty-four (24) candidates would be eligible for a 60% grant (\$15,000), and that twenty-eight (28) uncontested candidates would be eligible for a 30% grant (\$7,500). Finally, ten State Representative districts involved primaries, including seven party-dominant districts, meaning that primary grants of \$10,000 (non party-dominant districts) and \$25,000 (party-dominant districts) would be disbursed.

The OFA Fiscal Note anticipated that supplemental grants to match excess expenditures would be infrequent and thus would have little fiscal impact on the CEF. The impact of supplemental grant payments to match independent expenditures was not addressed in the OFA Fiscal Note (which is logical, based on the historical dearth of independent expenditure statements filed).

## **Computation of potential public campaign grants using OFA methodology:**

House Campaigns – \$5,000,000

Senate Campaigns – \$3,700,000

**Total estimated 2008 public campaign grants = \$8,700,000**

### **Review of 2006 Campaign Finance Disclosure Data**

Although there has been no official compilation of the campaign finance data from the 2006 General Assembly elections, an informal review of this data indicates numbers strongly consistent with the 2004 General Assembly data utilized by the OFA in its Fiscal Note for SB-2103. The 2006 data is generally consistent, and suggests a slight increase in the number of candidates who raised contributions equal to or greater than the required amount of qualifying contributions under the CEP.

### **The Center for Survey Research & Analysis Survey Results**

To forecast participation in the Program for the 2008 General Assembly election cycle, the SEEC commissioned the CSRA to conduct a telephone survey of candidates who ran in the 2006 General Assembly elections.

The SEEC and CSRA worked together to create fifteen questions for the survey. The survey received a 67% rate of response. (See App. D, *The Citizens' Election Program Survey*). Trained CSRA staff successfully contacted 252 candidates between October 15 and November 15, 2007.<sup>10</sup>

The survey indicates that 95% of members of the current General Assembly will either definitely run again for that office, or are inclined to run again for that office. Of this incumbent group, 78% indicated that they will definitely participate or are

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<sup>10</sup> The CSRA survey has a margin of error of +/-3.6 percentage points at the 95% confidence level with a finite population. This means there is less than a one in twenty chance that the results of a similar survey of this size would differ by more than 3.6 percentage points in either direction from the results which would be obtained if all current legislators and unsuccessful 2006 candidates had been interviewed.

inclined to participate in the Program. Thirty-nine percent (39%) of the unsuccessful candidates reported that they definitely intend or are inclined to run for the General Assembly in 2008. Seventy-seven percent (77%) of the candidates who were unsuccessful in the 2006 elections indicated that they either will definitely participate or are inclined to participate in the 2008 Program.<sup>11</sup>

To project the required funding amounts based on the CSRA survey results, the SEEC first multiplied 78% (the percentage of candidates who intend to seek election and to participate in the Program) times the number of Senate and Representative races times two (assuming two participating candidates per seat).<sup>12</sup> The formula results in a total of **56 State Senate candidates** participating in the Program (78% times 36 seats times 2 candidates competing for each seat equals 56). This formula results in a total of **236 State Representative candidates** participating in the Program (78% times 151 seats times 2 candidates competing for each seat equals 236).

Second, the number of participating State Senate and State Representative campaigns is multiplied by the corresponding general election grant amounts.<sup>13</sup> For State Senate general election races, approximately \$4.76 million is required for initial grant disbursements (56 participating campaigns times \$85,000 general election grant). For State Representative general election races, approximately \$5.9 million is required for initial grant disbursements (236 participating campaigns times \$25,000 general election grant). **The approximate sum required for the qualified General Assembly candidates for general election grants, based on these calculations, would total \$10,660,000.**

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<sup>11</sup> For purposes of anticipating how the 2008 General Assembly elections will impact the CEF, a candidate's response that he is *inclined to participate* in the Program is analyzed in the same manner as a response that the individual will *definitely* participate in the Program.

<sup>12</sup> Campaign finance data reviewed from the 2002, 2004, and 2006 General Assembly elections indicates that the number of contestants per seat averages out to approximately two. This average figure includes scenarios where there are contests between, for example, two major party candidates, a major party and a minor party candidate, two major party candidates and a minor party candidate, major party candidates and multiple minor party candidates and petitioning candidates, as well as uncontested elections.

<sup>13</sup> As noted earlier, for purposes of determining whether the CEF contains sufficient grant money for the 2008 General Assembly election cycle, this report bases its calculations assuming that all eligible candidates receive 100% of the applicable grant award.

**Calculation of potential public campaign grants  
using CSRA derived projections:**

302 House candidates x 78% participation rate = 236 candidates x \$25,000 per candidate  
= \$5,900,000 estimated grant cost for the House

72 Senate candidates x 78% participation rate = 56 candidates x \$85,000 per candidate  
= \$4,760,000 estimated grant cost for the Senate

**Total estimated 2008 public campaign grants = \$10,660,000**

It should be noted that this estimate does not take into account the following:

(1) some candidates will receive partial grants (unopposed candidates will receive 30% of the full grant amount; candidates opposed by minimally-funded opposition will receive 60% of the full grant amount); (2) some eligible minor party and petitioning candidates may only qualify to receive 1/3 or 2/3 of the full grant amount; and (3) some candidates will qualify for primary grant awards.

The final estimated grant cost would be substantially the same if the OFA projections in the SB-2103 Fiscal Note and the data from the 2006 General Assembly elections were incorporated into the CSRA survey results. Taking into account the uncontested campaigns (where a qualified participating candidate would receive 30% of the full grant amount), and the campaigns where the only opponent of a participating candidate is a minor party or petitioning candidate who has not raised an amount equal to the qualifying contribution threshold level for that office (and thus, where a qualified participating candidate would receive 60% of the full grant amount), the estimated total grant amount would be *reduced* by approximately \$975,000. However, an additional \$293,000 is estimated to be needed to fund minor party or petitioning candidates eligible for a grant in the amount of 1/3 or 2/3 of the full grant amount, and an additional estimated \$491,000 may be needed to cover the grant award costs for the average number of primaries conducted in 2004 and 2006. Thus, an *additional* total of approximately \$784,000 (calculated by adding \$293,000 plus \$491,000) is estimated to provide grant money for primary campaigns, and for minor party and petitioning candidates. The difference between the estimated reductions (made to account for candidates who receive less than a full initial grant) and the estimated additions (made to account for primary campaign grants, and grants for minor party and petitioning candidates) results in a net reduction of

\$191,000. This is ultimately a small amount and thus does not alter the projection of the total estimated grant disbursements for the 2008 General Assembly elections.

In addition, this calculation does not include any supplemental grant disbursements to match excess expenditures or independent expenditures.<sup>14</sup> As noted earlier, if a substantial number of candidates participate and are thus bound by the expenditure limits, there will be relatively fewer excess expenditures than there would be without a high level of participation. Similarly, the low historical amount of reported independent expenditures indicates that there likely will not be substantial independent expenditures during the 2008 election cycles which will trigger supplemental grant disbursements.

### **Section III. Reliability of the Data Projections**

The anticipated participation numbers calculated by the CSRA survey are higher than the participation rate projected by the OFA during the October 2005 Special Session. For purposes of forecasting whether the CEF contains sufficient funds to disburse grants during the 2008 election cycle, the SEEC believes that the CSRA numbers are a reliable predictor of participation.

