

# Understanding the Connecticut Campaign Finance Laws

## A Guide for Political Committees



**STATE ELECTIONS ENFORCEMENT COMMISSION**  
Revised August 2011





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## I. Introduction

This publication serves as a guide for *political committees* that intend to raise and spend funds in connection with elections or primaries for offices held in Connecticut at the state, district or local level. The Connecticut campaign finance laws applicable to political committees appear in [Chapter 155](#) of the Connecticut General Statutes, Sections 9-600 through 9-625. The Commission also publishes guides for *candidate committees*, *party committees*, and referendum committees. Copies of the campaign finance laws, disclosure forms, and committee registration statements are available at both the State Elections Enforcement Commission's offices and on our website, [www.ct.gov/seec](http://www.ct.gov/seec).

### A. Changes in the Law

Since the previous edition of this guidebook, the General Assembly has made a number of significant changes to [Chapter 155](#) of the Connecticut General Statutes.

First, the General Assembly amended our laws to conform with the United States Supreme Court's ruling in [Citizens United v. FEC](#). This ruling, issued in January of 2010, declared that certain restrictions on *independent expenditures* by corporations and other entities using their treasury funds are unconstitutional. Because Connecticut prohibited direct *expenditures of business entity* and labor *organization* funds to promote *candidates* or political parties, the legislature rewrote portions of the law to allow corporations, labor organizations, and other types of entities to make these independent expenditures, and also to require any such *entity* or labor organization to comply with new reporting and attribution requirements. The new law defines the term "entity" and is relevant to entities considering forming political committees because if they only seek to make independent expenditures, they are no longer required to form a committee. The law on what expenditures are considered independent rather than coordinated has been revised as well. In addition, the law was changed so that groups of two or more individuals do not need to register as a political committee unless they raise or spend or incur over \$1,000 in the aggregate. See [Public Act 10-187](#).

The General Assembly also amended our laws in August 2010 to address certain portions of the *Citizens' Election Program* that the Second Circuit had found unconstitutional, as well as other issues that had arisen in past election cycles. Most significantly, these new changes include allowing *communicator lobbyists* to contribute up to \$100 to covered political committees, removing the complete solicitation bans on communicator lobbyists and principals of current and *prospective state contractors* and replacing them with less restrictive provisions, and providing for new exceptions to the definitions of *contribution*, including the value associated with *de minimis* campaign activity and the display of a lawn sign "by a human being or on real property." See [Public Act 10-1](#).

In addition, in June 2011, the General Assembly passed a series of amendments to the campaign finance laws of [Chapter 155](#). Most of these changes do not become effective until January 1, 2012. However, we reference them in this guide as Important Notes, with a notation to their effective dates, so that you are aware of these upcoming provisions. See [Public Act 11-48](#).



Finally, in July 2011, the State Elections Enforcement Commission was consolidated with eight other state agencies into the Office of Governmental Accountability. The primary purpose of this consolidation was to create cost savings through the sharing of back-office functions among the agencies. As a result of this consolidation, you will see changes to our website in the coming months. The basic functionality of the Commission, as well as campaign finance law generally, remains unchanged by this consolidation. See [Public Act 11-48](#).

## B. Changes in this Guide

This Guide incorporates the above-referenced changes in the law, which are denoted by reference to the public acts. The Guide also offers additional clarification of existing law based on questions received by the Compliance Unit over the past few years.

In addition, some changes have been made to the format and organization of this Guide. In previous editions, the Guide began with a definitional section of commonly used terms. With this edition, defined terms have been transferred to an expanded Glossary section in the rear of the Guide. Such terms are *italicized* when they first appear in the Guide. We have added more charts and citations to the General Statutes – for your reference – and have tried to keep the text as jargon-free as possible.

We wholeheartedly welcome suggestions for future improvements to this Guide from you, the political *committee chairpersons*, treasurers, and committee workers that are its intended audience. Please remember, the Guide is **not** a substitute for statutes and regulations. Anyone using this Guide should refer to the specific statutory provisions, regulations, declaratory rulings, and advisory opinions of the Commission referenced throughout.

## C. Requesting Compliance Advice

Any committee or *individual* subject to Connecticut's campaign finance laws may contact the State Elections Enforcement Commission to discuss how the campaign finance provisions apply to them in a particular situation. You may request advice by calling the Compliance Unit or by writing to us by U.S. mail or e-mail. PLEASE DO NOT request advice for the SAME QUESTION using more than one of these methods.

### 1. Call the Compliance Unit at (860) 256-2940;

OR

### 2. Make a request for written advice.

You may submit a request for written advice by e-mailing [seec@ct.gov](mailto:seec@ct.gov) (including "compliance advice" in the subject line) or by sending a letter to:

State Elections Enforcement Commission  
Attn: Compliance Unit  
20 Trinity Street – 5<sup>th</sup> Floor  
Hartford, CT 06106



In your request for advice, please include a complete description of all relevant facts and a specific question. Your request must concern a specific transaction or activity that you plan to undertake or are currently undertaking and intend to continue in the future.

The Commission and/or its staff issue three types of written advice: opinions of counsel, advisory opinions, and declaratory rulings. An **opinion of counsel** is an opinion by SEEC staff counsel alone and is not binding on the Commission. The person requesting the opinion of counsel may rely upon the opinion with respect to any matter brought before the Commission based upon the same facts and circumstances addressed in the Opinion of Counsel. If there is an omission or change in any of the facts or assumptions presented, and such omission, fact or assumption is material to the conclusions presented in the opinion of counsel, then the requestor may not rely on those conclusions in support for such activity brought before the Commission.

When the Commission receives similar questions from various individuals or concludes that the regulated community would best be served by more general, written guidance, the Commission may opt to issue an **advisory opinion**. An advisory opinion is an official Commission statement on a question relating to the application of Connecticut campaign finance law. Unlike an opinion of counsel, upon which only the recipient named in the opinion may rely, the regulated community at large may rely on an advisory opinion, which is voted on and adopted by the Commission.

Finally, the Commission may issue a **declaratory ruling**. A declaratory ruling affords the Commission the opportunity to rule on the validity of any regulation or the applicability to specified circumstances of a provision of the General Statutes, a regulation, or a final decision on a matter within the jurisdiction of the Commission. An individual may petition for a declaratory ruling or the Commission may initiate a proceeding on its own motion. A petition for a declaratory ruling must: (1) state clearly and concisely the substance and nature of the petition; (2) identify the statute, regulation and/or order which the petition concerns; (3) identify the particular aspect to which the petition is directed; and (4) be accompanied by a statement of any supporting data, facts, and/or arguments that support the petitioner's position. Like an advisory opinion, a declaratory ruling has general applicability.

**The Compliance Unit will NOT respond to requests for oral or written advice concerning:**

**1. The conduct of another individual, committee, or individual.**

The Compliance Unit may provide you only with advice concerning your own conduct. Complaints about the conduct of another individual, committee, or entity should be registered through the complaint process administered by our Enforcement Unit.

**2. Conduct that has already occurred.**

The Compliance Unit may provide you only with advice concerning your current or future conduct.



### 3. Issues that are not covered under the campaign finance statutes.

The Compliance Unit may only provide you with advice concerning [Chapter 155](#) through [157](#) of the General Statutes, portions of [Chapter 152](#) concerning referenda, and General Statutes [9-7a](#) and [9-7b](#), the enabling statutes for the State Elections Enforcement Commission.

## II. Responsibilities of the Committee Chairperson

### A. Requirement to Form a Political Committee

Individuals or entities considering forming a political committee must keep in mind that political committees serve limited purposes – to promote the success or defeat of candidates running for public office at the state or local level and/or to promote the success or defeat of *referendum questions*. If your intended activities do not fall within these parameters (i.e., you seek to do issue advocacy) and the money you wish to spend and/or receive will not be used in furtherance of these purposes, then a political committee is not the proper vehicle.

If these are the type of activities you wish to conduct, however, then you may form a political committee. Whether you must form one depends on whether you are an entity or a group of two or more individuals, and if the latter, the amount of funds you raise and spend, as more fully explained below.

[General Statutes § [9-607\(g\)\(1\)](#)]

#### 1. Entities

Prior to the passage of [Public Act 10-187](#), any corporation or union wishing to spend money to influence the nomination or election of a candidate, whether independent or in coordination with the candidate, could not do so unless it first formed a political committee.

With the enactment of [Public Act 10-187](#), qualifying “entities” may now make unlimited independent expenditures without forming a political committee. The definition of “entity” includes corporations, cooperative and professional associations, limited liability companies and partnerships, and labor unions. While such entities may now make unlimited independent expenditures without forming a political committee, certain disclosure requirements may apply.

Entities wishing to make contributions to candidate or committees or non-independent expenditures – those expenditures *coordinated* with a candidate or committee – are still required to form political committees before engaging in these regulated activities.

For more information on whether an expenditure would be considered independent or coordinated, please see the sections on “Coordinated Expenditures” and “Independent Expenditures” in **Chapter VI. Spending Committee Funds**.

[General Statutes § [9-612\(e\)](#) (as amended by [P.A. 10-187](#))]



## 2. Individuals

Before the passage of [Public Act 10-187](#), two or more individuals could not make expenditures promoting the success or defeat of a candidate without first forming a political committee.

With the enactment of [Public Act 10-187](#), two or more individuals acting together must now form a political committee only when they receive funds or make or incur expenditures exceeding \$1,000 in the aggregate. Once the group has received or spent or incurred more than \$1,000 in the aggregate, it must register as a political committee, even if the group intends to make only independent expenditures.

If a group of two or more individuals makes a contribution, including any expenditure which is coordinated with a candidate, committee, or *agent* of a candidate or committee, then it must form a political committee, even if the contribution is under \$1,000.

[General Statutes § [9-602\(a\)](#) (as amended by [P.A. 10-187](#))]

### B. Designation and Registration of a Political Committee

An entity wishing to make contributions or expenditures that are not independent (i.e. that are coordinated) must register a political committee by submitting a form entitled [SEEC Form 3](#), "Political Committee Registration," with the appropriate filing repository within ten days of organization. Similarly, a group of two or more individuals acting together may not solicit or receive funds or make any expenditures in excess of \$1,000 or make any contributions at all unless they register a political committee within ten days of organization.

If the committee organizes within ten days of an election, primary or referendum in connection with which it intends to solicit contributions or make expenditures, the chairperson must **immediately** file the registration with the appropriate filing repository.

If the committee's initial contribution or disbursement precedes the filing of the registration statement, then the committee's treasurer must file a **campaign finance disclosure statement** itemizing this transaction ([SEEC Form 20](#)) along with the registration statement. If the contribution or disbursement is made after the filing of the registration statement, the treasurer must file an itemized report ([SEEC Form 20](#)) within **48 hours** of receiving that initial contribution or disbursement.

[General Statutes §§ [9-602\(a\)](#) (as amended by [P.A. 10-187](#)), [9-605\(a\)](#) and [\(b\)](#)]

The **State Elections Enforcement Commission** is the proper filing repository with respect to the following political committees:

- All political committees formed to promote the success or defeat of candidates for one or more of the following offices: Governor, Lieutenant Governor, Secretary of the State, Treasurer, Comptroller, Attorney General, Judge of Probate, State Senator and/or State Representative.
- Political committees formed to promote the success or defeat of one or more proposed constitutional amendments.

The **Town Clerk** is the proper filing repository with respect to the following political committees:



- Political committees formed solely to promote the success or defeat of candidates for town, city, or borough office.
- Political committees formed solely to promote the success or defeat of one or more referenda to be voted upon by the electors of a single municipality. If any such local question appears on the ballot of several municipalities, but not statewide, the committee must file with the town clerk of each municipality that will be voting upon the question.
- Political committees formed solely to promote candidates for municipal office and referenda which will be voted upon within the same municipality.

**Important Note:** If your committee is formed to promote the success or defeat of municipal candidates and *Statewide Office* and General Assembly candidates or both local and statewide ballot questions, you should register with the State Elections Enforcement Commission only.

[General Statutes § [9-603\(a\) and \(b\)](#)]

Any **additions or revisions** to the information contained in a registration statement must be made by submitting an amended registration statement to the appropriate filing repository not later than ten days after the addition or change.

[General Statutes § [9-605\(c\)](#)]

**Important Note:** Political committees that file with the State Elections Enforcement Commission may now register and file financial disclosure statements online, through eCRIS (Electronic Campaign Reporting and Information System). The website for eCRIS is located at <http://seec.ct.gov/eCris/eCrisHome.aspx> and an eCRIS helpdesk (860-256-2930) is available to answer all of your questions.

### C. Designation of a Depository Institution

The committee's registration statement ([SEEC Form 3](#)) must contain the name and address of a single *depository institution* located in Connecticut. The committee must deposit all committee funds into a single checking account established within the designated depository and the *campaign treasurer* may only make expenditures from this one account.

[General Statutes §§ [9-602\(a\)](#), [9-605\(b\)](#), [9-607\(e\)](#); [Advisory Opinion 1975-6](#)]

**Important Note:** In order to create a bank account, many financial institutions require the committee to obtain a Federal Employer Identification Number (FEIN). The campaign treasurer should contact the Internal Revenue Service (IRS) regarding an Employer Identification Number and the necessity to make filings regarding the committee's taxable income. Any questions about these IRS filing requirements should be directed to the IRS's Tax Exempt and Government Entities Customer Account Services toll free telephone number 1-877-829-5500. Additional information is available at the following IRS websites: [www.irs.gov](http://www.irs.gov) or <http://www.irs.gov/charities/political/article/0,,id=96355,00.html>. Commission staff cannot provide information about these rules or requirements.



## D. Appointment of a Treasurer

The committee chairperson must appoint one individual, who is a Connecticut elector (registered voter), as *campaign treasurer*. The committee chairperson may appoint another such individual as *deputy campaign treasurer*. Ideally, each committee should have a deputy treasurer who can deposit funds and make or authorize expenditures and other committee payments if the treasurer is unavailable. These appointments must appear on the committee's most current registration statement ([SEEC Form 3](#)). The committee treasurer and deputy treasurer (if applicable) must co-sign the registration statement filed by the chairperson, signifying their acceptance of the appointment. Once appointed, the treasurer and deputy treasurer (if applicable) serve indefinitely. The campaign treasurer (or deputy treasurer if the treasurer is unavailable) is solely responsible for receiving, depositing, and expending funds, for filing financial disclosure statements with the proper filing repository, and for keeping internal records of all transactions, as more fully discussed in **Chapter III. The Role of the Treasurer**.

[General Statutes §§ [9-602\(a\) and \(c\)](#), [9-605\(a\)](#), [9-606\(d\)](#), [9-607\(a\) and \(d\)](#)]

## E. Resignation and Replacement of a Treasurer

During the life of the political committee, its treasurer may resign or be replaced, or otherwise become incapacitated. A written statement of resignation must be filed with the appropriate filing repository in order to relieve the treasurer from his or her statutory obligations and liability under the campaign finance laws.

Upon a treasurer's resignation or permanent incapacity, the deputy treasurer, if any, automatically succeeds as "acting" treasurer until a new treasurer is appointed. Where no deputy treasurer has been appointed, the failure to designate a successor treasurer within ten days of the resignation or incapacity is a violation of General Statutes § [9-602\(c\)](#), for which a fine may be imposed against the committee chairperson. Regardless of whether a deputy treasurer has been appointed, it is strongly recommended that the committee chairperson designate a successor treasurer to fill the vacancy by filing an amended [SEEC Form 3](#) with the appropriate filing repository within the ten days.

A political committee may **not** receive any *contributions*, or make or incur any expenditures during a period in which the committee lacks a treasurer or deputy treasurer. The committee chairperson is legally liable for any such violation and subject to a maximum civil penalty of \$2,000 per violation.

[General Statutes §§ [9-7b](#), [9-602\(a\) and \(c\)](#)]

## F. Who May Not Be a Treasurer

An individual may not serve as treasurer or deputy treasurer of more than one political committee (except an individual may be treasurer or deputy treasurer for a legislative leadership or legislative caucus committee and another political committee). Serving as a treasurer or deputy treasurer qualifies as *controlling* a political committee and Connecticut's campaign finance laws mandate that no individual may establish or



control more than one political committee, as is more fully detailed in Section H of this chapter.

[General Statutes § [9-605\(e\)](#)]

Practically speaking, communicator lobbyists, their immediate families, and their agents may not serve as treasurers for political committees established or controlled by candidates for Governor, Lieutenant Governor, Secretary of the State, Treasurer, State Comptroller, Attorney General, state senator or state representative or for legislative leadership or legislative caucus committees as they are prohibited from bundling contributions for such committees. For more information on who is considered a communicator lobbyist, please see **Chapter V. Restrictions Based on Who Gives and Solicits Funds.**

[General Statutes §§ [9-601\(27\)](#), [9-610\(i\)](#) (as amended by [P.A. 10-1](#))]

## G. Registration Statement Requirements

**Important Note:** On November 15, 2012 and biennially thereafter, all ongoing political committees registered with the Commission will be required to file an amended [SEEC Form 3](#) with the Commission. The failure to do so will result in the committee being deemed subject to limitations on making or receiving certain contributions during the legislative session. See Chapter V for more information about these limitations. This amended registration requirement replaces the B-2 and B-3 forms. Rather than complete additional forms, committees will simply have to submit an amended [SEEC Form 3](#) every two years. This will help committees to ensure that the information on file with the Commission is current and accurate. See General Statutes § [9-610 \(e\) and \(f\)](#) (as amended by [P.A. 11-173](#)).

A registration statement must contain the following:

1. The name and address of the committee.
2. The name, address, telephone number, and e-mail address (if applicable) of the committee's chairperson, treasurer, and deputy treasurer (if applicable).
3. The name and address of the depository institution in Connecticut in which a single checking account is established for the committee's funds.
4. The name, address, and title of any other officers (if applicable).
5. Whether the political committee is established by two or more individuals, a business entity, a labor union or other organization, or by Legislative Leadership or Caucus.
6. A statement indicating the purpose of the political committee, i.e. whether the committee is established for a single primary, election or referendum – a “durational” political committee – or for ongoing political activities – an “ongoing” political committee.
7. For ongoing political committee, whether it is formed to influence state elections (Statewide Offices, General Assembly, Probate Judge), municipal elections (mayor, first selectman, alderperson, board of education, etc.), or both.
8. For political committees formed to support or oppose any referendum question, a brief statement identifying the substance of the question.



9. For durational political committees formed to support a single or multiple candidates, the name and party affiliation of each candidate that the committee supports and the office sought by each candidate.
10. For political "slate committees," the names of the candidates whose campaigns the slate committee will fund (the committee must fund at least two candidates).

**Important Note:** For more information on political slate committees serving as the funding source for a slate of candidates, please refer to the Commission's Guide for Municipal Candidates.

11. If the political committee is established by a business entity, labor union or other organization or association, the name of the entity, union or organization.
12. If the political committee is established by a labor union or other organization, whether it will receive funds from the organization's treasury or from voluntary member contributions.
13. If the entity, union or organization which established the political committee is a component member of a statewide entity, the name and address of the statewide entity.
14. If the committee is established or controlled by a member of the General Assembly, an elected State Officer, or a lobbyist registered with the Office of State Ethics or immediate family member, or any *principal of a state contractor*, prospective state contractor, or investment services firm, or an agent of any of the above, a statement disclosing that relationship and the name of the member of the General Assembly, elected State Officer, lobbyist or principal. Note that there are two types of lobbyists in the State of Connecticut – the individual communicator lobbyists that lobbies at the Legislature and the client lobbyists that retain them.
15. If the political committee is formed to support candidates from a particular state legislative district, a statement to that effect and the district number.
16. If the political committee files reports with the Federal Elections Commission or any out-of-state agency, a statement to that effect, including the name of the agency.
17. The name and address of the individual, business entity or labor organization making the initial contribution or disbursement to the political committee. If the initial contribution or disbursement precedes the filing of the registration statement, the political committee treasurer must file an itemized campaign finance disclosure statement ([SEEC Form 20](#)) itemizing this transaction along with the registration statement. If the contribution or disbursement is made after the filing of the registration statement, the treasurer must file an itemized statement ([SEEC Form 20](#)) within 48 hours of receiving that initial contribution or disbursement.
18. A designation indicating whether the political committee may make contributions to candidates for Statewide Office and/or General Assembly. **The chairperson may designate only those offices to which the political committee can legally contribute under Connecticut law.**
19. Signed and dated certifications by the chairperson, treasurer, and deputy treasurer (if applicable) of the political committee. (Please note: a special certification



applies to political committee which are Legislative Caucus or Leadership Committees.)

[General Statutes §§ [9-602\(a\)](#), [9-605\(b\)](#)]

**Important Note:** For more information on how to complete [SEEC Form 3](#), please see the [instructions](#) to the form, available on the Commission's website.

## H. "One Person One PAC" Rule

No individual may establish or control more than one political committee.

Two key factors, among many, that could demonstrate that an individual has established or exercises control of a political committee include: (1) serving as chairperson, treasurer or deputy treasurer of the committee; and (2) making the initial contribution to the committee.

Note that this prohibition does not extend to party committees and candidate committees. Accordingly, an individual may serve as the treasurer of both a political committee and a party committee or candidate committee under the law.

For more information on when an individual is considered to be controlling or establishing a political committee, please see "When is a Political Committee Considered to be 'Established or Controlled By' a Communicator Lobbyist or Member of the Communicator Lobbyist's Immediate Family," in the Lobbyist Section of **Chapter V. Restrictions Based on Who Gives and Solicits Funds.**

A business entity, labor organization, or other person may only establish or control a single political committee. To ensure compliance with this limitation, the business entity, labor organization or other person establishing or controlling a political committee must disclose this affiliation on the committee's registration statement ([SEEC Form 3](#)).

[General Statutes §§ [9-605\(e\)\(1\)](#), [9-613\(a\)](#), [9-614\(a\)](#)]

**Important Note:** While an ongoing political committee and party committee may make joint expenditures and may coordinate expenditures with each other, they must be separate committees. A party committee or ongoing political committee may not form any other political committees. See General Statutes § [9-609\(a\)](#).

## I. Legislative Leadership and Legislative Caucus Committees

The members of the same political party for each chamber of the General Assembly – i.e., Senate Democrats, House Democrats, Senate Republicans, and House Republicans – may each establish one legislative caucus committee. The chairman of each legislative caucus committee must complete a specific certification on the committee's registration statement ([SEEC Form 3](#)).

The six highest-ranking leaders of the General Assembly (Speaker of the House, Majority Leader of the House, Minority Leader of the House, President Pro Tempore of the Senate, Majority Leader of the Senate, Minority Leader of the Senate) may each establish a legislative leadership committee. The minority leaders of the House and Senate may also each have an additional legislative leadership committee. These



committees must be designated by the respective legislative leader on the committee registration statement ([SEEC Form 3](#)).

These political committees are exempt from the “One Person One PAC” restriction. Thus, an individual may serve as treasurer of another political committee in addition to serving as treasurer of a legislative leadership or legislative caucus committee.

Legislative leadership and legislative caucus committees may only contribute to and make expenditures benefiting legislative candidates. Candidates participating in the Citizens' Election Program may not accept contributions from one of these legislative political committees, though these committees may still make *organization expenditures* on behalf of such candidates, as discussed later in **Chapter VI. Spending Committee Funds**.

[General Statutes §§ [9-605\(e\)](#), [9-618\(d\)](#), [9-619\(d\)](#)]

## **J. Political Committees Registered Under Federal Law or in Other States**

A political committee registered with the Federal Election Commission under federal law or under the laws of a state other than Connecticut may not make contributions or expenditures to or for the benefit of a Connecticut state or municipal candidate or a Connecticut political committee or party committee. A separate committee must first be registered in Connecticut (by filing a [SEEC Form 3](#), designating a treasurer and a depository institution situated in Connecticut) and then must solicit funds specifically for use in Connecticut campaigns in accordance with Connecticut's campaign finance laws.

Treasurers receiving such contributions from entities not registered as committees in Connecticut must return the contributions immediately to the donor. Treasurers should check with the town clerk and the State Elections Enforcement Commission to determine whether a committee is properly registered to make contributions in Connecticut.

[General Statutes § [9-602\(a\)](#); [Opinion of Counsel 1986-2](#)]

## **K. Social and Political Clubs**

Political clubs, such as “women's clubs,” operate primarily to advance the goals of the local political party in a municipality. These political clubs must register as a political committee with the appropriate filing repository and conform in every respect to those provisions of [Chapter 155](#) applicable to a political committee established by two or more individuals for ongoing political activities. The club must maintain a separate checking account – a “political account” – in a Connecticut financial institution for contributions to candidates or committees and/or making expenditures to promote the success or defeat of candidates.

If these clubs wish to engage in social or otherwise non-political activities, they must also establish a second checking account for the deposit of funds raised exclusively for civic, social and other non-political activities. Should the club decide to maintain a “non-political account,” the treasurer must disclose on its campaign finance filings only those funds deposited into and expended from the political account. Using the two



accounts, the club should pay for non-political events from the “social account” and political events from the “political account.” The club must also identify which account will receive proceeds of any fundraising event. No monies other than those raised for campaign purposes and deposited in the club’s political account may be expended on Connecticut political campaigns.

The non-political account may be used for the deposit of funds received in connection with any fundraising event or drive for a specified non-political purpose. The social or non-political purpose of the event or drive should be made known to all prospective donors to the account. By contrast, the political account may only be used for the deposit of club dues intended for the political committee, contributions for the committee’s political activities, and for the payment of the club’s general operating expenses.

The Commission has permitted clubs to make 501(c)(3) charitable contributions or memorial contributions from either account. In all instances, however, contributions to or expenditures made on behalf of committees of candidates or other committees established under [Chapter 155](#) must emanate from the club’s political account.

[Conn. Gen. Stat. § [9-618\(a\)](#)]

### III. The Role of the Treasurer

#### A. Makes and Authorizes Expenditures

Only a committee’s designated campaign treasurer (or deputy treasurer, when necessary) may authorize and make contributions or expenditures on the committee’s behalf. All committee expenditures **must** be authorized by the treasurer and, generally speaking, must be paid by check or debit card drawn on the committee’s checking account or by the committee’s credit card. Committee checks must contain the committee’s name and address, as well as the name of the committee’s treasurer.

If the committee has a credit card, the treasurer and deputy treasurer, if applicable, are generally the only individuals who are authorized cardholders. The treasurer may, however, allow the chairperson or a committee worker to be an authorized cardholder of a credit card issued to the committee, provided that the individual’s expenditures are: (1) for goods or services that are pre-authorized by the treasurer; and (2) for a lawful purpose of the committee. The treasurer should be particularly careful in opting to authorize a committee worker as a cardholder as such authorization will mean that all expenditures made by the cardholder on that credit card will be deemed to have been authorized by the treasurer, even if the cardholder failed to obtain explicit authorization for the particular expenditure in question. A committee worker may only be an authorized holder of a committee credit card, which is paid on a periodic basis. A debit card, which draws directly from the committee checking account (i.e. a debit card), is treated differently under the law. Debit cards may **only** be used by the treasurer (or deputy treasurer, when necessary).

[General Statutes § [9-607\(a\), \(d\), \(e\), \(g\)\(2\)\(O\), \(j\) and \(l\)](#)]



**Important Note:** Effective July 1, 2011, political committees may pay for advertising from a community antenna television company using a bank or cashier's check if the contract with the company so requires and the treasurer maintains documentation substantiating that the funds used to pay for such advertising space were expended from committee funds. See General Statutes § [9-607\(e\)\(1\)](#) (as amended by [P.A.11-48](#)).

## B. Deposits All Monetary Receipts

The campaign treasurer must deposit all funds in the committee's single checking account within fourteen days of receipt.

The treasurer must ensure that any funds received by the committee are lawful and within the aggregate limits permitted under campaign financing law. The treasurer should not deposit any receipt that is either prohibited or otherwise exceeds the permissible limits set forth by law. Instead, the treasurer should return it to the donor within fourteen days of receipt or by the filing deadline for transactions falling within the reporting period, whichever is earlier.

If the treasurer deposits a monetary receipt that is later deemed impermissible, the treasurer must report it on the financial disclosure statement ([SEEC Form 20](#)) and refund the contribution without delay by returning the amount to the donor using a check drawn on the committee's checking account. The treasurer should report any such refund as an expenditure using the "REF" Expenditure Code. Whenever possible, such refunds should be made in the same reporting period that the funds were deposited. The same rules apply to non-monetary receipts from improper sources or in excess of the relevant contribution limits.