The OFA Fiscal Note (for SB-2103) provides a solid launching point to anticipate future Program participation, but is limited in that it applies campaign contribution data from a traditionally private-funded contribution system into the arena of public campaign financing. In contrast, the participation numbers projected through the CSRA survey are based upon recent conversations with actual candidates who intend to participate in the Program during the 2008 election cycle. However, the CSRA survey numbers implicitly assume that every candidate who intends to participate will actually raise the required amount of qualifying contributions, and will be eligible to receive a grant from the CEF. The CSRA survey results also do not take into consideration that some candidates will run unopposed, some will face minimally-funded opposition, some will face primaries, and not all candidates eligible for a grant will qualify for a full initial grant award.

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<sup>14</sup> For example, the \$10.66 million figure arguably could be lower on the basis that not all candidates will receive the full grant amount for the initial grant disbursement. However, the \$10.66 million dollar figure arguably could be slightly higher if excess expenditures or independent expenditures trigger supplemental grant disbursements. For purposes of this report, these numbers can be seen to generally offset each other, meaning that \$10.66 million is a reasonable estimate.

The 78% level of anticipated participation by the 2008 General Assembly election candidates projected by the CSRA survey is supported by informal information indicating that a substantial number of candidates intend to participate in the Program. Both campaigns that participated in the October 9, 2007 Special Election participated in the CEP and received public campaign grants. Both campaigns reported positive experiences with the Program, and the SEEC believes that their favorable interactions with the Program will encourage other candidates to participate during the 2008 election cycle.

The difference between the numbers derived from the OFA and CSRA data is explained largely by the underlying expected participation rates. The OFA numbers, as well as the 2006 campaign finance data, suggests an approximate 70% participation rate. If the OFA-derived numbers are adjusted to reflect difference between the CSRA projected participation rate and the OFA projected participation rate, the OFA-derived projected grant amount rises to approximately \$9,650,000 in grant disbursements for the 2008 General Assembly elections.

The SEEC believes that positive perceptions of public financing in general support a high participation rate. The CSRA identified a large majority of candidates for the 2008 election who feel that they currently have to spend too much time and money running for office.

Both Arizona and Maine, which offer public campaign financing for state candidates, presently report candidate participation rates of approximately 60% and 80%, respectively.<sup>15</sup> Considering attendance at its recent training sessions, positive feedback, and a successful special election, the SEEC believes that the 78% participation rate anticipated by the CSRA at the University of Connecticut is very realistic. It is the SEEC assessment that using this participation rate and computing the total estimated grant award (\$10,660,000), in this manner is a reasonable calculation of the total public campaign grants required for the 2008 election cycle.

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<sup>15</sup> It should be noted that these states initially had participation rates of approximately 30%. However, as their programs have matured, Arizona and Maine both significantly increased participation rates to their current levels. For more information see the published reports at <http://www.ccec.state.az.us/> and <http://www.maine.gov/ethics/>.

## Section IV. Conclusion

Based on the calculations set forth in this report, the SEEC concludes that the CEF contains sufficient money to disburse grant money to qualified candidates who participate in Connecticut's landmark and historic public campaign financing program.

As noted in this report, the 2008 General Assembly elections will be the first regular election cycle in the history of Connecticut utilizing the Citizens' Election Program. Consequently the SEEC has no past similar data from which to base its determination, and it is impossible to predict the exact amount of grant money that will be disbursed in 2008. Notwithstanding these obstacles, the SEEC is confident that the CEF contains sufficient money to disburse grant awards to qualified candidates running for State Senator and State Representative in the 2008 General Assembly elections.

The CEF presently contains approximately \$35 million earmarked for grant awards, and will contain in excess of \$50 million by June 30, 2008. This amount far surpasses the estimated range of \$8.7 million - \$10.66 million of grant money anticipated to be disbursed during the 2008 General Assembly election cycle. Clearly, the CEF is in very sound fiscal condition at the present time.

The next report regarding CEF sufficiency is due on or before January 1, 2010. That will be the first year the CEP is in effect for elections for Statewide offices. In preparing the report for 2010, the SEEC will have data from the 2008 General Assembly elections.

The SEEC looks forward to the 2008 elections for State Senator and State Representative. The diverse campaign finance reform laws stemming from Public Act 05-5, which include the landmark Citizens' Election Program, have been deemed the most comprehensive campaign reform laws in the nation. Connecticut's 2008 General Assembly elections will be closely watched by other jurisdictions and academics studying public campaign financing. As noted above, candidates of both major parties participated in the Program for the October 9, 2007 special election for the office of State Representative in the 113<sup>th</sup> Assembly District. Both candidates qualified for public campaign grants and both campaigns reported overall positive experiences with the Program and the SEEC staff.

Based on this initial feedback from 2007 special election campaigns, the SEEC is confident that future Program participants will have a similar positive experience with public campaign financing. The SEEC is prepared for the upcoming challenges in 2008 and anticipates that the 2008 Program will prove to be a success for the State of Connecticut.

## *Appendix A*

# STATE ELECTIONS ENFORCEMENT COMMISSION CITIZENS' ELECTION PROGRAM



## Basic Requirements for 2008 General Assembly Candidates

Chapter 157 of the Connecticut General Statutes establishes the Citizens' Election Program (the "Program"), a voluntary program which provides full 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 sales of abandoned property in the State of Connecticut's custody.

Candidates running for the office of State Senator or State Representative in 2008 and candidates running for statewide office in 2010 may join the Program. Additionally, candidates running for the office of State Senator or State Representative in any special election held in or after 2007 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 *or* an affidavit of intent not to abide by Program requirements. 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, registration and disclosure statements. The Commission is also responsible for administering the Program and monitoring compliance with Program requirements.

## 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 curtail excessive spending and create a more level playing field among candidates; (3) to give candidates without access to sources of wealth a meaningful opportunity to seek elective office in the State of Connecticut; 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.

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## 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 must be raised 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, are prohibited from making qualifying contributions.

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

Expenditures during the qualifying period are limited to the required amount of qualifying contributions, plus any allowable personal funds the candidate provides to the candidate committee.

## Candidate's Use of 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
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, PAC, or party committee can endorse or guarantee a loan or aggregate loans exceeding \$500, 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 Requirements

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

### 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.

Nomination Sought	Primary Grant Amount-Major Party
State Senator	\$35,000
State Representative	\$10,000

### Primary Campaign Grants - Major Party 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.

Nomination Sought	Primary Grant Amount-Major Party Party- Dominant Districts
State Senator	\$75,000
State Representative	\$25,000

## General Election Campaign Grants

### 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 to 60% of the full amount if the candidate faces only a minor or petitioning party opponent who has not raised an amount equal to the qualifying contribution threshold level for that office.



### General Election Campaign Grants - Major Party Candidates Initial Grant Amounts

Office Sought	Candidate Eligible for Full Grant	Unopposed Candidate - Eligible for 30% Grant	Candidate Facing Limited Minor Party or Petitioning Party Opposition - Eligible for 60% Grant
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 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 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 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.
- 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 received by such candidate.

### General Election Campaign Grants - Minor Party Candidates Grant Amounts

Office Sought	Candidate Eligible for Full Grant - Prior Party Candidate Received At Least 20% of Votes Cast for Office in Prior General Election	Candidate Eligible for 2/3 Grant - Prior Party Candidate Received At Least 15% of Votes Cast for Office in Prior General Election	Candidate Eligible for 1/3 Grant - Prior Party Candidate Received At Least 10% of Votes Cast for Office in Prior General Election
State Senator	\$85,000	\$55,667	\$28,333
State Representative	\$25,000	\$16,667	\$8,333



### 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 general 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 general 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 general 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 received by such candidate.