[General Statutes §§ [9-606\(a\)](#), [9-607\(g\)\(2\)\(R\)](#), [9-608\(c\)](#)]

## C. Retains All Records and Receipts

The treasurer must retain internal records to substantiate all expenditures made by the committee as permissible. Examples of expenditure records include, but are not limited to:

- bank statements
- cancelled checks
- bills
- travel itineraries
- invoices
- cash register receipts
- credit card and debit card slips and statements
- written receipts supporting any requests for reimbursement
- copies of ad books for fundraising affairs
- copies of fundraiser tickets
- copies of invitations
- solicitor appointments
- copies of checks
- compensation agreements
- documents describing expenditures incurred but not yet paid
- loan agreements
- copies of printed advertisements (flyers, postcards, etc.)



These internal records must be kept for four years from the date of the financial disclosure statement in which the transactions were entered.

[General Statutes §§ [9-606\(a\)](#), [9-607\(f\)](#), [9-608\(c\)\(1\)](#)]

There are two record retention requirements under the law that are worth highlighting.

First, in all instances where the committee agrees to pay someone more than \$100 for their work or services, there must be a **written agreement** entered with the individual, signed **before** any such work or service commences, which sets forth (1) the nature and the duration of the fee arrangement; and (2) a description of the scope of the work to be performed or services to be rendered. The treasurer must also maintain contemporaneous records and/or invoices detailing the actual work performed or services rendered.

Second, treasurers are required to keep an internal list of all individuals he or she appoints as **solicitors** for the committee.

[[Regs., Conn. State Agencies § 9-607-1](#)]

For more guidance on the types of information that must be collected and retained, see **Chapter VII. Reporting Information**.

## D. Files Periodic Financial Disclosure Statements

The treasurer is also obligated to file all financial disclosure statements on behalf of the political committee. For more information on how and when to submit financial disclosure statements, see **Chapter VII. Reporting Information**.

[General Statutes § [9-608\(a\)](#)]

## E. Appoints and Oversees Solicitors

The only individuals who may receive monetary and non-monetary contributions and donations on behalf of a political committee are the treasurer, deputy treasurer, and *solicitors*. Anyone other than the treasurer or deputy treasurer who receives funds must be appointed as a solicitor by the treasurer. The treasurer may appoint as many solicitors as needed. The treasurer must keep an accurate list of the name and address of each individual who is appointed to serve as a solicitor. Although the names of solicitors need not be disclosed in the committee's financial disclosure statements, the law requires the treasurer to keep internal records, outlining each solicitor appointment and the term of appointment, which may be subject to audit.

A solicitor may never deposit committee funds; only the treasurer may deposit funds received by the committee. Within seven days of receipt of any goods, funds or contributions, the solicitor must deliver the same to the treasurer. The treasurer must deposit funds within fourteen days of her receipt from the solicitor, or return impermissible contributions to the contributor(s). A solicitor may not expend funds that he receives, and must deliver them only to the treasurer in the form he received them (i.e. cash received from contributors must be delivered in same cash form to the committee's treasurer).

No later than one day prior to the treasurer's required filing date, each solicitor must submit to the treasurer a list of the contributor information (names, addresses, and all



other required information) of all persons from whom or from which the solicitor collected monetary and/or non-monetary receipts on behalf of the committee. The treasurer must oversee committee solicitors, ensuring that they turn over this list, as well as all contributions received, in a timely manner. The treasurer is also responsible for training and overseeing solicitors to make sure they are complying with the law.

No person may solicit contributions that are prohibited by law.

[General Statutes §§ [9-606\(c\)](#), [9-622\(10\)](#)]

## F. Individuals Prohibited From Soliciting for Political Committees

While communicator lobbyists and principals of current and prospective state contractors are no longer completely prohibited from soliciting for covered political committees in light of [Public Act 10-1](#), some restrictions on their solicitation activities remain:

- Communicator lobbyists, as well as their agents and immediate family members, may not *bundle* contributions for a political committee established or controlled by a candidate for Statewide Office or General Assembly, including legislative leadership and legislative caucus committees. “Bundle” is defined as the forwarding of five or more contributions to a single committee by the communicator lobbyist or his immediate family member or agent, or raising contributions for a committee at a fundraising event held by, sponsored by, or hosted by the communicator lobbyist or his immediate family member or agent.
- Communicator lobbyists, as well as their immediate family members and agents, may not solicit on behalf of a political committee established or controlled by a Statewide Office or General Assembly candidate from any individual who is a member of the board of directors, an employee of or a partner in, or who has ownership interest of five percent or more in any client lobbyist they represent.
- Communicator and client lobbyists are prohibited from soliciting contributions during legislative session, which includes any regular legislature session and any special sessions or vote-override sessions in odd-numbered years, on behalf of a political committee (1) established for an assembly or senatorial district; (2) established by, in consultation with, or at the request or suggestion of a General Assembly member or statewide officeholder or their agent; or (3) controlled by a General Assembly member or statewide officeholder or their agent to aid or promote the nomination or election of any candidate or candidates to the General Assembly or statewide office.
- No *state contractor* or *prospective state contractor* or principals thereof with respect to a contract with the executive branch may knowingly solicit contributions on behalf of a political committee authorized to give to Statewide Office candidates from the contractor’s employees or one of its *subcontractors* or the *principals of the subcontractor*.
- No *state contractor* or *prospective state contractor* or principals thereof with respect to a contract with the legislative branch may knowingly solicit contributions on behalf of a political committee authorized to give to General



Assembly candidates from the contractor's employees or one of its subcontractors or the subcontractor's principals.

[General Statutes §§ [9-601\(26\)](#), [9-610\(e\)](#), [\(h\)](#), and [\(i\)](#) (as amended by [P.A. 10-1](#)), [9-612\(g\)\(2\)](#) (as amended by [P.A. 10-1](#))]

The following individuals are prohibited from soliciting contributions from a principal of an investment services firm on behalf of a political committee: the State Treasurer or any candidate for State Treasurer, any agent of any such candidate, the Deputy State Treasurer, any member of the State Investment Advisory Council, and any unclassified employee in the office of the State Treasurer acting at the direction of the State Treasurer or Deputy State Treasurer.

[General Statutes § [9-612\(f\)](#)]

For more information on the state contractor, lobbyist, and investment services solicitation provisions, please see **Chapter V. Restrictions Based on Who Gives and Solicits Funds.**

Elected statewide officeholders and deputies, as well as members of the General Assembly, may generally solicit for political committees. However, statewide officeholders and General Assembly members, any candidates for such offices, and agents of any such officials or candidates may not knowingly, willfully or intentionally solicit contributions on behalf of a political committee from a person who she knows is prohibited from making contributions, including a principal of a state contractor or prospective state contractor with regard to a state contract solicitation with or from a state agency in their respective branch.

[General Statutes § [9-612\(g\)\(3\)](#); [Advisory Opinion 1983-2](#)]

Municipal employees may not solicit funds for the benefit of a political committee from an individual under their supervision or that individual's spouse or dependent children.

[General Statutes § [9-622\(12\)](#)]

## IV. Raising Funds for Your Committee

A political committee may generally raise funds by collecting contributions from individuals and other committees, subject to certain limitations discussed below. While contributions are often monetary in nature, they may take other forms as well. In addition to contributions which are subject to limits on the amount that may be given, there are other types of funds or things a committee may receive. These few categories are narrowly defined. In many instances, these receipts or "donations" remain reportable.

Political committees may raise funds by holding fundraising events, which include political gatherings sponsored by the committee for which it charges an attendance fee, or tag sales or auctions at which the committee sells items to its invited guests. The issues which most commonly arise concerning a fundraising event are whether the funds given or received are treated as contributions or as receipts which are not contributions, and how to disclose these types of receipts, if at all, on the committee's financial disclosure statement.



This section provides information regarding permissible and impermissible contributions, other permissible sources of funds for political committees, and the appropriate means by which funds may be collected. For more information on how to report these contributions and receipts, see **Chapter VII. Reporting Information.**

## A. Contributions

### 1. Sources and Limits

The following section lays out the contribution limits imposed on political committees based on the type of political committee.

#### a. Business Entity Political Committees

##### Permissible Contributions

A business entity political committee may accept contributions subject to the following aggregate limits per donor per calendar year:

**Table 1 - Contribution Limits to Business Entity Political Committees**

CONTRIBUTOR	LIMIT
Individual	\$750*
Another Political Committee	\$2,000**
State Central Committee	\$2,500
Town Committee	\$1,500
National Committee of a Political Party	Unlimited***

\* Individual must be a United States citizen or a foreign national with permanent status in the United States. If the individual is under eighteen years of age, the limit is \$30 per calendar year. The communicator lobbyist and state contractor contribution provisions may also apply; see Chapter V for more information.

\*\* The donor committee must be registered in Connecticut. Also, contributions from legislative leadership and legislative caucus committees are prohibited.

\*\*\* Such contributions must come from the committee's federal account, on file with the Federal Election Commission. The federal account may contain only funds subject to the contribution and disclosure limits prescribed in the Federal Election Campaign Act (i.e. no transfers from "soft money" accounts).

[General Statutes §§ [9-611\(e\)](#), [9-612\(a\)](#), [9-617](#), [9-618](#), [9-619](#); [2 U.S.C. § 441e](#); [11 C.F.R. § 110.20](#)]

A business entity political committee may solicit voluntary contributions from the sponsoring entity's employees through **payroll authorization cards**. The treasurer must retain the completed and signed payroll authorization cards and must obtain new



authorizations annually. The contributor must have the right to designate the amount to be contributed and the right to refuse to participate at all without consequences.

[[Advisory Opinion No. 1980-3](#)]

### **Impermissible Contributions**

A political committee established by a business entity may not receive contributions from the following sources:

- A business entity, except with respect to administrative or fundraising costs from the business entity which established the committee, as more fully discussed below;
- A labor union or any other organization;
- A candidate committee of a candidate for Statewide Office or General Assembly;
- A Judge of Probate or municipal candidate committee, except with respect to surplus distributions, as more fully described later in this chapter;
- A committee of a candidate for federal or out-of-state office;
- A referendum committee, except with respect to surplus distributions, as more fully described later in this chapter;
- A legislative caucus or legislative leadership committee; or
- A political committee or party committee not registered under Connecticut law, except for a national committee of a political party as set forth in the preceding section.

[General Statutes §§ [9-608\(e\)](#), [9-613\(a\) and \(b\)](#), [9-614\(a\)](#), [9-616\(a\)](#), [9-618\(d\) and \(e\)](#), [9-620\(a\)](#)]

### **Transfers from Affiliated Business Entity**

A business entity may make **reasonable and necessary transfers or disbursements** to or for the benefit of its political committee only if they are (a) reasonable and necessary; and (b) directly attributable to (1) the administrative costs of operating the political committee or (2) the solicitation of funds or resources for the political committee. Such disbursements are reported in Section F of the [SEEC Form 20](#).

As far as the business entity transferring money to the political committee to assist in its solicitation of funds, the Commission has determined that an amount equal to one third or less of the proceeds raised by the political committee's solicitation of funds is a reasonable amount for the business entity to spend on the solicitation costs. An amount in excess of one third of proceeds must be reimbursed by the political committee to the business entity in order to avoid a prohibited contribution.

Disbursements made strictly for administrative operating costs are not subject to the one third rule but must still be both reasonable and necessary. The committee must retain internal records showing that the disbursements were permissible under the law.

[General Statutes § [9-613\(b\)](#); [Opinion of Counsel 1999-3](#)]



## b. Organization Political Committees

### Manner of Funding

A political committee established by an organization must designate on its initial registration statement whether it will receive funds exclusively from the organization's **treasury** or from voluntary contributions made by its **members**. It cannot receive funds from both.

If the organization has elected to fund its political committee through member contributions, the political committee may solicit voluntary contributions from the organization's members through **payroll authorization cards**. The treasurer must retain the completed and signed payroll authorization card and must obtain new authorizations annually. The contributor must have the right to designate the amount to be contributed and the right to refuse to participate at all without consequences.

An organization political committee may alter its manner of funding after its establishment. To do so, it must first notify the appropriate filing repository in writing of its intent to alter its manner of funding. Within fifteen days of that notification, the treasurer must return any remaining funds in the committee's account to the organization's treasury after satisfying all outstanding debts of the committee. Within seven days of that distribution, the treasurer must file a statement with the filing repository itemizing all distributions and expenditures made in this process. Upon such filing, the committee may begin receiving contributions from members. For ease of reporting, the treasurer should coordinate this changeover process, including these transitional transactions, with the close of a reporting period.

[General Statutes § [9-614](#); [Advisory Opinion No. 1980-3](#)]

### Permissible Contributions

An organization political committee may accept contributions subject to the following aggregate limits per donor per calendar year:

**Table 2 - Contribution Limits to Organization Political Committees**

CONTRIBUTOR	LIMIT
Individual	\$750*
Another Political Committee	\$2,000**

\* The political committee may only accept contributions from individuals if the organization has elected to fund the committee through member contributions. If so, individual contributors must be members of the affiliated organization and also meet all other qualifications for contributors under federal and state law. Individual members must be United States citizens or foreign nationals with permanent status in the United States in order to contribute. Individual members under eighteen years of age may contribute a maximum of \$30 per calendar year. The communicator lobbyist and state contractor contribution provisions may also apply; see Chapter V for more information. If the organization has elected to fund its committee through the organization's treasury, then contributions from individuals, including members, are **prohibited**.



\*\* The donor committee must be registered in Connecticut. Also, the committee may not receive contributions from legislative leadership or legislative caucus committees.

[General Statutes §§ [9-611\(e\)](#), [9-612\(a\)](#) and [\(b\)](#), [9-614](#), [9-617](#), [9-618](#), [9-619](#); [2 U.S.C. § 441e](#); [11 C.F.R. § 110.20](#)]

### **Impermissible Contributions**

A political committee established by an organization may not receive contributions from the following sources:

- An individual, if the political committee has elected to be funded exclusively from its organization's treasury funds;
- An individual who is not a member of the organization;
- A labor union or any other organization, except that a political committee that has opted to be funded exclusively from its own organization's treasury may accept funds from the organization that established the committee;
- A business entity;
- A party committee (town or state central);
- A national committee of a political party;
- A candidate committee of a candidate for Statewide Office or General Assembly;
- A Judge of Probate or municipal candidate committee, except with respect to surplus distributions, as more fully described later in this chapter;
- A committee of a candidate for federal or out-of-state office;
- A referendum committee;
- A legislative caucus or legislative leadership committee; or
- A political committee not registered under Connecticut law.

[General Statutes §§ [9-608\(e\)](#), [9-613\(a\)](#), [9-614\(a\)](#), [9-616\(a\)](#), [9-618\(d\)](#) and [\(e\)](#), [9-620\(a\)](#)]

### **Transfers from Affiliated Organization**

Monetary and non-monetary receipts may only be accepted from the organization which established the committee if: (a) the committee has elected to be financed exclusively from the organization's treasury funds; and (b) the chairperson of the committee has properly designated such method of funds on its registration statement. Such transfers are reported in Section G of the [SEEC Form 20](#).