### General Election Campaign Grants – Petitioning Candidates Grant Amounts

Office Sought	Candidate Eligible for Full Grant – Nominating Petition Signed by Electors Equaling At Least 20% of All Votes Cast for Office in Prior General Election	Candidate Eligible for 2/3 Grant –Nominating Petition Signed by Electors Equaling At Least 15% of All Votes Cast for Office in Prior General Election	Candidate Eligible for 1/3 Grant – Nominating Petition Signed by Electors Equaling At Least 10% of All Votes Cast for Office in Prior General Election
State Senator	\$85,000	\$55,667	\$28,333
State Representative	\$25,000	\$16,667	\$8,333



## Expenditure Limits

The Program establishes voluntary expenditure limits for three discrete periods of an election cycle: (1) the period before a primary campaign and general election campaign (the "qualifying period"); (2) the period of the primary campaign (if applicable); and (3) the period of the general election campaign. "Primary campaign" and "general election campaign" are defined terms under Chapter 157. CONN. GEN. STAT. §§ 9-700(7) & (11).

- The **qualifying period** allows candidates to raise qualifying contributions and demonstrate that they have the threshold of support necessary to qualify for public funds. Expenditures during the qualifying period are limited to the required amount of qualifying contributions, plus any allowable personal funds the candidate provides to the candidate committee.
- 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, pursuant to section 9-382. CONN. GEN. STAT. § 9-700(11)(A). 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, pursuant to section 9-390. CONN. GEN. STAT. § 9-700(11)(B). The primary campaign period ends on the day of the primary election. CONN. GEN. STAT. § 9-700(11).
- 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. CONN. GEN. STAT. § 9-700(7)(A). If there is no primary election, the general election campaign period begins the day after the candidate is nominated without a primary. CONN. GEN. STAT. § 9-700(7)(B). The general election campaign period ends the day the campaign treasurer files the final statement required pursuant to section 9-608. CONN. GEN. STAT. § 9-700(7).

### Qualifying Period Expenditure Limits

Expenditures during the qualifying period are limited to the required amount of qualifying contributions, plus any allowable personal funds the candidate provides to the candidate committee.

Office Sought	Aggregate Qualifying Contributions (QC)	Maximum Allowable Personal Funds (PF)	Spending Limit (QC + PF)
State Senator	\$15,000	\$2,000	\$15,000 - \$17,000
State Representative	\$5,000	\$1,000	\$5,000 - \$6,000

## Primary Campaign and General Election Campaign Expenditure Limits



### Primary Campaign Limit Calculated by Adding:

- Amount of primary grant, *and*
- Any unspent qualifying contributions or unspent personal funds provided by the candidate.

### General Election Campaign Limit Calculated by Adding:

- Amount of general election grant, *and*
- Any unspent qualifying contributions or unspent personal funds provided by the candidate.

Additionally, minor and petitioning party candidates who receive less than the full grant amount may raise and spend additional contributions that meet the criteria for qualifying contributions to make up the difference between the grant received and the amount of the full applicable grant.

## Excess Expenditures

An excess expenditure is an expenditure made, or obligated to be made, by a candidate which exceeds the applicable expenditure limit for a participating candidate.

If a participating candidate is opposed by a candidate who makes excess expenditures, the participating candidate may be eligible to receive supplemental grant funds. The maximum supplemental payment the participating candidate may receive and spend cannot exceed the lesser amount of either (1) the highest amount of an opposing candidate's excess expenditures, or (2) the amount of the applicable grant authorized for the participating candidate. ***Participating candidates who receive supplemental grants funds may only spend an amount equal to the opponent's excess expenditure(s).***

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 excess expenditure.

## Excess Expenditure Reporting within 24 to 48 Hours

- If a candidate committee makes or incurs an excess expenditure more than 20 days before a primary or election, the campaign treasurer must file a declaration of excess expenditure within 48 hours of making or incurring the expenditure;
- If a candidate committee makes or incurs an excess expenditure 20 days or less before a primary or election, the campaign treasurer must file a declaration of excess expenditure within 24 hours of making or incurring the expenditure.

## Supplemental Payments

Payment Trigger (Spending Level of Non-participating Opponent)	Supplemental Payment to Eligible Participating Candidate
Opponent spends in excess of 100% of applicable grant amount	25% of applicable grant amount
Opponent spends in excess of 125% of applicable grant amount	25% of applicable grant amount
Opponent spends in excess of 150% of applicable grant amount	25% of applicable grant amount
Opponent spends in excess of 175% of applicable grant amount	25% of applicable grant amount

## Reporting Requirements for All 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 makes or incurs an expenditure exceeding 90% of the applicable grant 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.

## 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.

## Permissible 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 additional guidance, please see the Commission's Citizens' Election Program regulations which can be found on the Commission's web site.

## 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.

*Appendix B*

MAY 18 2007

STATE ELECTIONS  
ENFORCEMENT COMMISSION



**REPORT TO THE  
CONNECTICUT GENERAL ASSEMBLY  
CONCERNING  
THE STATUS OF THE  
CITIZENS' ELECTION FUND  
AS OF DECEMBER 31, 2006**

**Jeffrey B. Garfield**  
**Executive Director and General Counsel**  
**Connecticut State Elections Enforcement Commission**



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## I. INTRODUCTION

In December 2005, the Connecticut General Assembly enacted, and Governor M. Jodi Rell, signed the most sweeping reform of the State's Campaign Finance Laws since the post Watergate era. Public Act 05-5 of the October 29 Special Session, and the amendments made in Public Act 06-137, incorporate these vast revisions to the manner in which political campaigns are financed, especially with respect to the Statewide offices and the General Assembly. These revisions have been codified in Chapter 155 (traditional private campaign funding), and Chapter 157 of the General Statutes (public financing program, hereinafter referred to as the "Citizens' Election Program").

*In general terms, the comprehensive campaign finance reform legislation contains several major components:*

- » Creation of the Citizens' Election Program, (hereinafter "CEP") whereby participating candidates for Statewide office, State Senate and State Representative, may receive public grants of campaign funds if they raise a threshold amount from individuals in small denominations, not to exceed \$100, and agree to abide by voluntary spending limits. Participating candidates may also receive supplemental grants if their opponents exceed the voluntary spending limits, and if the participating candidates are the target of independent expenditures by third parties.
- » Strict prohibitions on contributions by communicator lobbyists, state contractors and prospective contractors, their spouses and dependent children.
- »  
New contribution limits on PACs and political parties to
- » New restrictions on the number of PACs that an individual can establish or control.



## INTRODUCTION

- » Development and oversight of a pilot program for public financing of municipal campaigns. (The City of New Haven will conduct such an experiment in connection with its 2007 mayoral
- » More frequent campaign disclosure reporting requirements.
- » The centralization of all campaign finance related functions, including the filing of reports, issuing of advice, auditing and verification, compliance and enforcement in a single agency – the State Elections Enforcement Commission (hereinafter the “SEEC”).
- » Development, design and implementation of a new electronic campaign filing and reporting system to replace the system administered by the Office of the Secretary of the State.

The SEEC has been given many new additional responsibilities under these new laws. In October, 2006 the SEEC submitted a comprehensive report to the Joint Committee on Government Administration and Elections detailing our progress in implementing the new laws. That report included 41 pages of text, plus appendices. Much more has been accomplished since the submission of that report, and each of the monthly meetings of the SEEC includes a discussion and update of the progress made since the previous meeting. The SEEC takes very seriously its obligations to report to the Governor and the General Assembly on matters relating to the implementation of these new laws.

In accordance with Section 9-716 (b), General Statutes, the SEEC must determine by January 1 of a state election year, whether there are sufficient funds in the Citizens’ Election Fund to pay grants, both initial and supplemental, to qualifying candidates expected to compete in such primaries and elections. The SEEC staff is already looking at data from the 2006 campaigns and other public financing jurisdictions in preparation of that report.



## INTRODUCTION



This report will however, address the financial status of the Citizens' Election Fund, as of December 31, 2006. This report is submitted in accordance with Section 9-716 (a), General Statutes, which provides in pertinent part that...

“[n]ot later than June 1, 2007, and annually thereafter, the State Elections Enforcement Commission shall issue a report on the status of the Citizens' Election Fund during the previous calendar year. Such report shall include the amount of moneys deposited in the fund, the sources of moneys received by category, the number of contributions, the number of contributors, the amount of moneys expended by category, the recipients of moneys distributed from the fund and an accounting of the costs incurred by the commission in administering the provisions of sections 9-700 to 9-716, inclusive.”



## II. THE CITIZENS' ELECTION FUND (CEF)

### A. Purpose and Statutory Authority

The CEF is the fund that provides grants of public dollars to participating candidates who qualify under the CEP's requirements. The CEP is available to qualified candidates in any special election for the General Assembly held after December 31, 2006, to qualified General Assembly candidates for primaries and elections in 2008, and to qualified statewide office candidates for primaries and elections in 2010 ( as well as for succeeding primaries and elections for such offices). The CEF is administered by the State Treasurer, and was created pursuant to Section 9-701, General Statutes. In January 2006, one month following the enactment of Public Act 05-5, the senior executive staffs of the Office of the State Treasurer and the SEEC met to discuss creation of the CEF, which was accomplished promptly thereafter.

By law, the CEF is a non lapsing account. Funding of the CEF was expected to be comprised primarily of sales of abandoned or unclaimed property in the state's custody (escheats) pursuant to Section 3-69a. The State Treasurer has administrative responsibilities for the escheats. See generally, Part III of Chapter 32 of the General Statutes. The unclaimed property program is explained on the State Treasurer's website. Typically, the property includes savings or checking accounts; checks not cashed; deposits; stocks, bonds or mutual fund shares; travelers' checks or money orders; life insurance policies; and safe deposit box contents.

In addition to the sales of abandoned property in the state's custody, the CEF is comprised of voluntary contributions, corporate tax revenues (if necessary), and interest earned on the fund's assets.



## II. THE CITIZENS' ELECTION FUND (CEF)

### B. Deposits

#### 1. Escheats

In accordance with Section 3-69a (a) (2), General Statutes, the State Treasurer was required to deposit \$17 million from the sales of abandoned property into the CEF for the fiscal year ending June 30, 2006. Of this amount, \$15 million was deposited for purposes of the payment of grants to participating candidates, and \$2 million was deposited for use by the SEEC in administering the provisions of not only the CEP, but also the other provisions of Public Act 05-5. The State Treasurer complied with 3-69a during the period covered by this report.

For the fiscal year ending June 30, 2007, the State Treasurer is required to deposit \$16 million into the CEF. Of this amount, \$15 million is again set aside for the payment of grants to candidates, and the remaining \$1 million is for administrative costs of the SEEC. Since this report covers a period ending December 31, 2006, the full second fiscal year deposits from escheats have not as yet been deposited into the CEF. However, it is anticipated that the full amount will be deposited by June 30, 2007 as required by law.

Schedule A contains the amount of escheats deposited into the CEF for the year ending December 31, 2006. The aggregate amount of escheats was \$22,373,495. Of that amount, \$20,323,495 is set aside for grants to candidates; \$2,000,000 was set aside for administrative costs of the SEEC, and \$50,000 was set aside for the reserve account.



## II. THE CITIZENS' ELECTION FUND (CEF)

### 2. Establishment of Reserve Account

Pursuant to Section 9-716 (c), General Statutes, the SEEC was required to establish a reserve account within the CEF. This was accomplished with the assistance of the State Comptroller. The reserve account is intended to be used solely during the week prior to any election or primary to make payments to participating candidates under either of the following set of circumstances. First, if candidates received reduced payments due to insufficiency of revenues to pay full grants, as projected by the SEEC in the report due at the beginning of a state election year, then the SEEC can make up the difference using these funds. Second, if the participating candidates are targets of independent expenditures made to defeat them, they may receive a match in the amount of such expenditures. By law, the first \$25,000 deposited into the CEF in any fiscal year must be set aside in this reserve account. As can be gleaned from Schedule A, the reserve account has received the requisite \$50,000.

As there has been minimal experience with independent expenditure campaigns in statewide office and general assembly races, the SEEC will encounter some difficulty in predicting whether the reserve account will be sufficient to make the required payments to participating candidates within close proximity of an election. However, the interest earned on deposits made into the CEF provides a strong cushion for participating candidates, and can be used to pay any grants, initial or supplemental, that are prescribed under the CEP.

### 3. Interest Earnings

In accordance with Section 9-701, "investment earnings credited to the assets of the fund shall become part of the assets of the fund." Accordingly, the entire CEF can and currently does earn interest on the deposits. As reported in Schedule A, the interest earned on deposits made to the fund was \$835,593.



## II. THE CITIZENS' ELECTION FUND (CEF)

### 4. Corporate Taxes

Section 9-750, General Statutes, prescribes that if the sales of abandoned property (escheats) by the State Treasurer are insufficient to produce the statutory amount of \$17 million or \$16 million, per fiscal year, as the case may be, the difference is made up from corporate tax revenues. This was not necessary during the period covered by this report, and should not be necessary in 2007.

### 5. Voluntary Contributions

Any individual, committee or other entity may make voluntary contributions to the CEF. Although the amount deposited during this period that was owing to voluntary contributions was small, this amount has already increased significantly for the 2007 calendar year. The SEEC included a request for voluntary contributions in the notices sent to 2006 candidate committees that were terminating, and to PACs and party committees that were required to re-register with the SEEC on new forms we prescribed. A more aggressive effort to request such voluntary contributions is planned for the early part of 2008.

As reflected in Schedules B & C, the total number of contributors making such voluntary contributions was two (2), and the aggregate of such contributions was \$750.

### 6. Total Deposits made into the CEF

The total deposited into the CEF from all sources was \$23,209,838 for the period covered by the report, as shown in Schedule A.



## II. THE CITIZENS' ELECTION FUND (CEF)

### C. Expenditures from the CEF

#### 1. General

In general, the only payments which may be made from the CEF are for the following purposes: (1) payments of grants to qualified candidates, including supplemental grants for participating candidates whose opponents spend more than the voluntary spending limit, and for matching of independent expenditures; and (2) administrative costs of the SEEC to carry out the purposes of Public Act 05-5.

#### 2. Grants to Qualified Candidates

During the period covered by this report, there were no special elections conducted for the General Assembly, and therefore no grant payments made to qualified candidates.