[General Statutes § [9-614](#)]

### **c. Two or More Individual Political Committees**

#### **Permissible Contributions**

A political committee established by two or more individuals may accept contributions subject to the following aggregate limits per donor per calendar year:



**Table 3 - Contribution Limits to Two or More Individual Political Committees**

<b>CONTRIBUTOR</b>	<b>LIMIT</b>
Individual	\$750*
Another Political Committee	\$2,000**
State Central Committee	\$2,500
Town Committee	\$1,500
National Committee of a Political Party	Unlimited***

\* Individual must be a United States citizen or a foreign national with permanent status in the United States. If the individual is under eighteen years of age, the limit is \$30 per calendar year. The communicator lobbyist and state contractor contribution provisions may also apply; see Chapter V for more information.

\*\* The donor committee must be registered in Connecticut. Also, contributions from legislative leadership and legislative caucus committees are prohibited.

\*\*\* Such contributions must come from the committee's federal account, on file with the Federal Election Commission. The federal account may contain only funds subject to the contribution and disclosure limits prescribed in the Federal Election Campaign Act (i.e. no transfers from "soft money" accounts).

[General Statutes §§ [9-611\(e\)](#), [9-612\(a\)](#), [9-617](#), [9-618](#), [9-619](#); [2 U.S.C. § 441e](#); [11 C.F.R. § 110.20](#)]

### **Impermissible Contributions**

A political committee established by two or more individuals may not receive contributions from the following sources:

- A business entity;
- A labor union or any other organization;
- A candidate committee of a candidate for Statewide Office or General Assembly;
- A Judge of Probate or municipal candidate committee, except with respect to surplus distributions, as more fully described later in this chapter;
- A committee of a candidate for federal or out-of-state office;
- A referendum committee, except with respect to surplus distributions, as more fully described later in this chapter;
- A legislative caucus or legislative leadership committee; or



- A political committee or party committee not registered under Connecticut law, except for a national committee of a political party as set forth in the preceding section.

[General Statutes §§ [9-608\(e\)](#), [9-613\(a\)](#) and [\(b\)](#), [9-614\(a\)](#), [9-616\(a\)](#), [9-618\(d\)](#) and [\(e\)](#), [9-620\(a\)](#)]

**d. Political Committees Established for a Single Election or Primary (including Political “Slate Committees”)**

**Permissible Contributions**

A political committee established for a single election or primary may accept contributions subject to the following aggregate limits per donor per calendar year:

**Table 4 - Contribution Limits to Single Election or Primary Political Committees**

CONTRIBUTOR	LIMIT
Individual	\$750*
Another Political Committee	\$2,000**
State Central Committee	\$2,500
Town Committee	\$1,500

\* Individual must be a United States citizen or a foreign national with permanent status in the United States. If the individual is under eighteen years of age, the limit is \$30 per calendar year. The communicator lobbyist and state contractor contribution provisions may also apply; see Chapter V for more information.

\*\* The donor committee must be registered in Connecticut. Also, contributions from legislative leadership and legislative caucus committees are prohibited.

[General Statutes §§ [9-611\(e\)](#), [9-612\(a\)](#), [9-617](#), [9-618](#), [9-619](#); [2 U.S.C. § 441e](#); [11 C.F.R. § 110.20](#)]

**Impermissible Contributions**

The following sources of contributions are impermissible:

- A business entity;
- A labor union or any other organization;
- A candidate committee of a candidate for Statewide Office or General Assembly;
- A municipal or Judge of Probate candidate committee, except with respect to surplus distributions, as more fully described later in this chapter;
- A committee of a candidate for federal or out-of-state office;
- A referendum committee, except with respect to surplus distributions, as more fully described later in this chapter;



- A national committee of a political party;
- A legislative caucus or legislative leadership committee; and
- A political committee or party committee not registered under Connecticut law.

[General Statutes §§ [9-608\(e\)](#), [9-613\(a\)](#) and [\(b\)](#), [9-614\(a\)](#), [9-616\(a\)](#), [9-618](#), [9-619](#), [9-620\(a\)](#)]

## 2. “In-Kind” Contributions

The above-mentioned contribution limits and prohibitions apply to all contributions, whether monetary or in-kind. An *in-kind contribution* is the donation of goods, services or anything of value given free of charge or at a discount, i.e. at less than the usual and normal charge to the recipient committee. An in-kind contribution is valued at the usual and normal charge less any amount paid by the recipient committee and must be disclosed in Section M of the committee's financial disclosure statement ([SEEC Form 20](#)).

Uncompensated services provided by an individual who **volunteers** his or her time to a committee are *not* an in-kind contribution and need not be reported. However, services that are provided by an individual for which that individual receives compensation from another committee, individual, or any other entity, must be reported as an in-kind contribution, and are subject to source and amount restrictions. If an individual provides his services at a discount not available to all others on the same terms, the amount of the discount is a contribution.

## 3. Loans as Contributions

All loans, except those made by a bank in the ordinary course of business, are considered contributions, and are subject to the overall limit on contributions to the committee. For example, the sum of an individual's contributions and loans to a business entity political committee cannot exceed \$750 in a calendar year. The amount of the contribution is equivalent to the principal amount of the outstanding loan. An unpaid loan, when added to other contributions from the same donor, may not exceed the contribution limit applicable to that donor. Repayments made on the loan reduce the amount of the contribution. Once repaid in full, a loan no longer counts against the donor's contribution limit. The committee treasurer and the individual or entity making the loan must execute a **written agreement**, and the treasurer must retain a copy of the agreement for the same period as other internal records.

[General Statutes §§ [9-601a\(a\)\(1\)](#) and [\(b\)\(1\)](#), [9-608\(c\)\(1\)\(E\)](#)]

## 4. Contributions in False Name

No person may make a payment or contribution to a treasurer in another person's name other than the name of the true donor or payor; nor may any treasurer knowingly receive such a payment or contribution. A treasurer is prohibited from entering the name of someone other than the true donor or payor on the committee's financial disclosure statement.

[General Statutes § [9-622\(7\)](#)]



## B. Other Sources of Funds – Donations & Funds Not Considered Contributions

The most common way by which political committees raise funds is receiving contributions from permissible sources. In addition, political committees may accept certain monetary and non-monetary receipts which are exempt from the definitions of contribution. The following is a list of the most significant types of such receipts. Some of these categories must still be reported and where appropriate, we provide information regarding how to report them. For more information on reporting, see **Chapter VII. Reporting Information.**

Treasurers must be mindful that these exemptions are **narrow** and each receipt constitutes a “contribution” unless it squarely falls within one of the narrowly defined exemptions.

[General Statutes § [9-601a\(b\)](#)]

### 1. Reportable Receipts

The following types of receipts are reportable even though they are not considered contributions. Once the limit imposed by a given exemption is exceeded, the entire receipt must be reported as an itemized contribution (if permissible) in Section B, “Itemized Contributions from Individuals” of [SEEC Form 20](#).

#### a. Certain Items of Personal Property Donated by an Individual For a Committee Fundraiser

An **individual** may donate an item or items of personal property to a committee for a fundraising event, or purchase such an item or items at the event and not have it counted as a contribution, if the aggregate amount of the donation or purchase does not exceed \$50. Report in Part II of [SEEC Form 20](#); for donations use Section L4, “In-Kind Donations Not Considered Contributions,” and for purchases use Section L2, “Proceeds from Tag Sale, Auction or Other Sale of Donated Items.”

[General Statutes § [9-601a\(b\)\(9\)](#)]

**Important Note:** The full amount of a monetary receipt for an item purchased at a fundraising event is reported and is not reduced by the value of the item (i.e. price paid for television purchased at a committee sponsored tag sale is not diminished by the fair market value of the television).

**EXAMPLE A:** Jane Doe donates three compact discs to a political committee to be sold at a tag sale, and the value of each CD is \$10, for a total of \$30. This non-monetary receipt is not a contribution yet must be reported in Section L4 as an in-kind donation.

**EXAMPLE B:** John Doe purchases six CDs at a committee-sponsored tag sale for \$10 each, for a total of \$60. He has made a \$60 contribution because the purchase price is over \$50. This monetary receipt constitutes a contribution from John Doe of \$60 which is counted against his contribution limit to the committee and must be separately itemized in Section B of [SEEC Form 20](#).



**Important Note (2012 Law Change):** Effective January 1, 2012, the dollar amount for this exception is increased to **\$100**. Thus, beginning in 2012, an individual may donate or purchase up to \$100 worth of personal property items at a political committee fundraiser and not have it counted as a contribution. Also, effective January 1, 2012, new reporting requirements will apply to donations and purchases of personal property made under this exception – please review the instructions to the [SEEC Form 20](#) in 2012 for more information on how to report them. See [Public Act 11-48](#).

### **b. Certain Business Entity Donations**

Generally speaking, political committees must pay fair market value when purchasing goods or services, and discounts from a business entity would be considered an in-kind contribution from an impermissible source. There is, however, one narrow exception to this prohibition. A business entity may donate goods or services for a political committee's fundraising event if the aggregate value of the goods or services does not exceed \$100. These items would be reported in Section L4 as in-kind donations not considered contributions.

Please note that a business entity may **only** donate goods or services that it sells or provides as part of its business. A business entity may not purchase goods for a fundraiser or provide funds to a committee with which to buy goods. If the value of these goods or services **exceeds** \$100, then the entire amount is a **prohibited business entity contribution**.

[General Statutes § [9-601a\(b\)\(12\)](#)]

**EXAMPLE C:** ABC Corporation, a printing company, donates free printing services to a committee for a fundraising picnic worth \$90 in value. This non-monetary receipt is not a contribution but must be reported as an "in-kind donation." Note that ABC Corporation would not be able donate \$90 worth of pizza for the picnic because it is in not in the business of selling pizza.

**EXAMPLE D:** The same corporation donates an **additional** \$60 worth of printing to the fundraising affair. It has made a prohibited contribution because the value of the printing exceeds \$100 – now at \$150 – and therefore this exemption does not apply. The in-kind contribution may not be accepted and must either be returned immediately by the treasurer, or purchased from ABC Corporation.

**Important Note (2012 Law Change):** Effective January 1, 2012, the dollar amount for this exception is increased to **\$200**. Thus, beginning in 2012, a business entity may donate up to \$200 worth of goods or services to a political committee's fundraising event, as long as it sells or provides such goods or services as part of its business. Reporting requirements remain unchanged. See [Public Act 11-48](#).

### **c. Donation of Food or Beverage for a Non-Fundraising Event (Legislative Leadership and Caucus Committees Only)**

An individual may donate food or beverage for consumption at a legislative leadership or caucus committee meeting, event or activity that is not a fundraising affair and such donation would not be considered a contribution to the extent that the cumulative value of the food or beverage donated by the individual for a single meeting or event does not exceed \$50. Such food or beverage donations are reported in Section L4 of the [SEEC Form 20](#). If the value of the food or beverage exceeds \$50 for the event, then



the entire value should be reported as an in-kind contribution to the committee in Section M of the [SEEC Form 20](#).

This exemption applies per individual, which means that each attendee may bring food or beverage valued at up to \$50 to a non-fundraising event and none would be considered contributions. The treasurer should keep a list of each individual and what they brought, as well as any receipts they may have for their purchases.

[General Statutes § [9-601a\(b\)\(17\)](#) (as amended by [P.A. 10-1](#))]

**Important Note (2012 Law Change):** While currently legislative leadership and legislative caucus committees are the only types of political committees that may make use of this exception, effective January 1, 2012, this exception will extend to all political committees. See [Public Act 11-48](#).

#### **d. Surplus Distribution of Funds from Terminating Committees**

Some terminating committees may distribute their surplus to certain types of political committees. Treasurers of the recipient committees must be mindful of the type of committee seeking to distribute its surplus in order to ensure compliance.

A **political committee formed for a referendum question** that has a surplus after the vote on the question may distribute its surplus to a political committee organized for ongoing political activities subject to the following limitations:

1. A portion or the entire surplus may be distributed without limit, but only if the referendum committee received **no** contributions from *any* business entities or organizations; and
2. If the referendum committee received contributions from business entities or organizations, it may only distribute its surplus to contributors on a proportional basis. Thus, a political committee that contributed to the referendum committee may only receive its proportional share of the surplus based on the amount of its contribution to the committee.

[General Statutes §§ [9-608\(e\)](#), [9-620\(a\)](#)]

Terminating **Judge of Probate and municipal candidate committees** may also distribute their surplus to political committees without limit after a primary day which results in the defeat of the candidate(s) or after the election, provided that the receiving committee has not been established to finance future political campaigns of the candidate(s). The Commission has concluded that a political committee is deemed to have been established to finance future political campaigns of a candidate where 26% or more of the committee's expenditures go to the candidate's future campaigns.

A political committee may **never** accept surplus distributions from a **candidate committee for Statewide Office or General Assembly**.

Distributions from terminating **political slate committees** and **exploratory committees** (where the candidate withdraws before forming a candidate committee) may be made to political committees, with the exception of political committees established by organizations which may not receive such distributions.

[General Statutes §§ [9-608\(e\)](#) and [\(f\)](#), [9-614\(a\)](#), [9-620\(a\)](#); [Final Decision 2006-194](#)]



## 2. Non-Reportable Receipts

The following types of receipts are also not considered contributions and do not require special reporting.

### a. Communications to the Restricted Class

A corporation, organization, or association may pay the costs of directly communicating with certain groups on political topics, including expressly advocating the election or defeat of a specific candidate, without making a contribution to that candidate. For business entities, the restricted class includes owners, shareholders, executive and administrative personnel and their families – but not all employees of the business generally. For organizations, the restricted class includes its members and their families.

[General Statutes § [9-601a\(b\)\(2\)](#)]

**EXAMPLE E:** XYZ Corporation invites the chairperson of XYZ Corporation Political Committee to a shareholders' meeting to discuss the political committee's upcoming activities. This is a communication limited to members of the business' restricted class and therefore any associated costs are not contributions.

**EXAMPLE F:** The same corporation pays the associated costs to mail the political committee's campaign materials out to all of the corporation's clients. XYZ Corporation is in violation of the law because it has paid for a communication distributed outside of the restricted class.

### b. Use of Facility Space

Generally, a political committee must pay fair market value for use of facility space. A business entity or organization may, however, provide use of its facility space to a political committee at a discount or for free, provided the business entity or organization: (1) customarily makes the space available to clubs, civic or community organizations or other groups at a discount or for free; (2) makes the space available on the same terms given to other groups using the space; and (3) makes the space available to any other candidate or committee upon request.