#### 3. Administrative Costs of the SEEC

The only expenditures made during 2006 from the CEF were for the SEEC's administrative costs, which are itemized in Schedule A of this report. The major categories of such expenditures consisted of wages for the full time employees hired during the year, and computer equipment to ensure that the SEEC could design and maintain the new electronic campaign filing system and related software applications necessary to implement Public Act 05-5. The total amount expended by the SEEC from the CEF for administrative costs was \$493,951.



### III. CONCLUSION

The SEEC used a modified accrual basis to prepare the financial statements in this report. Such accounting practice is consistent with GAAP, also known as “generally accepted accounting principles.” The balance of the CEF as of December 31, 2006 was \$22,715,887, as shown in Schedule A. This amount is required to be carried forward for use in the next year for purposes authorized by law. Of that balance, \$21,209,838 is the amount available for the SEEC to make payments of public grants to qualified candidates who meet CEP requirements. The CEF is in sound fiscal condition, and is generating the revenues anticipated by the General Assembly in its enactment of Public Act 05-5.



## IV. ACKNOWLEDGEMENTS

The SEEC gratefully acknowledges State Comptroller Nancy Wyman for the generous assistance she and her staff provided to us in the preparation of the financial statements incorporated in this report. In particular, we wish to express our gratitude to Elaine P. Pelletier, of that office, for her unselfish and dedicated assistance to us on this and a host of other matters relating to the implementation of the campaign reform legislation.

The SEEC also acknowledges State Treasurer Denise Nappier, and her capable senior staff, for their cooperation throughout the year regarding the administration of the CEF.





## V. APPENDICES

- Schedule A – Summary of Status of the Fund**
- Schedule B--- Voluntary Contributions To the Fund**
- Schedule C--- Contributors To The Fund**



# CITIZENS' ELECTION FUND



## *Status Of The Fund—Schedule A For Year Ending December 31, 2006*

### DEPOSITS

Escheats			
For Candidate Grants		\$	20,323,495
For SEEC's Administrative Expenses		\$	2,000,000
For Reserve Account		\$	50,000
Corporate Taxes		\$	-
Interest Earnings		\$	835,593
Voluntary Contributions		\$	750
Number of Contributors:	2		
Number of Contributions:	2		

### TOTAL DEPOSITS

**\$ 23,209,838**

### EXPENDITURES

GRANTS to Participating Candidate Committees			
Statewide Office		\$	-
Number of participants	0		
State Senator		\$	-
Number of participants	0		
State Representative		\$	-
Number of participants	0		
<b>Total Grant Expenditures</b>		\$	-
General Administrative Expenses			
Salaries & Wages		\$	234,165
Consulting Services		\$	22,704
Capital IT Equipment		\$	117,659
Capital Office Equipment		\$	59,164
IT Software Licenses		\$	40,190
Minor Equipment		\$	14,189
Supplies & Other Expenses		\$	4,354
Premises Maintenance		\$	1,526
<b>Total General Administrative Expenses</b>		\$	493,951

### TOTAL EXPENDITURES

**\$ 493,951**

### BALANCE OF THE FUND

**\$ 22,715,887**

### BALANCE AVAILABLE FOR GRANTS TO PARTICIPATING CANDIDATE COMMITTEES

**\$ 21,209,838**



## CITIZENS' ELECTION FUND



### *Status Of The Fund—Schedule B For Year Ending December 31, 2006*

<b>Contributions</b>	<b>Number of Contributions</b>	<b>Amount of Contributions</b>
Committee		
Candidate Committees		
Statewide Office .....	0	\$0.00
State Senator .....	0	\$0.00
State Representative .....	1	\$250.00
Municipal Office .....	1	\$500.00
Party / Town Committees	0	\$0.00
Political Action Committees	0	\$0.00
<b>Total Committee Contributions</b>	<b>2</b>	<b>\$750.00</b>
Corporate Entities	0	\$0.00
Individuals	0	\$0.00
Other Entities	0	\$0.00
<b>TOTAL VOLUNTARY CONTRIBUTIONS DEPOSITED</b>	<b>2</b>	<b>750</b>



## CITIZENS' ELECTION FUND

### *Status Of The Fund—Schedule C For Year Ending December 31, 2006*

Contributors			Number of Contributions	Amount of Contributions
<u>Committees</u>	<u>Office</u>	<u>Party Type</u>		
Citizens For Mayor Knopp	M	MAJ	1	\$500.00
Roberta Willis in 2006	SR	MAJ	1	\$250.00
<b>Total Committee Contributions</b>			<b>2</b>	<b>\$750.00</b>
Corporations			n/a	n/a
<b>Total Corporate Contributors</b>			<b>0</b>	<b>0</b>
Individuals			n/a	n/a
<b>Total Individual Contributors</b>			<b>0</b>	<b>0</b>
<b>TOTAL CONTRIBUTORS</b>			<b>2</b>	<b>\$750.00</b>

**KEY:**

M = Municipal  
SR = State Representative

**PARTY TYPE:**

MAJ = Major Party

## *Appendix C*

**OFFICE OF FISCAL ANALYSIS**

Legislative Office Building, Room 5200

Hartford, CT 06106 ◇ (860) 240-0200

<http://www.cga.ct.gov/ofa>

**EMERGENCY CERTIFICATION**

SB-2103

AN ACT CONCERNING COMPREHENSIVE CAMPAIGN FINANCE REFORM FOR STATE-WIDE CONSTITUTIONAL AND GENERAL ASSEMBLY OFFICES.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Elect. Enforcement Com. (Citizens' Election Fund)	GF - Revenue Gain	\$17 million	\$16 million
Treasurer	GF - Revenue Loss	\$17 million	\$16 million
Elect. Enforcement Com. (Citizens' Election Fund). ; Comptroller Misc. Accounts (Fringe Benefits)	GF - Cost	See Below	See Below

Note: GF=General Fund

**Municipal Impact:**

Municipalities	Effect	FY 06 \$	FY 07 \$
Various Municipalities	Cost	Potential	Potential

**Explanation**

The bill establishes a system of public financing for election campaigns, one for candidates for statewide elected offices (beginning in 2010) and the other for legislative candidates (beginning in 2008). Candidates who receive qualifying contributions and agree to limit their spending and comply with other requirements are eligible to receive state grants for their campaigns. In the event of a special election after December 31, 2006, candidates could receive 75% of the amount of the grant authorized for that candidate in the general election. State office candidates are those running for Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer, and Secretary of the State.

The bill establishes the Citizens' Election Fund (CEF), a separate nonlapsing account within the General Fund, which provides grants to candidates who comply with certain program requirements. The CEF is financed through: 1) an allocation of the cash receipts received from unclaimed property escheated to the state; 2) voluntary contributions from

individuals, businesses, and PACs; 3) donations of surplus funds from dissolved candidate campaigns or political committees and 4) investment earnings on CEF's resources.

The bill allocates \$17 million from the cash receipts received from unclaimed property escheated to the state in FY 06, \$16 million in FY 07, and beginning in FY 08, \$16 million plus an annual inflationary factor based on the change in the consumer price index for all urban consumers. This allocation will result in an annual General Fund (GF) revenue loss because it restricts the use of revenue that is currently deposited into the GF and therefore will no longer be available for GF purposes.