If a business entity or organization does not meet each of these three prongs, then it may not provide use of its facility space to a political committee for free or at a discount as it would constitute an impermissible business entity or organization contribution. (Note that if the committee must still pay something for use of the space, then this of course would be reported as a traditional expense in Section P of the [SEEC Form 20](#).)

If a business entity or organization does not meet each of these three prongs, then it may not provide use of its facility space to a political committee for free or at a discount as it would constitute an impermissible business entity or organization contribution.

[[Advisory Opinion 2010-02](#)]

### c. De Minimis Campaign Activity

The value associated with *de minimis* campaign activity done on behalf of a political committee is not considered a contribution. This includes the creation of electronic or



written communications on a voluntary basis without compensation, including, but not limited to, the creation and ongoing content development and delivery of social media on the Internet or telephone, including, but not limited to, the sending or receiving of electronic mail or messages. Social media refers to any electronic media where users create and view user-generated content, such as uploaded or downloaded videos or still photographs, blogs, video blogs, podcasts, or instant messages.

The *de minimis* exception would also extend to the use of personal property or a service that is customarily attendant to the occupancy of a residential dwelling, provided the cumulative fair market value of such use of personal property or service does not exceed \$100 in the aggregate for any single election or calendar year.

[General Statutes § [9-601a\(b\)\(18\)](#) (as amended by [P.A. 11-48](#))]

**Important Note:** Communications that fall under this provision remain expenditures requiring attribution if otherwise needed. For example, if a committee sends out a fundraising invitation by e-mail, the committee's attribution should be included. For more information on the proper attribution, please see **Chapter VI. Spending Committee Funds.**

#### **d. Display of a Lawn Sign**

The display of a lawn sign "by a human being or on real property" is not considered a contribution. Thus, for example, while business entities may not make contributions to political committees and therefore may not purchase lawn signs in coordination with a committee, they are permitted to display lawn signs in support of them on their real property. The Commission has defined lawn signs to mean signs of a temporary nature measuring not more than 32 square feet.

[General Statutes § [9-601a \(b\)](#) (as amended by [P.A. 11-48](#)); [Advisory Opinion 2010-02](#)]

**Important Note:** You may be familiar with other types of receipts not considered contributions when received by other types of committees (i.e. ad book purchases, etc.). These exceptions are not discussed here because they do **not** apply to political committees.

## **C. Methods of Payment**

### **1. Cash or Check Contributions**

Monetary receipts from **individuals** may only be accepted by a political committee in certain forms:

- The first \$100 contributed in the aggregate in a calendar year may be made by cash, personal check, bank instrument or credit card.
- Once the individual has contributed \$100 in the aggregate in a calendar year, any remaining monetary contributions made in that year may only be made by personal check or credit card.



**EXAMPLE:** Charles gave a \$100 check to a political committee in January. The following month, Charles attends a fundraising event for the same committee and wants to contribute \$10. This \$10 is also considered a contribution to the political committee and is counted toward Charles' contribution limit for the year. Since Charles has already given \$100 to the political committee, however, he must pay the \$10 by either check or credit card – he may not use cash.

[General Statutes §§ [9-611\(d\)](#), [9-622\(9\)](#)]

Monetary receipts from any other **committee** that may contribute to the political committee must be made via a check drawn on that committee's designated depository institution.

Political committees may only accept an *anonymous contribution* of up to \$15. Anonymous contributions include funds for which the donor cannot be determined by any means. Any anonymous cash receipt of \$15 or less may be accepted and deposited by the committee treasurer in the same manner as any other monetary receipt. Any anonymous cash receipt that exceeds \$15 cannot be accepted but rather must be immediately forwarded by the committee's treasurer in full to the State Elections Enforcement Commission for deposit in the General Fund of the State of Connecticut.

[General Statutes § [9-606\(b\)](#)]

**Important Note (2012 Law Change):** Effective January 1, 2012, anonymous contributions in any amount are prohibited. Thus, if a political committee receives an anonymous contribution, it must forward it to the Commission, regardless of amount. See [Public Act 11-48](#).

## 2. Credit Card Contributions

Individuals may make contributions to a political committee by credit card (including their personal debit card) either in person, by mail, by telephone or over the Internet. When making contributions in person, by mail or over the telephone, an individual must deliver the contribution to the treasurer or to an appointed solicitor.

A political committee treasurer is personally liable for the deposit of any unlawful contributions, and therefore should exercise diligence to ensure that all funds deposited comply with the law. In order to accept a credit card contribution from an individual, a political committee treasurer should obtain the following information from the individual contributor:

- Contributor's full name;
- Contributor's name as it appears on the credit card;
- Residence address of contributor;
- Billing address on record with card issuer (if different than residence address);
- Contributor's e-mail address (applicable to credit card contributions over the Internet);
- Amount of contribution;



- Certification that contributor is not a principal of a state contractor or prospective state contractor (which includes spouse, dependent children over eighteen, and civil union partners) if the recipient political committee is authorized to make contributions to any candidate seeking office in the branch of government with which the contractor or prospective state contractor is doing or seeking to do business and if contributor's aggregate contributions to the committee exceed \$50 (best practice is to obtain it at all amounts);
- Statement as to whether the individual is a lobbyist, or the immediate family member of a lobbyist, if individual's aggregate contributions to the committee exceed \$50;
- Principal occupation, if individual's aggregate contributions to the committee exceed \$100;
- Name of employer, if individual's aggregate contributions to the committee exceed \$50;
- Donor must affirm the statement: "I am eighteen years of age or older" (for contributions exceeding \$30);
- Donor must affirm the statement: "This contribution is made on my personal credit card for which I have a legal obligation to pay and intend to pay from my own personal funds; payment on this card is not made from the funds of a corporation, labor organization or any other entity"; and
- Donor must affirm the statement: "I am either a United States citizen or a foreign national with permanent resident status in the United States."

The committee must select a merchant account provider (an entity in the business to authorize the processing of credit card transactions) that is able to comply with the requirements set forth in this section. The merchant account provider must therefore be able to supply the committee with all of the above information (where required) as completed by the contributor on the online contribution form. Specifically, where a political committee may not accept contributions from principals of state contractors, the committee must be able to provide documentation showing that the contributor checked off the state contractor certification or, at the very least, that the contributions could not be processed without this certification being affirmatively checked off. **In addition, the merchant account processor must be able to keep the committee's contributions in a separate, unique (not shared or pooled) merchant account.**

The committee is required to keep the details of each transaction provided by the merchant account provider or payment gateway and to ensure that the Commission is able, upon request, to review all such records (whether held by the committee, merchant account provider or payment gateway on behalf of the committee), including the affirmation provided in the contributor certification form that a personal credit card is being used.

Each committee must promptly send confirmation of each credit card contribution received through the Internet to the contributor by electronic mail to the individual's



e-mail address. For contributions received by telephone or mail, the confirmation shall be sent to the contributor by U.S. mail. For credit card transactions made in person, each committee must obtain a signed credit card receipt from the contributor.

Contributions made by credit card shall be deemed received by the committee on the date that the contributor completes the transaction, unless a no charge decision is made within fourteen days of the transaction or by the filing deadline for transactions falling within the reporting period, whichever is earlier. A no charge decision within such time relieves the committee treasurer of any responsibility for reporting the transaction. A committee receiving contributions by credit card must report the full (gross) amount of each contribution before the payment of any fees or deductions to any third party.

The committee's treasurer is responsible for preserving all records of each credit card contribution for four years from the reporting of the transaction.

If you would like to have your online contribution website reviewed by Commission staff, please contact the Compliance Unit at (860) 256-2940.

[General Statutes §§ [9-606\(a\)](#), [9-607\(f\)](#), [9-608\(c\)](#)]

## V. Restrictions Based on Who Gives and Solicits Funds

There are certain restrictions that exist in the law governing contributions and solicitations by lobbyists, principals of state contractors, and principals of *investment services firms*. Whether and how much your committee may accept in contributions from such individuals depends on who is deemed to have **established** or **controlled** your committee and/or to whom your committee is authorized to contribute. In addition, if such individuals play a role in your committee, they may impact to whom your committee may contribute as well. The three provisions will now be discussed in turn.

### A. Lobbyist Contribution and Solicitation Provisions

Certain lobbyists, as well as their immediate family members, agents, and political committees established or controlled by them, are prohibited by law from soliciting contributions from certain individuals on behalf of some committees and are restricted in the amount of money they may contribute to certain committees.

A client lobbyist is an individual or entity who makes expenditures in excess of \$2,000 in a calendar year for lobbying. A communicator lobbyist is someone compensated for lobbying over \$2,000 in any calendar year and who communicates directly or solicits others to communicate with an official or his staff in the Legislative or Executive branch of government or in a quasi-public agency for the purpose of influencing legislative or administrative action.

#### 1. Lobbyist Sessional Ban

While the General Assembly is in session, client lobbyists and communicator lobbyists and political committees established by or on behalf of them may not make or offer to make a contribution to or solicit a contribution on behalf of: (A) a candidate committee or exploratory committee established by a candidate for General Assembly



or Statewide Office; or (B) a political committee (1) established for an Assembly or Senatorial district; (2) established by a member of the General Assembly or a Statewide officer or such member or officer's agent, or in consultation with, or at the request or suggest of, any such member, officer or agent; or (3) controlled by such member, officer or agent to aid or promote the nomination or election of any candidate or candidates to the General Assembly or Statewide Office. This includes legislative leadership and legislative caucus committees.

The ban is applicable during any regular session of the General Assembly, during any special session of the General Assembly held between the adjournment of the regular session in an odd-numbered year and the convening of the regular session in the following even-numbered year and during any reconvened session of the General Assembly held in an odd-numbered year to reconsider vetoed bills. The ban begins when the session convenes and ends when the session adjourns.

The sessional lobbyist contribution ban does not apply to (1) a candidate committee in a special election for the office of State Senate or State Representative from the date the candidate files his or her committee to the date of the special election; or (2) an exploratory committee established by a member of the General Assembly to promote his candidacy for an office other than the General Assembly.

The sessional ban applies to any monetary or non-monetary receipt from the lobbyist or political committee established or controlled by the lobbyist, whether or not it is a "contribution," as defined by law. This means, among other things, that the ban supersedes the exception that a business entity, labor union or other organization may communicate (or solicit) with their restricted class and their families on any subject.

All political committees established or controlled by a communicator or client lobbyist must file a certification notifying the Commission of that relationship. Starting in 2012, this will be accomplished by a new biennial registration process whereby political committees will file a new [SEEC Form 3](#) with the Commission in November of even numbered years which will, in part, provide information about whether the committee is established or controlled by a lobbyist. The Commission maintains a list of political committees that are prohibited from receiving contributions from lobbyists during the legislative session, as well as a list of political committees prohibited from contributing to those committees during the legislative session because they are established by, on behalf of, or controlled by a lobbyist. The Commission must periodically provide the list to Statewide officers and General Assembly leaders, and the lists are also posted on the Commission's website.

Note that if a business entity or organization is a client lobbyist registered with the Office of State Ethics, then any political committee that business entity or organization established is considered established by a client lobbyist for purposes of the sessional ban.

[General Statutes §§ [1-91\(l\) and \(u\)](#), [9-610\(e\) and \(f\)](#) (as amended by [P.A. 10-1](#))]

## **2. Communicator Lobbyist \$100 Contribution Limit**

Communicator lobbyists, as well as their agents and immediate family members, and political committees established or controlled by communicator lobbyists or a member of the immediate family of a communicator lobbyist may now contribute up to **\$100** to: (1) an exploratory committee or candidate committee established by a candidate for



Statewide Office or General Assembly; (2) a political committee established or controlled by any such candidate; (3) a legislative leadership or legislative caucus committee; or (4) a party committee.

Communicator lobbyists, their agents and immediate family members, as well as political committees established or controlled by them, may give up to the normal contribution limits to candidates running or exploring for offices other than Statewide Office or General Assembly and to political committees not established or controlled by Statewide Office or General Assembly candidates. For more information on what the normal limits are for individuals and political committees contributing to such committees, please see **Chapter IV. Raising Funds for Your Committee**.

[General Statutes § [9-610\(g\)](#) (as amended by [P.A. 10-1](#))]

### 3. Communicator Lobbyist Solicitation Provisions

Communicator lobbyists, their immediate family members (spouse and dependent children) and agents, and political committees established or controlled by communicator lobbyists or their immediate family or agents may not knowingly solicit contributions from any individual who is a member of the board of directors of, an employee of or a partner in, or who has an ownership interest of five percent or more in, any client lobbyist on behalf of whom the client lobbyist lobbies for the benefit of a candidate committee or exploratory committee established by a candidate for Statewide Office or General Assembly, a political committee established or controlled by any such candidate, a legislative leadership or legislative caucus committee, or a party committee.

Additionally, communicator lobbyists, their agents and immediate family members are prohibited from bundling contributions for an exploratory or candidate committee established by a candidate for Statewide Office or General Assembly, a political committee established or controlled by any such candidate, a legislative leadership or legislative caucus committee, or a party committee. "Bundle" is defined as the forwarding of five or more contributions to a single committee by a communicator lobbyist, an agent of such lobbyist, or a member of the immediate family of such lobbyist, or raising contributions for a committee at a fundraising affair held by, sponsored by, or hosted by a communicator lobbyist or an agent of such lobbyist, or a member of the immediate family of such lobbyist.

[General Statutes §§ [1-91\(l\) and \(u\)](#), [9-601\(24\) and \(27\)](#) (as amended by [P.A. 10-1](#)), [9-610\(h\) and \(i\)](#) (as amended by [P.A. 10-1](#))]

### 4. When is a Political Committee Considered to be “Established or Controlled By” a Communicator Lobbyist or Member of the Communicator Lobbyist’s Immediate Family?

A political committee was **established** by a communicator lobbyist or immediate family member of a communicator lobbyist if:

- A communicator lobbyist or member of his immediate family appeared as an officer on the political committee’s original registration statement; or
- The business entity or organization that established the committee was a registered communicator lobbyist; or



- For a business entity or organization that is a communicator lobbyist and formed a political committee on or after December 31, 2006, the initial disbursement or contribution to the committee was made by an officer, director, owner, limited or general partner, or at least 5% shareholder of the entity forming the political committee.

If the political committee meets one of the three preceding criteria, then it will be deemed to be “established by” a communicator lobbyist only if the communicator lobbyist **remained** a registered communicator lobbyist as of December 31, 2006 or thereafter.