In any year there is not sufficient revenue generated from unclaimed property receipts to make the required transfer to the CEF, the bill requires revenue from the corporation business tax to make up any shortfall. Currently, unclaimed property receipts for FY 06 through FY 09 are projected at levels (\$50 to \$70 million/yr) that would not require a diversion of corporation business tax revenue to the CEF.

An eligible minor party candidate can receive a grant for the general election only if the candidate for the same office representing the same minor party at the last preceding election received 10%, 15%, or 20% of the whole number of votes cast for that office. An eligible petitioning party candidate can receive a grant for the general election only if his petition has been signed by a number of qualified electors equal to 10%, 15%, or 20% of the number of votes cast for the same office at the last preceding regular election. The amount of the grant is 33%, 66%, or 100% of the grant for major party candidates respectively. The candidates need to receive the same qualifying contribution levels as the major parties. The number of candidates that fit into this category is expected to be minimal; therefore the fiscal impact would be minimal.

To estimate the potential grant obligations for the 2008 legislative campaigns, the 2004 election was analyzed and the following scenario is considered for candidates who intend on participating in the voluntary program by receiving qualifying contributions and adhering to the spending limits. This scenario assumes that 100% of the candidates that raised contributions in 2004 in excess of the levels to qualify for public financing actually participate in the program. To the extent that the program encourages more participants, these grant obligations may rise.

Utilizing the 2004 legislative races as a model, it is estimated that \$8.7 million in CEF grants would be required for the 2008 Senate and House legislative races; \$3.7 million for the Senate and \$5 million for the House. Thirty-five candidates in the Senate who raised the qualifying level of at least \$15,000 in contributions would be eligible to receive the maximum grant of \$85,000. Eight candidates were opposed by a minor party candidate who raised less than the qualifying levels to receive a grant. These candidates would only receive 60% of the grant, or \$51,000. There were 5 uncontested races, which allow the participating candidate to receive only 30% of the grant, or \$35,000. In the 2004 Senate races, two districts held primaries; one of them was held in a party dominant district which raises the grant level for a primary from \$35,000 to \$75,000.

In 2004, 165 candidates in the House raised the qualifying level of at least \$5,000 in contributions and would be eligible to receive the maximum grant of \$25,000. Twenty-four

candidates were opposed by a minor party candidate who raised less than the qualifying levels to receive a grant. These candidates would only receive 60% of the grant, or \$15,000. There were 28 uncontested races, which allow the participating candidate to receive only 30% of the grant, or \$7,500. In the 2004 House races, 10 districts held primaries; 7 of them were held in party dominant districts, which raises the grant level for a primary from \$10,000 to \$25,000.

Utilizing the 2002 statewide races as a model, \$11.25 million in CEF grants would be required for the 2010 statewide races. Coupled with the aforementioned scenario for the legislative races, approximately \$20 million would be required for the 2010 legislative and statewide races. There were no primaries in the 2002 election for statewide offices. Each statewide office in 2002, with the exception of the Comptroller, had two candidates that raised the qualifying contribution levels and would be eligible to receive grants. This estimate for statewide races would rise to \$12 million if each office had two participating candidates running, with no primaries.

A participating candidate is entitled to additional money from the fund if their nonparticipating opponent has made, or has obligated to make, an expenditure exceeding 90% of the applicable grant. The additional money is equal to 25% of the applicable grant. A participating candidate may receive additional grants of 25% of the applicable grant, but not to exceed 100% of the grant amount that the candidate has received from the fund. If an independent expenditure is made in an effort to defeat a participating candidate, the candidate is entitled to an equal amount of the expenditure from the fund, but not to exceed 100% of the grant amount that the candidate has received from the fund. In the event that both of these instances happen to a candidate, the maximum amount that a participating candidate could receive is 200% of the grant. It is estimated that these instances will not occur often and the fiscal impact would therefore be minimal.

The bill requires the State Elections Enforcement Commission (SEEC), by January 15, 2010, and every two years thereafter, to adjust the grant amounts for legislative office candidates in accordance with any change during the two preceding calendar years in the Consumer Price Index for urban consumers as published by the U. S. Department of Labor. The SEEC must do the same by January 15, 2014, and every 4 years thereafter, for grants for statewide office candidates.

By January 1 in a state election year, the SEEC must determine whether the money in the fund is sufficient to provide grants to candidates. If the SEEC determines that the CEF cannot cover its grant obligations, the SEEC can distribute money in percentage shares to all participating candidates and the candidates can resume accepting contributions and spend up to the program limits.

The bill charges the SEEC with additional responsibilities, and extends some of the commission's existing responsibilities, to administer and enforce the provisions of the public financing program. The SEEC may retain up to \$2 million in FY 06 and \$1 million annually thereafter for the administration of the program. Any portion of these allocations that is not expended by the SEEC shall be available to them in subsequent fiscal years.

It is anticipated that the SEEC will need \$400,000, plus fringe benefits<sup>1</sup>, for 7 full-time staff:

a Director for the Public Finance Program with a salary of \$75,000; three Accountant positions with salaries of \$53,000 each; a Staff Attorney with a salary of \$61,000; a Data Processing Technician with a salary of \$58,000; and a Paralegal with a salary of \$45,000. The Other Expenses account will need an additional \$25,000 annually to advertise the public financing program, obtain publications and training materials, and also accommodate the commission which will meet more regularly as the application deadline approaches. There will also be one-time start up costs of \$40,000 related to purchasing equipment and supplies for the new employees. These costs are an estimate to administer and enforce the new public financing program, including auditing responsibilities.

The bill shifts several responsibilities from the Secretary of the State's (SOTS) office to the SEEC starting in 2007. The bill requires the SEEC to create a software program or programs for the preparation of financial disclosure statements. This system replaces the Campaign Finance Information System (CFIS), currently administered by the SOTS. The one-time costs for an outside vendor to create and maintain an on-line campaign finance reporting system with a searchable database is estimated to be \$1.3 million. The system will distinguish candidates that participate in the program from those who do not, account for the amount of grant funds candidates receive, and track other minor changes. It is anticipated that the SEEC will need 8 positions plus equipment and supplies to handle the new responsibilities for the maintenance of the campaign finance software system, estimated annually at \$500,000 plus fringe benefits<sup>1</sup>.

The bill authorizes SEEC to establish a pilot program for the voluntary public financing program for municipal office candidates who agree to limit campaign fund-raising and expenditures, at a municipal election in not more than three municipalities, who consent to the pilot. The covered candidates include chief executive officer, municipal clerk, and municipal legislative body members. SEEC shall establish an application procedure for the program and criteria for the selection of municipalities. The bill does not address the funding mechanism to pay for the public financing of municipal election campaigns.

### ***The Out Years***

Beginning in FY08, the grants and the revenue for the Citizen's Election Fund are subject to changes in the Consumer Price Index (CPI). The current forecast by the Congressional Budget Office for CPI is 2.2% annually.

*The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either House thereof for any purpose.*

<sup>1</sup> The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The estimated fringe benefit reimbursement rate as a percentage of payroll is 53.91%, effective July 1, 2004. However, first year fringe benefit costs for new positions do not include pension costs lowering the rate to 22.65%. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System.