The Commission considers three factors when determining whether a political committee is **controlled by** a communicator lobbyist or the immediate family member of a communicator lobbyist. To assess this control, the Commission evaluates whether the communicator lobbyist or family member:

- Has substantial involvement or influence in the decision-making concerning how the committee solicits or makes contributions or expenditures, or in the day-to-day activities of the political committee;
- Directs or participates in the appointment or selection of the committee's officers; and/or
- Serves as committee chairperson, treasurer, deputy treasurer or other officer.

**Important Note:** Political committees should be mindful when they decide to involve a communicator lobbyist or immediate family member or agent of a communicator lobbyist in their committee. If such an individual plays one of the previously enumerated roles in the political committee, then that person can transform the political committee into one controlled by a communicator lobbyist. This means that the political committee will be limited in how much it can contribute to covered committees and may face certain solicitation restrictions, as discussed earlier. Political committees must be sure to keep their registration statement updated and amend if any circumstances change.

[\[Declaratory Ruling 2006-2\]](#)

### **5. When is a Political Committee Considered to be “Established or Controlled By” a Candidate for Statewide Office or General Assembly”?**

Each political committee must identify whether it has been established or controlled by a candidate for Statewide Office or General Assembly on its registration statement ([SEEC Form 3](#)).

The Commission will consider several factors to determine whether a political committee is **established by** a candidate for a covered office, including whether:

- One of the individuals serving as an officer of the committee at the time of its formation was a candidate for a covered office;
- A candidate for a covered office made the initial disbursement or contribution to the committee; and/or



- A candidate for a covered office had an active or significant role in the formation of the committee.

The committee will be deemed to have been established by a candidate for a covered office only if the candidate who established it is presently a candidate or incumbent officeholder on or after December 31, 2006.

As for whether the committee is **controlled by** a candidate for a covered office, the Commission considers whether the candidate:

- Has substantial involvement or influence in the decision-making concerning how the committee solicits or makes contributions or expenditures, or in the day-to-day activities of the political committee;
- Directs or participates in the appointment or selection of the committee's officers; and/or
- Serves as committee chairperson, treasurer, deputy treasurer or other officer.

#### **6. Exemption for Communicator Lobbyists who are Candidates**

The above-mentioned restrictions on communicator lobbyists contributing to, bundling for, or soliciting certain individuals on behalf of certain candidate, exploratory, political and party committees do not apply to the campaign of a communicator lobbyist, immediate family member of a communicator lobbyist or agent of a communicator lobbyist who is a candidate for public office or to an immediate family member of a communicator lobbyist who is an elected public official.

[General Statutes § [9-610\(j\)](#) (as amended by [P.A. 10-1](#))]

### **B. State Contractor Contribution and Solicitation Provisions**

State contractors, prospective state contractors, and their principals, with regard to a *state contract* or state contract solicitation with the **Executive** branch, as well as principals of a holder of a valid prequalification certificate issued by the Commissioner of Administrative Services, are prohibited from making contributions to and from knowingly soliciting contributions from their employees and from their subcontractors and principals of their subcontractors on behalf of:

- An exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Secretary of the State, Treasurer, Comptroller, and/or Attorney General.
- Any political committee authorized to make contributions to Statewide candidates; and
- Any party committee.

State contractors, prospective state contractors, and their principals, with regard to a state contract or state contract solicitation with the **Legislative** branch, as well as principals of a holder of a valid prequalification certificate issued by the Commissioner of Administrative Services, are prohibited from making contributions and from knowingly soliciting contributions from their employees and from their subcontractors and principals of their subcontractors on behalf of:



- An exploratory committee or candidate committee established by a candidate for nomination or election to the office of state senator and/or state representative;
- Any political committee authorized to make contributions to General Assembly candidates; and
- Any party committee.

[General Statutes § [9-612\(g\)\(2\)](#) (as amended by [P.A. 10-1](#))]

**Important Note:** Political committees can be affected by the state contractor provisions in one of two ways – either as the recipient committee of a contribution by a principal of a state contractor or as a principal in its own right which cannot contribute to the covered committees.

## 1. Who is a State Contractor?

### a. “State Contract” Defined

“State contract” is defined as any single agreement or contract with the state or any state agency in the Executive or Legislative branch of state government or any quasi-public agency having a value of \$50,000 or more, or a combination or series of such agreements or contracts having a value of \$100,000 or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, or (v) a grant, loan or loan guarantee.

The types of state contracts that are covered by these provisions are broad. For instance, if a business or nonprofit organization receives a fee or remuneration from a third party as a result of the business entity’s or nonprofit’s agreement with the state, the agreement would constitute a state contract provided the financial threshold is satisfied, even if the state does not directly pay the fee or remuneration.

Contracts with the judicial branch are not included for purposes of the underlying prohibition on contributions. The other limited exceptions to the definition of state contract are those contracts or agreements that are exclusively federally funded, educational loans, or loans to an individual for other than commercial purposes (e.g. a loan for the purchase of residential property) and contracts with the United States Department of the Navy or the United States Department of Defense.

[General Statutes § [9-612\(g\)\(1\)\(D\)](#)]

### b. “State Contract Solicitation” Defined

State contract solicitation means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposal, request for information or request for quotes, inviting bids, quotes, or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

[General Statutes § [9-612\(g\)\(1\)\(J\)](#)]



**c. “State Contractor,” “Prospective State Contractor,” and “Subcontractor” Defined**

State contractor refers to a person, business entity, or nonprofit that enters into a state contract. Such person, business, or non-profit is deemed a state contractor until December 31<sup>st</sup> of the year in which such contract terminates.

Prospective state contractor refers to a person, business entity, or nonprofit that (1) submits a response to a state contract solicitation by the state, a state agency, or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency, or a quasi-public agency, until the contract has been entered into, or (2) holds a valid prequalification certificate issued by the Commissioner of Administrative Services.

Subcontractor refers to a person, business entity or nonprofit that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization is deemed a subcontractor until December 31<sup>st</sup> of the year in which the subcontract terminates.

The law further clarifies that state contractors and prospective state contractors do not include a municipality or other political subdivision of the state, entity, or association created by a municipality or political subdivision, or an employee in the Executive or Legislative branches or a quasi-public agency, whether in the classified or unclassified service or full or part-time (in such person's capacity as a state or quasi-public agency employee).

[General Statutes § [9-612\(g\)\(1\)](#) (as amended by [P.A. 10-1](#))]

**d. “Principal” Defined**

The principals of state contractors, prospective state contractors, and subcontractors for purposes of the contribution and solicitation provisions are as follows:

For **Business Entities** (all types of businesses, regardless of its form of organization):

- Members of the Board of Directors;
- Owners of at least 5% of the business;
- President, Treasurer, and Executive Vice President;
- Employees with Managerial or Discretionary Responsibility with respect to the state contract, meaning those employees who have direct, extensive, and substantive responsibilities with respect to the negotiation of the state contract (or in the case of a subcontractor, with respect to negotiation of the subcontract with a state contractor) rather than peripheral, clerical, or ministerial responsibilities;
- The Spouse and Dependent Children (children who are eighteen years of age or older, residing in the individual's household, and who may be legally claimed as a dependent on the individual's federal income tax return) of any of the above; and
- Any political committee established or controlled by the business entity or by any of the above individuals.



For **Nonprofits** (all types, regardless of tax-exempt status):

- Chief Executive Officer or, if none, officer with comparable powers and duties;
- Employees with Managerial or Discretionary Responsibility with respect to the state contract, meaning those employees who have direct, extensive, and substantive responsibilities with respect to the negotiation of the state contract (or in the case of a subcontractor, with respect to negotiation of the subcontract with a state contractor) rather than peripheral, clerical, or ministerial responsibilities;
- The Spouse and Dependent Children (children who are eighteen years of age or older, residing in the individual's household, and who may be legally claimed as a dependent on the individual's federal income tax return) of any of the above; and
- Any political committee established or controlled by the nonprofit organization or by any of the above individuals.

Note that the members of the Board of Directors of a nonprofit are not considered principals for purposes of these provisions.

[General Statutes § [9-612\(g\)\(1\)\(F\)](#) (as amended by [P.A. 10-1](#))]

**Important Note:** Political committees should be mindful when they decide to involve a principal of a state contractor in their committee. If such an individual established or controls the political committee, then that person can transform the political committee into one established or controlled by a principal of a state contractor. This means that the political committee would be considered a principal of a state contractor in its own right and therefore the state contractor solicitation and contribution provisions apply to it, further limiting the types of contributions it may make. For more information on what constitutes being “established or controlled by” a principal of a state contractor, please see the discussion in the previous section on the Lobbyist Contribution and Solicitation Provisions.

**e. Exemption from Prohibitions for Principals of State Contractors and Prospective State Contractors who are Candidates or Elected Public Officials**

A principal of a state contractor or prospective state contractor may run for office and may establish his or her own candidate or exploratory committee, and solicit contributions for such committee from the state contractor's employees, as well as its subcontractors and employees of its subcontractors, without violating the state contractor solicitation provisions.

Moreover, a principal of state contractor or prospective state contractors who is an elected public official is not covered by the state contractor contribution ban and may therefore make and solicit contributions that would otherwise be deemed prohibited under these provisions.



**EXAMPLE:** Representative Smith's husband is a principal of a state contractor with regard to a contract with the Legislative branch. Mr. Smith cannot make a contribution to a political committee authorized to make contributions to General Assembly candidates. Representative Smith is also deemed a principal of a state contractor, by virtue of her husband's status. She, however, can make a contribution to the political committee because she is also an elected public official.

[General Statutes § [9-612\(g\)\(4\)](#)]

## **2. How Does a Committee Determine Whether a Contributor is a Principal of a Current or Prospective State Contractor?**

Generally, a contributor will know whether he or she meets the definition of a principal of a current or prospective state contractor. State agencies are also required to provide a notice to their state contractors and prospective state contractors, advising them of the contribution and solicitation restrictions, directing them to provide notice of the law to their principals, and informing them of the possible consequences of violations of the law by using the [SEEC Form 10](#) or [SEEC Form 12](#) or by incorporating the contents of this notice into its contracts. The chief executive officer of the state contractor or prospective state contractor, or an authorized signatory to the contract, must submit a written acknowledgement to the contracting agency that the contractor received this notice. State contractors and prospective state contractors are then required to inform their principals of the restrictions and potential penalties for any violation of these restrictions.

The Commission also maintains three lists of state contractors and prospective state contractors on its website, [www.ct.gov/seec](http://www.ct.gov/seec). Please note that these lists are based on information from the State Comptroller's office and reporting by the state agencies and **are not** exhaustive. Accordingly, the fact that a contributor's employer is not listed on one of the state contractor lists does not foreclose the possibility that the employer is a state contractor or prospective state contractor.

A treasurer can best protect him or herself by having each contributor complete and sign a contributor certification form for every contribution regardless of the amount, which certifies to the contributor's status as a principal of a current or prospective state contractor. A treasurer is entitled to rely on such certifications and it will provide the treasurer with a good faith reliance defense should the contributor later be deemed to be a principal of a state contractor or prospective state contractor.

If you would like assistance in creating a certification form for your committee or having your form, please contact the Compliance Unit at (860) 256-2940.

[General Statutes § [9-612\(g\)](#)]

## **3. What Happens if the Committee Receives a Prohibited State Contractor Contribution?**

### **a. "Right to Cure" Improper Contribution**

There is a statutory "Right to Cure" which provides that improper contributions may be returned to avoid the legal consequences of the state contractor provisions. If a principal of a state contractor or prospective state contractor inadvertently violates the campaign contribution prohibition, no legal consequences arise if, and only if, the



improper contribution is returned by the recipient committee treasurer to the principal within thirty days of receipt of the contribution or the campaign report filing date corresponding with the reporting period in which the contribution was made, whichever is later.

For example, if a spouse of a state contractor with an executive branch agency makes a contribution to a political committee authorized to contribute to Statewide candidates in February, and the treasurer of the recipient candidate returns the contribution by April 10, which is the applicable filing date for the period requiring reporting of such contributions, no violation occurs, and no penalties can be assessed. It is suggested that if such an improper contribution is made, the principal making such contribution request the refund in writing, and as soon as the problem is discovered.

If the improper contribution is not discovered until thirty days from its receipt have passed, the committee should contact the Commission's Compliance Unit for further assistance.

[General Statutes § [9-612\(g\)\(2\)\(C\)](#)]

#### **b. Civil and Criminal Penalties for Violation of State Contractor Provisions**

A committee that is prohibited from receiving contributions from a principal of a state contractor or prospective state contractor and who does so is subject to potential civil and/or criminal penalties.

The Commission may also impose civil penalties against the principal of up to \$2,000 per offense, or twice the amount of the contribution, whichever is greater. The Commission may also seek criminal prosecution against the violator if there is evidence that the violation was committed knowingly and willfully. The crime is considered a Class D felony, which is punishable by up to five years imprisonment or a \$5,000 fine, or both. The Commission could also impose civil penalties on the state contractor or prospective state contractor if it is determined that it did not make reasonable efforts to comply, such as by informing its principals of the applicable prohibitions and consequences.

[General Statutes §§ [9-7b](#), [9-623](#)]

### **C. Investment Services Contribution and Solicitation Ban (State Treasurer)**

Any political committee formed by a firm which provides investment services to the State Treasurer and any political committee formed by any principal of such firm is barred from soliciting or making a contribution to any candidate or exploratory committee for nomination or election to the office of State Treasurer during the term of the State Treasurer who does business with such firm.

The ban applies to the incumbent State Treasurer and all challengers, and to an exploratory committee of any candidate who is considering a campaign for nomination or election as State Treasurer.

In addition, the following individuals are prohibited from soliciting contributions from a *principal of an investment services firm* on behalf of a political committee: the State Treasurer or any candidate for State Treasurer, any agent of any such candidate, the



Deputy State Treasurer, any member of the State Investment Advisory Council, and any unclassified employee in the office of the State Treasurer acting at the direction of the State Treasurer or Deputy State Treasurer.

[General Statutes §§ [9-612\(f\)](#), [9-613\(f\)](#)]

### **1. “Investment Services” Defined**

“Investment Services” means investment legal services, investment banking services, investment advisory services, underwriting services, financial advisory services or brokerage firm services.

[General Statutes §§ [9-612\(f\)](#), [9-613\(f\)](#)]

### **2. “Principal” Defined**

A principal of an investment services firm means:

- Directors;
- Owners of at least 5% of the business;
- President, Treasurer, Executive Vice President;
- Employees with Managerial or Discretionary Responsibility with respect to any investment services provided to the State Treasurer;
- The Spouse and Dependent Children who are eighteen years of age or older of any of the above; and
- Any political committee established or controlled by the business entity or by any of the above individuals.