*Appendix D*

# The Citizens' Election Program Survey

Connecticut State Elections Enforcement Commission

November 2007

Conducted by



341 Mansfield Road  
Storrs, CT 06269  
860-486-6666

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## **Executive Summary**

The Connecticut State Elections Enforcement Commission (SEEC) asked the Center for Survey Research and Analysis (CSRA) at the University of Connecticut to conduct a telephone survey to forecast enrollment in the Citizens' Election Program for the General Assembly election in 2008. The study, conducted in October and November 2007, finished with a total of 252 interviews, a 67% response rate. This section summarizes the key findings of the survey. More detail on these topics can be found in the following sections of this report.

## **Key Findings**

Nearly all current state legislators (95%) in the Connecticut General Assembly plan to run for office again in 2008. However, less than half of unsuccessful 2006 candidates (39%) will join them in the race. Many of the candidates that will be running for office in 2008 are interested in enrolling in the Citizens' Election Program to finance their campaigns.

With one year to go before the election, 52% of General Assembly members say they will definitely participate in the program, with an additional third (34%) being inclined to participate. Four in ten unsuccessful 2006 candidates (40%) who are running again also plan to participate in the program and an additional 36% are inclined to participate.

Strong interest in the Citizens' Election Program may stem from the perceived notion that too much time is spent raising money (77%) and too much money is spent campaigning (73%).

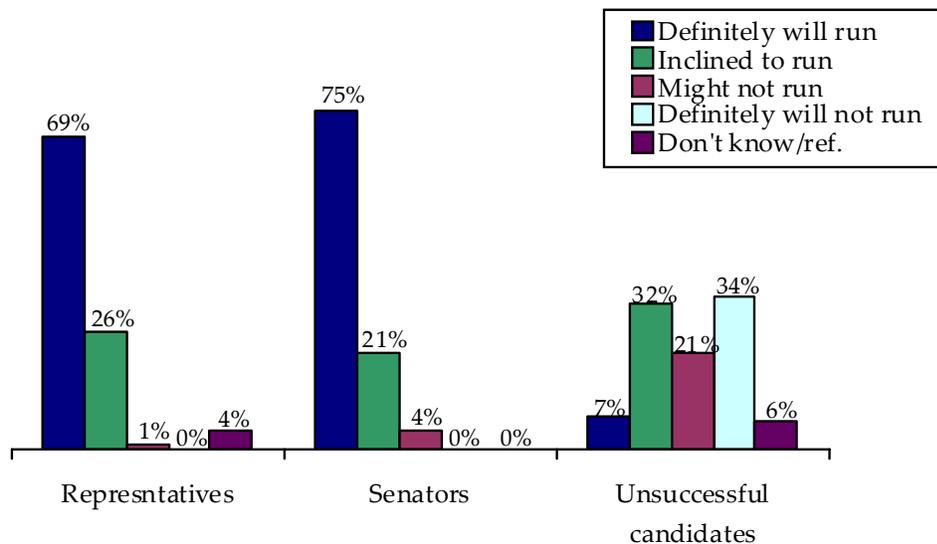
## Candidates for the 2008 Election

Almost all of current General Assembly members report that they will definitely run or are inclined to run for public office in 2008, compared to 39% of unsuccessful 2006 candidates.

One year before the election, 69% of current House members say that they definitely will run in 2008 and 26% are inclined to run. Three-quarters of current Senators (75%) also mentioned that they will definitely run, and 21% are inclined to run for re-election. Only one Representative and one Senator say they might not run in 2008.

Less than one in ten unsuccessful 2006 candidates (7%) say they definitely will run again in 2008; however, one-third (32%) are inclined to run again. Twenty-one percent mention they might not run again and a third (34%) say they definitely will not run.

**How likely are you to run in the 2008 General Assembly race?**



Of those General Assembly members who are considering running in 2008:

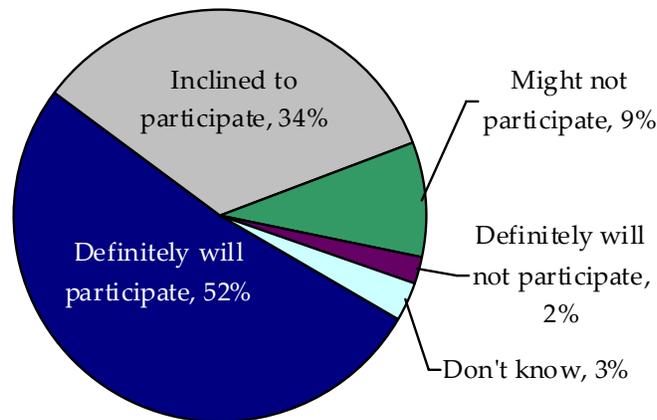
- Ninety-four percent of current House members report they will run for re-election.
- Three current Representatives plan to seek office in the Senate, two say they will run for a non-General Assembly office, and one is undecided.
- Ninety-six percent of current Senators state they will run for the Senate in 2008.
- One Senator mentions seeking an office outside the General Assembly.

## Participation in the Citizens' Election Program

The majority of current legislators and many past candidates are interested in participating in the new Citizens' Election Program.

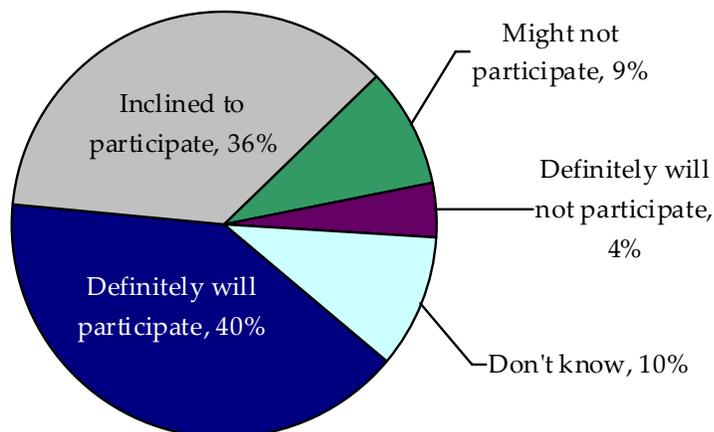
Over half of current General Assembly members (52%) who will run in 2008 say they will definitely participate in the new Citizens' Election Program, and one-third (34%) are inclined to participate. One year before the election, 9% mention they might not participate, 2% say that they definitely will not participate, and 3% say they are unsure.

**How likely are you to participate in the CT Citizens' Election Program?  
(Current legislators)**



When looking at unsuccessful candidates from the 2006 General Assembly election, 61% mention the possibility of running again in 2008. Of these possible future candidates, 40% say they definitely will participate, and 36% are inclined to participate. Less than one in ten (9%) mention they might not participate, 4% state that they definitely will not participate, and 10% are unsure.

**How likely are you to participate in the CT Citizens' Election Program?  
(Unsuccessful 2006 candidates)**



## Perceptions of Campaign Financing

**Participation in the Citizens' Election Program could stem from most candidates believing too much *time* is spent raising money and too much *money* is spent campaigning. More than two in five (43%) of those who will not participate in the program say they do not have enough information on the program.**

A large majority of candidates for the 2008 election feel that they currently have to spend too much time and money running for office. Seventy-seven percent feel that candidates have to spend too much *time* raising money, and 73% feel candidates have to spend too much *money* to run a campaign. Three-quarters of candidates (76%) agree that accepting only small contributions from individuals is a good way to keep special interest money out of politics, and 74% agree that public financing of campaigns will allow candidates, without access to wealth, more opportunities to compete for elected offices.

Statement	% Agree
I feel candidates have to spend too much time raising money.	77%
I feel that accepting only small contributions from individuals is a good way to keep special interest money out of politics.	76%
I believe that public financing will provide candidates without access to wealth increased opportunities to compete for elected offices.	74%
I feel candidates have to spend too much money to run campaigns.	73%

### Candidates not participating in the program

Of those that definitely will not participate (3%) or are unsure if they will participate (6%) in the Citizens' Election Program, half (52%) disagree with the idea of public campaign financing. Raising the initial funds to qualify for the program does not seem to be a barrier for candidates as 51% do not feel it will be too difficult to raise the required qualifying contribution. Also, candidates do not seem to mind staying within the spending limits of the program as 83% disagree (69% strongly) that they want to spend more money than allowed under the programs spending limits.

## Methodology

The Connecticut SEEC commissioned the Center for Survey Research and Analysis (CSRA) at the University of Connecticut to conduct a telephone survey of all current members of the Connecticut General Assembly, as well as unsuccessful General Assembly candidates from 2006, to forecast enrollment in the Citizens' Election Program for the 2008 General Assembly election. The SEEC provided CSRA with a database of current General Assembly members and unsuccessful 2006 candidates. CSRA mailed a prenotification letter to participants explaining the purpose and importance of the survey.

The 15-item questionnaire was jointly developed by the Commission and CSRA. Findings are based on a total of 252 interviews conducted between October 15 and November 15, 2007 by trained interviewers at CSRA. The survey received a 67% rate of response.

This survey has a margin of error at the 95% confidence level of +/-3.6 percentage points with a finite population. This means there is less than a one in twenty chance that the results of a similar survey of this size would differ by more than 3.6 percentage points in either direction from the results which would be obtained if all 378 current legislators and unsuccessful 2006 candidates had been interviewed. The margin of error for sub-groups could be larger.

## Appendix A: Annotated Questionnaire

INT1. May I please speak with <title> <fname> <lname>? (ONCE CORRECT PERSON IS ON THE PHONE) Hello, my name is \$I and I'm calling from the University of Connecticut. We are conducting a survey about the Citizens' Election Program, Connecticut's new public campaign financing program. Your individual responses are completely anonymous and will be kept confidential. The survey will take less than five minutes to complete. (NOTE: A prenotification letter was sent in the beginning of October).

Q1. How likely are you to run in the 2008 General Assembly race?

Definitely will run	38%
Inclined to run	29%
Might not run	12%
Definitely will not run	17%
Don't know (vol.)	4%
Refused (vol.)	1%
Count	252

Q2. Which office do you intend to run for: the State House or Senate?

House	73%
Senate	20%
Other (vol.)	3%
Don't know (vol.)	5%
Refused (vol.)	--
Count	198

Q3. How likely are you to participate in the CT Citizens' Election Program?

Definitely participate	47%
Inclined to participate	35%
Might not participate	9%
Definitely will not participate	3%
Don't know (vol.)	6%
Refused (vol.)	--
Count	198

IQ4. Please tell me if you agree or disagree with the following statements.

Q4A. I feel that accepting only small contributions from individuals is a good way to keep special interest money out of politics.

Strongly agree	45%
Somewhat agree	31%
Somewhat disagree	10%
Strongly disagree	13%
Don't know (vol.)	1%
Refused (vol.)	1%
Count	197

Q4B. I feel candidates have to spend too much time raising money.

Strongly agree	52%
Somewhat agree	25%
Somewhat disagree	13%
Strongly disagree	8%
Don't know (vol.)	--
Refused (vol.)	2%
Count	197

Q4C. I feel candidates have to spend too much money to run campaigns.

Strongly agree	50%
Somewhat agree	23%
Somewhat disagree	12%
Strongly disagree	10%
Don't know (vol.)	3%
Refused (vol.)	2%
Count	197

Q4D. I believe that public financing will provide candidates without access to wealth increased opportunities to compete for elected offices.

Strongly agree	44%
Somewhat agree	30%
Somewhat disagree	9%
Strongly disagree	13%
Don't know (vol.)	3%
Refused (vol.)	1%
Count	197

IQ5. Please tell me if you agree or disagree with the following statements.

Note: Q5A-Q5F only asked to those who responded “definitely will not participate,” “don’t know,” or “refused” to Q3. Also, because of a low N-size, interpreting the results of these questions should be done with caution.

Q5A. I do not have enough information about the Citizens' Election Program.

Strongly agree	29%
Somewhat agree	14%
Somewhat disagree	23%
Strongly disagree	26%
Don't know (vol.)	6%
Refused (vol.)	3%
Count	35

Q5B. I want to see how the program works in 2008 before I decide whether to use it.

Strongly agree	20%
Somewhat agree	17%
Somewhat disagree	11%
Strongly disagree	26%
Don't know (vol.)	20%
Refused (vol.)	6%
Count	35

Q5C. I believe it would be too difficult to comply with the program requirements.

Strongly agree	23%
Somewhat agree	3%
Somewhat disagree	29%
Strongly disagree	11%
Don't know (vol.)	31%
Refused (vol.)	3%
Count	35

Q5D. I believe it will be too difficult to raise the required qualifying contributions.

Strongly agree	17%
Somewhat agree	17%
Somewhat disagree	11%
Strongly disagree	40%
Don't know (vol.)	11%
Refused (vol.)	3%
Count	35

Q5E. I want to spend more money than allowed under the Program's spending limits.

Strongly agree	6%
Somewhat agree	3%
Somewhat disagree	14%
Strongly disagree	69%
Don't know (vol.)	6%
Refused (vol.)	3%
Count	35

Q5F. I disagree with the concept of public campaign financing.

Strongly agree	49%
Somewhat agree	3%
Somewhat disagree	17%
Strongly disagree	17%
Don't know (vol.)	11%
Refused (vol.)	3%
Count	35

Q6A. Would you like to receive more information from the State Election Enforcement Commission about the Citizens' Election Program?

Yes	52%
No	48%
Don't know (vol.)	--
Refused (vol.)	--
Count	197

INT99. You may contact the Commission for information at 860 256-2490 or 1-800-SEEC-INFO. Also, you can view their website at [www.ct.gov/seec](http://www.ct.gov/seec). Those are all the questions I have for you at this time. Thank you!

## Appendix B: Cross-Tabulations

Q1. How likely are you to run in the 2008 General Assembly race?

Note: Raw counts displayed.

	Current House	Current Senate	Unsuccessful House	Unsuccessful Senate
Definitely will run	70	18	8	1
Inclined to run	26	5	33	8
Might not participate	1	1	21	6
Definitely will not run	0	0	31	12
Don't know/Refused	4	0	6	1

Q2. Which office do you intend to run for: the State House or Senate?

Note: Raw counts displayed.

	Current House	Current Senate	Unsuccessful House	Unsuccessful Senate
House	91	0	51	2
Senate	3	23	1	12
Other (vol.)	2	1	2	0
Don't know/Refused	1	0	8	1

Q3. How likely are you to participate in the CT Citizens' Election Program?

Note: Raw counts displayed.

	Current House	Current Senate	Unsuccessful House	Unsuccessful Senate
Definitely will participate	49	14	25	6
Inclined to participate	34	7	24	4
Might not participate	9	2	4	3
Definitely will not participate	2	0	3	0
Don't know/Refused	3	1	6	2