[General Statutes § [9-612\(f\)\(1\)](#)]

### **3. Consequences Arising from Violation of Ban**

Violation of this restriction may prohibit the State Treasurer whose candidate or exploratory committee benefited from such contributions or solicitations from paying compensation, expenses or fees to the firm if they have an existing contract with the State Treasurer or may prohibit the State Treasurer from issuing a future contract to any such firm during the entire term of office of the State Treasurer, including, for an incumbent Treasurer seeking reelection, any remainder of the current term of office. Any questions concerning this prohibition on doing business should be addressed to the Office of State Ethics.

[[General Statutes § 1-84\(n\)](#)]

## **D. Restrictions on Contributions by Certain State Governmental Officials and Unclassified Employees in the Executive and Legislative Branches**

There is a contribution limit of **\$100** per calendar year by specified state government officials and employees to certain types of political committees:

- By any head of an executive branch state agency or quasi public agency appointed by the Governor, deputy of any such agency, full-time official or unclassified employee of any such agency or the spouse or dependent children



of any such head, deputy, official or employee to a political committee established by a candidate for Governor or Lieutenant Governor.

- By any official or unclassified employee of the Office of the Secretary of the State, Treasurer, Comptroller, or Attorney General, or the spouse or dependent children of any such official or employee to a political committee established by a candidate for the office in which such official or employee serves.
- By any member of a legislative caucus staff in the State Senate or House of Representatives, or the spouse or dependent children of any such staff to a political committee established by any candidate for the General Assembly, including any legislative caucus or legislative leadership committee.

These limitations apply separately to the official or employee and to each member of the immediate family of such official or employee.

[General Statutes § [9-612\(j\)](#)]

## VI. Spending Committee Funds

Spending by political committees must be for the committee's lawful purpose, as discussed more fully below. There are additional guidelines for spending, such as limitations on the amount that a political committee may contribute to other committees and the manner in which a political committee may use cash for expenditures. Finally, there are some prohibitions on spending, such as personal use and buying votes. The permissible uses of political committee funds and guidelines for use are discussed below.

### A. Permissible Expenditures

All expenditures by the committee must be made to promote the "lawful purpose" of the committee. For a political committee, this means expenditures for administering the committee (overhead and operating expenses) and promoting the success or defeat of candidates for nomination and election to office in Connecticut or the success or defeat of referenda. Expenditures made to solicit contributions for the political committee or to conduct fundraising events are also lawful purposes. In addition, for a legislative caucus committee, its lawful purpose includes spending funds to defray costs of its members for conducting legislative or constituency-related business which are not reimbursed or paid by the State.

Permissible expenditures include but are not limited to the rental of real and personal property, the purchase of computer equipment, professional services, office supplies, polling, utilities, and other costs associated with campaign headquarters, printing, postage, photocopying, compensation of committee staff, and campaign advertising.

A political committee may make such expenditures jointly with another committee if both committees are benefiting from the permissible expenditure and each pays its proportional share of the associated cost.



**Important Note:** Where two committees are making joint expenditures, the treasurers of both committees must approve the expenditures beforehand and must each maintain documentation of the underlying expenditures. It is best to have a written agreement in place beforehand outlining how the underlying expenditures will be paid, which should be based on each committee's proportional share of the associated costs.

Generally speaking, political committees may also make an expenditure on behalf of a candidate committee which can either be (a) reimbursed by the candidate committee (unless the candidate is participating in the Citizens' Election Program ("CEP") and has received a public grant); (b) deemed an *organization expenditure* in the case of legislative leadership or caucus committees, which is not considered a contribution to the candidate committee, see **Organization Expenditures** in Subsection 2 of this section; or (c) deemed a contribution to the recipient (only permissible if the recipient is **not** participating in the CEP), subject to certain limits, as more fully outlined below.

[General Statutes §§ [9-601a\(b\)\(16\)](#), [9-607\(g\)](#), [9-610\(b\)](#)]

### 1. Permissible Contributions from Political Committees

A political committee may make contributions to other committees subject to the following aggregate limits, which apply separately to primaries and elections unless indicated otherwise:

**Table 5 - Political Committee Contribution Limits to Other Committees**

OFFICE SOUGHT / COMMITTEE TYPE	LIMIT
Governor	\$5,000 <sup>1,2,3,4</sup>
Lieutenant Governor, Secretary of the State, Treasurer, Comptroller, and Attorney General	\$3,000 <sup>1,2,3,4,5</sup>
State Senator	\$1,500 <sup>1,2,3</sup>
State Representative	\$750 <sup>1,2,3</sup>
Probate Judge	\$1,500 <sup>2,4</sup>
Chief Executive Officer of the Municipality (e.g. Mayor, First Selectman)	\$1,500 <sup>2,4</sup>
Other Municipal Offices	\$375 <sup>2,4</sup>
Town Committee Member	UNLIMITED <sup>2,4</sup>
Exploratory Committee	\$375 <sup>3,4,5</sup>
Political Slate Committee (Municipal Offices)	\$2,000/year <sup>4</sup>
Political Slate Committee (Town Committee Primary)	UNLIMITED <sup>4</sup>



OFFICE SOUGHT / COMMITTEE TYPE	LIMIT
State Central Committee	\$7,500/year <sup>3,6</sup>
Town Committee	\$1,500/year <sup>3,4</sup>
Other Political Committee (Business Entity, Organization, or Two or More Individuals, Single Election or Primary)	\$2,000/year <sup>3,4</sup>
Legislative Leadership Committee or Legislative Caucus Committee	\$2,000/year <sup>3,4</sup>
Referendum Committee	\$2,000/year <sup>4</sup>
National Committee of a Political Party	UNLIMITED <sup>4,7</sup>
Federal or Out-of-State Candidate Committee	UNLIMITED <sup>4,7</sup>

<sup>1</sup> **Candidates participating in the CEP may not receive contributions from political committees.** In limited circumstances, legislative leadership and caucus committees may make organization expenditures on behalf of General Assembly candidates which are not considered contributions. See **Organization Expenditures** in Section C of this chapter.

<sup>2</sup> A political committee established or controlled by a candidate may not make contributions to that candidate's campaign.

<sup>3</sup> Additional restrictions may apply if the political committee is established or controlled by a principal of a current or prospective state contractor and/or a communicator lobbyist. See Chapter V for more information.

<sup>4</sup> Legislative leadership and legislative caucus committees may not make such contributions.

<sup>5</sup> Any political committee formed by a firm which provides investment services to the State Treasurer and any political committee formed by any principal of such firm is barred from making a contribution to any candidate or exploratory committee for nomination or election to the office of State Treasurer during the term of the State Treasurer who does business with such firm. See Chapter V for more information.

<sup>6</sup> In the case of legislative leadership and legislative caucus committees, the limit is \$10,000 per year.

<sup>7</sup> Political committees established for a single primary or election may not make contributions to such committees. Also, committee treasurers must refer to federal law or the laws of the applicable jurisdiction to determine what limitations, if any, exist.

[General Statutes §§ [9-600](#), [9-604](#), [9-613](#), [9-615](#), [9-618](#), [9-619](#)]



**Important Note:** A political committee is required to indicate on its registration form whether it is authorized to contribute to Statewide Office and General Assembly candidates or municipal candidates or both. The chairperson may only designate those offices to which the committee may legally make contributions and the committee may not make contributions to candidates running for such offices unless its registration statement has so indicated.

A political committee organized for ongoing political activities may also make unlimited contributions to a charitable organization which is tax exempt under **§ 501(c)(3)** of the Internal Revenue Code and may make **memorial contributions**. In addition, all political committees may make unlimited contributions to the **Citizens' Election Fund**.

[General Statutes §§ [9-618\(a\)](#), [9-619\(a\)](#), [9-751](#)]

A business entity political committee may contribute up to an aggregate of **\$100,000** to all candidates in the same election and primary campaign cycle. An organization political committee may contribute up to an aggregate of **\$50,000** to all candidates in the same election and primary campaign cycle. There is no comparable limit on political committees established by two or more individuals.

[General Statutes §§ [9-613\(d\)](#), [9-615\(c\)](#)]

## **2. Organization Expenditures (Legislative Leadership and Legislative Caucus Committees Only)**

An organization expenditure by a legislative leadership committee or legislative caucus committee is specifically exempted from the definitions of contribution and expenditure for purposes of the campaign finance laws, but remains a reportable transaction for purposes of public disclosure. **The significance of a proper organization expenditure is that it does not count against the donor committee's contribution limit, because it is exempted from the definition of contribution. Legislative leadership and legislative caucus committees are the only types of political committees that may make organization expenditures and they may only make them on behalf of General Assembly candidates.**

Organization expenditures may be made **only** for the following purposes:

- The preparation, display, mailing, or distribution of a party candidate listing. A "party candidate listing" is a communication that (1) lists the name or names of the candidates, (2) is distributed through public advertising, direct mail, telephone, electronic mail, Internet, or personal delivery, (3) treats all candidates substantially similar, and (4) **is limited in content** to candidate photos, the office sought, party enrollment, a brief statement of the candidate's position, philosophy, goals, accomplishments or biography, encouragement to vote for the candidate and information concerning voting, including hours and locations. **Such communications may not promote the defeat of any candidate or solicit funds;**
- Printed or electronic documents including party platforms, issue papers, information on Connecticut election law, voter registration lists, and voter identification information that a party, legislative caucus, or legislative leadership committee creates or maintains for party or caucus building and gives to candidates who are members of the same party;



- Campaign events at which a candidate or candidates are present;
- Advisors on campaign organization, financing, accounting, strategy, law, or media; and
- The use of offices or office equipment that does not result in additional cost to the party, legislative caucus, or legislative leadership committee.

The scope of what constitutes an organization expenditure is narrowly construed. Any committee authorized to make such an expenditure should seek guidance from Commission staff about whether the planned use of funds constitutes a permissible organization expenditure. For the complete definition of organization expenditure, see General Statutes § [9-601\(25\)](#).

**Important Note:** Legislative leadership committees and legislative caucus committees may only make organization expenditures on behalf of General Assembly candidates.

There are additional restrictions on organization expenditures made on behalf of **General Assembly candidates participating in the CEP**. Legislative leadership and caucus committees may not make any organization expenditures on party candidate listings benefiting participating General Assembly candidates for a primary campaign. In addition, such committees may make only up to \$10,000 in organization expenditures on behalf of a participating candidate running for state senate for the general election and only up to \$3,500 for a participating candidate running for state representative for the general election. For nonparticipating General Assembly candidate committees, there are no limitations on the amount of organization expenditures that legislative leadership and caucus committees may make on their behalves.

For more information on how and when to report organization expenditures, please see **Chapter VII. Reporting Information**.

[General Statutes §§ [9-601\(25\)](#), [9-601a\(16\)](#), [9-601b\(8\)](#), [9-608\(c\)\(5\)](#), [9-718](#); [Declaratory Ruling 2011-01](#)]

### 3. Non-Independent (Coordinated) Expenditures

Non-independent expenditures, or coordinated expenditures, are considered contributions under the law. In Public Act No. 10-187, the General Assembly amended the definition of independent expenditures. These changes created a “rebuttable presumption” that expenditures made in certain ways or by certain persons or groups are coordinated with the candidate. While the candidate committee could overcome this presumption by showing that an expenditure truly was independent, see **Independent Expenditures** below, committees may be served best by knowing how to avoid scenarios that could invoke these presumptions.

The statute points out several instances where the Commission will presume that a coordinated expenditure was made, including where:

- The individual or group making the expenditure and the candidate committee benefiting from the expenditure share the same leadership or consultants;
- The individual or group makes an expenditure in cooperation with a candidate or committee or based on information received from the candidate or someone acting on behalf of the candidate about the candidate’s plans or needs;



- The individual or group pays for political advertising or communications that uses material prepared by the benefiting committee or a consultant hired by the benefiting committee;
- The individual or group pays for fundraising affairs on behalf of a committee; and
- The individual or group pays for communications or advertising that clearly identify the candidate and the candidate or a representative of the candidate has been informed about the manner, contents, and target audience, among others, of the communication.

If an expenditure is coordinated by a political committee with a candidate and payment or reimbursement is not made by the candidate committee within a reasonable time, the coordinated expenditure constitutes an in-kind contribution to that candidate's campaign, which is impermissible for a CEP candidate to receive. Moreover, if an expenditure is coordinated by a business entity, labor union, or any other type of entity that is not making the expenditure through a political committee established under Connecticut law, it is an impermissible contribution, regardless of whether the candidate is participating or not.

[General Statutes § [9-601c](#)]

#### **4. Independent Expenditures**

"Independent expenditures" occur when a political committee makes an expenditure to promote the success or defeat of a candidate without the consent, knowing participation, or consultation of, a candidate or agent of the candidate committee. An independent expenditure does not count as a contribution to the candidate who received the benefit of the independent expenditure. However, such expenditure may impact the political committee making it and the candidates that it supports or opposes. Independent expenditures are not "coordinated expenditures."

It is important to understand the distinction between independent and non-independent activities, i.e., those coordinated with a candidate. Because the rules regarding each type of expenditure have very differing consequences, committees should take extra care to ensure that their activities are truly independent when making such expenditures.

The deadline to submit an independent expenditure report is dependent on the amount and date on which the expenditure was made in relation to the primary/election. For more information on how and when to report independent expenditures, please see **Chapter VII. Reporting Information**.

[General Statutes § [9-601c](#)]

#### **5. Joint Fundraising Events to Benefit Two or More Committees**

Two or more political committees may form a separate political committee for the purpose of holding one or more fundraising affairs to benefit the committees. A political committee may also form a separate political committee with a party committee for the purpose of holding one or more fundraising affairs, but may not do so with a candidate committee.

Alternatively, a political committee may throw a joint fundraiser with another political committee (or a party committee or candidate committee) without forming a separate



political committee as long as contributors write separate checks out to each involved committee. Each participating committee should pay its proportional share of the cost of the event and include its attribution on any communications concerning the event.

[General Statutes § [9-609\(a\)](#)]

## 6. Committee Worker Reimbursements

The committee may reimburse a committee worker if: (a) the worker has paid the expense from his or her own personal funds or personal credit card; (b) the treasurer authorized the expenditure; (c) the worker provides the treasurer with a written receipt from the vendor proving payment by the worker; (d) the expenditure is for a lawful purpose of the committee; and (e) the expenditure is not a contribution to any other committee. When a committee worker uses personal funds to make authorized expenditures on behalf of the committee and seeks reimbursement, the payment made by the worker will be deemed a contribution to the committee unless the committee reimburses the worker within a reasonable time. Previously, the Commission has determined that 45 days from the date an expenditure was made or incurred would satisfy this reasonableness test. Imposing this time limit on reimbursement prevents a committee worker from inadvertently making an excessive contribution by, in effect, loaning the committee money.

[General Statutes § [9-607\(g\)\(2\)\(O\)](#)]

## 7. Petty Cash Funds

The treasurer of a political committee is permitted to establish a single petty cash fund by drawing a check on the committee's account in an amount which may not exceed \$100. The treasurer reports the check as being made out to "cash." The treasurer may replenish the petty cash fund from time to time, provided that the total balance of the fund may never exceed \$100, and provided further that the fund is not replenished more than twice in any seven day period.

Expenditures made from a petty cash fund are limited to \$25 per transaction (i.e. purchase of supplies for the committee). The treasurer must maintain a written account of all petty cash expenditure disbursements and internal records documenting how the money was spent (i.e. copies of receipts).

The committee treasurer reports any petty cash returned in Section K, "Miscellaneous Monetary Receipts not Considered Contributions," of the [SEEC Form 20](#).

[General Statutes § [9-607\(e\)](#); Regs., Conn. State Agencies § [9-333i-1](#)]

## 8. Computers

A committee may purchase a computer at fair market value. A computer purchased with committee funds should be used exclusively for the committee; no personal, business or non-committee use of the computer is permitted by law.

Alternatively, a committee may choose to lease or rent a computer from any source at fair market value. A **written** memorandum of the terms of the rental agreement must be made, signed and dated, and kept as an internal record of the committee. The committee's payments under the lease must be reported as expenditures. Leasing a computer to the committee at less than the fair rental value is an in-kind contribution and must be reported accordingly. Contributors may only make an in-kind contribution



of a computer up to the applicable contribution limit; a discounted lease arrangement valued at more than this limit would constitute an excessive contribution. Sources that may not properly make contributions to the committee, such as business entities, can only lease the computer at fair rental value.

[General Statutes § [9-607\(g\)\(2\), \(3\), and \(4\)](#)]

An individual may perform committee work on a personal computer owned by such individual and the computer will not be considered an in-kind contribution. The individual may be the committee chairperson, the committee treasurer or any other committee worker. Use of one's own computer while working for a committee is not a contribution and does not need to be reimbursed or reported by the committee. However, loaning computers to the committee without charge is considered an in-kind contribution and is permissible only if it comes from a source that may make contributions. The loan of the computer is also subject to the aggregate contribution limits applicable to such donor.

[General Statutes § [9-601a\(b\)\(4\) and \(18\)](#) (as amended by [P.A. 10-1](#) and [P.A.11-48](#))]

Purchased computers may be sold to any buyer for fair market value. Leased computers must be returned upon termination of the lease.

## 9. Attribution Requirements for Written Communications

When a political committee expends funds on "written, typed or printed communications or web-based written communications," certain attributions are required, whether the communication supports or opposes a candidate, party, or referendum question, or solicits funds. The communications can take many forms, and may consist of letters, brochures, circulars, e-mails, websites and other web-based communications, billboards, transit advertisements, newspaper advertisements and similar communications, as well as campaign signs that are greater than 32 square feet in surface area.

Any political committee which finances such communications must include on the face of the communication the text "**Paid for by,**" **together with the full name of the sponsoring committee and the name of its treasurer.** The Commission has held that a political committee may abbreviate its name in the attribution if it has indicated the abbreviation as its "acronym" on the committee registration statement.

This attribution must also be included when the political committee expends funds on any of the following communications:

- Television or Internet video advertising;
- Radio or Internet radio advertising; and
- Automated telephone calls ("robo" calls).

If a political committee's communication supports or opposes a candidate and is done with the consent of, in coordination with, or in consultation with a candidate or his candidate committee or agent, the communication's attribution must also include on its face the text "**Approved by,**" **followed by the name of the candidate.** This includes party candidate listings done as organization expenditures by a legislative leadership or legislative caucus committee. If a legislative leadership or legislative caucus committee sponsors a communication that features five or more candidates, the



Commission will not otherwise take any action against a committee whose attribution includes only "Approved by," followed by a broad reference to the candidates (i.e., "Approved by the Above Listed Candidates"), rather than all of the candidates' names, as long as they are all otherwise identified in the communication.

[General Statutes § [9-621\(a\), \(b\), and \(c\)](#) (as amended by [P.A. 10-187](#)); [Declaratory Ruling 2011-01](#)]

Attributions are **not** required for "political paraphernalia" such as pins, badges, hats, rulers, calendars, bumper stickers, or other give away items which have a utilitarian purpose beyond the campaign message. Campaign signs which have a surface area of 32 square feet or less (such as lawn signs) and banners are also exempt from the attribution requirements.

[General Statutes § [9-621\(d\)](#)]

## 10. Testimonial Affairs

A testimonial affair is an event held in honor of a candidate or in honor of an individual who holds elective office during the term of office. Political committees must be mindful when expending funds for a testimonial affair. No testimonial affair may be held unless its purpose is to raise funds for that individual's **candidate committee**. There are two exceptions to this rule:

- A retirement party may be held for an individual who has announced his intent to retire from public office, unless he has a deficit outstanding from any one of his prior campaigns, in which case the proceeds must be used to eliminate the deficit; or
- A testimonial may be held by an entity duly organized for charitable purposes, provided that all proceeds go to the charity.

Anyone who organizes an improper testimonial or fundraiser is subject to civil and potentially criminal liability.

If a political committee conducts a testimonial affair to benefit a candidate or elected official, the net proceeds must be given to the individual's candidate committee and are subject to the aggregate limits applicable to the candidate committee. For example, individuals purchasing tickets to the testimonial are considered to have made a contribution to the candidate committee for the full amount of the purchase price. In addition, the expenses paid by the sponsoring committee must be reported as an in-kind contribution made by that committee and received by the candidate committee. The sponsoring committee's treasurer must provide the written valuation notice required for in-kind contributions.

**Important Note:** Where a political committee wants to have an officeholder or candidate present at its fundraising event but does not wish the event to be a testimonial for that individual (i.e. it does not intend to give funds raised to the candidate's campaign but wants to keep all funds raised for itself), the political committee should be careful in how it references the officeholder or candidate in any invitation to the event, if at all, so that the invitation does not suggest the event is essentially a testimonial with funds improperly being kept by the political committee.

[General Statutes § [9-609\(b\)](#)]



## **B. Impermissible Expenditures**

### **1. Contributions to a Candidate who Established or Controls the Committee**

A political committee which is established or controlled by an elected official or candidate for elective office, or his/her agent, may not make contributions to that official/candidate's candidate committee.

[General Statutes § [9-604\(c\)](#)]

### **2. Prohibition on Gifts, Compensation and Honoraria to Elected Officials**

No political committee may make a gift to, compensate or provide an honorarium to any elected public official for any speaking engagement or other services rendered on the committee's behalf except through such public official's candidate committee, if applicable. However, a public official may be reimbursed for actual travel and food and beverage expenses incurred by the official or member of the official's immediate family in connection with the engagement. In addition, the political committee may make a contribution to the official's candidate committee in connection with the engagement provided that it is reported on the committee's campaign finance disclosure statement and the candidate neither established nor controls the committee. Candidates participating in the CEP cannot receive such contributions.

[General Statutes § [9-607\(h\)](#)]

### **3. Personal Use**

No goods, services, funds or contributions received by any political committee may be made available for the personal use of any candidate or individual. Expenditures for "personal use" include expenditures to defray normal living expenses for a candidate, the immediate family of a candidate, or any other individual (such as committee chairperson or treasurer). Expenditures for personal use are those that have no direct connection with, or effect upon, the lawful purpose of the committee. Examples of such expenditures include rent or mortgage payments for residential or business purposes, clothing, shoes, groceries, and personal subscriptions. This prohibition is not applicable to reimbursements to candidates or committee workers for goods and services purchased by them for committee purposes.

[General Statutes § [9-607\(g\)\(2\)\(L\) and \(4\)](#)]

### **4. Vote Buying and Selling**

No person may knowingly give, lend or promise to give or lend any money or other valuable consideration to any other person to influence the other person to vote, or refrain from voting for or against any candidate. Any person who votes for or against any candidate in consideration of any gift or other valuable consideration received shall be guilty of illegal practices.

[General Statutes § [9-622\(1\)](#)]



## VII. Reporting Information

### A. Who Reports?

The treasurer or, in the treasurer's absence or inability, the deputy treasurer, is required to file all financial disclosure statements.

[General Statutes §§ [9-601\(13\)](#), [9-608\(a\)](#)]

### B. How and Where to Report?

The [SEEC Form 20](#) "Itemized Campaign Finance Disclosure Statement" or, if applicable, the [SEEC Form 21](#) "Short Form Finance Disclosure Statement," must be filed with the filing repository with which the committee is registered (i.e. the State Elections Enforcement Commission or the Town Clerk). For more information on the appropriate repository, see **Chapter II. The Role of the Committee Chairperson.**

All ongoing political committees are required to file a [SEEC Form 20](#) for their filings due January 10<sup>th</sup> and on the 7<sup>th</sup> day preceding an election. With the exception of these filings, an ongoing political committee may use a [SEEC Form 21](#) when it has not received contributions or other funds or made or incurred expenditures in excess of \$1,000 from January 1<sup>st</sup> of the calendar year through the close of the reporting period covered by the statement. Once the committee exceeds that amount, it is required to file the [SEEC Form 20](#) and must continue to use the [SEEC Form 20](#) for all of the committee's remaining required financial disclosure statements for that calendar year. Further, the first [SEEC Form 20](#) filed in each calendar year must include **all** of the reportable financial transactions which have occurred since January 1<sup>st</sup> of the calendar year through the end of the reporting period covering the first [SEEC Form 20](#). Accordingly, the committee treasurer **must** keep track of all information from the beginning of the year, regardless of the amount received or spent.

A political committee formed for a single primary or election need not file a [SEEC Form 20](#) unless and until it receives or expends in excess of \$1,000 for purposes of the primary or election for which such committee was formed. If it never reaches this threshold, it may continue to file a [SEEC Form 21](#) throughout its duration. If it exceeds the \$1,000 threshold, it is required to file the [SEEC Form 20](#) and must continue to use the [SEEC Form 20](#) for all of the committee's remaining required financial disclosure statements. The first [SEEC Form 20](#) must include **all** of the reportable financial transactions which have occurred since inception.

[General Statutes § [9-608\(b\)](#)]

**EXAMPLE:** An ongoing political committee does not raise or spend more than \$1,000 from January 1<sup>st</sup> to March 31<sup>st</sup> of this year. The treasurer files a [SEEC Form 21](#) (Short Form) for the April 10<sup>th</sup> filing. By June 30, the committee exceeds the \$1,000 threshold, requiring the treasurer to file the [SEEC Form 20](#) for the July 10<sup>th</sup> filing, covering all financial activity between January 1<sup>st</sup> and June 30<sup>th</sup>. The committee must file all subsequent reports using the [SEEC Form 20](#) for the rest of the calendar year.



## C. Electronic Filing

Political committees registered with the State Elections Enforcement Commission are permitted to file any financial disclosure statements required by General Statutes § [9-608](#) in electronic form. Town clerks cannot accept filings electronically.

The Commission's Electronic Campaign Reporting Information System ("eCRIS") enables campaign treasurers to electronically submit required committee registration information and campaign finance statements detailing the receipts and expenditures of the committee. In addition, eCRIS provides its users with prompts and alerts treasurers to potential compliance issues. This tool is available to political committees and is fully supported by our eCRIS helpdesk.

eCRIS users may also benefit from the following:

- Treasurers can upload campaign finance data into eCRIS from Excel and other campaign management software applications using eCRIS's online interface;
- Treasurers may assign the data entry function to another individual and review the report for errors before filing;
- Treasurers can make amendments to previously filed registration or disclosure statements quickly; and
- Calculations required by law are system-generated, including aggregates for contributions and expenditures, thereby reducing potential errors.

The website for eCRIS is located at <http://seec.ct.gov/eCris/eCrisHome.aspx>.

## D. What Information Must Be Reported?

All monetary receipts, whether or not such receipts constitute contributions, must be reported in the period received, as well as all non-monetary receipts that constitute contributions (i.e. in-kind contributions). Non-monetary receipts received in connection with a fundraising affair, whether or not they constitute contributions, and expenditures made by the committee must also be reported on the financial disclosure statement.

The treasurer may electronically replicate a campaign finance statement and file a computer print-out or, if necessary, may use the pre-printed paper form prescribed by the State Elections Enforcement Commission which may include, where necessary, typed schedules and attachments. When using computer spreadsheets or forms, or other schedules or attachments, it is important to duplicate the section headings and all of the data elements that appear in [SEEC Form 20](#).

[General Statutes § [9-608\(c\)](#)]

### 1. Reporting Receipts

#### a. Contributions from Individuals

Monetary contributions received from an individual that are \$50 or less in the aggregate during the calendar year (or since inception in the case of a political committee established for a single primary, election, or referendum) do not require disclosure of the contributor's name and address and can be entered in Section A



entitled "Total Contributions From Small Contributors--This Period Only." However, the treasurer must still keep an **internal record** of the contributor's name and address so that the contribution can be aggregated with any other contributions that the individual has made or will make in that calendar year (or since inception in the case of a political committee established for a single primary, election, or referendum). The treasurer may also choose to itemize contributions that are \$50 or less in Section B entitled "Contributions from Individuals over \$50 in the Aggregate."

All monetary contributions in excess of \$50 must be itemized in Section B. Moreover, when monetary contributions exceed \$50 for the calendar year (or since inception in the case of a political committee established for a single primary, election, or referendum) from an individual who was previously reported as a small contributor in Section A, the contributor must be itemized in Section B on the next scheduled statement.

All non-monetary contributions are to be itemized as in-kind contributions in Section M of [SEEC Form 20](#), regardless of amount.

[General Statutes § [9-608\(c\)\(1\) and \(4\)](#)]

Monetary contributions received from an individual that are over \$50 in the aggregate for the calendar year (or since inception in the case of a political committee established for a single primary, election, or referendum) and all non-monetary contributions require disclosure of the donor's name, address, amount received during the relevant reporting period, method of contribution, date of the contribution, the aggregate amount given, and whether the contributor is a lobbyist or the spouse or dependent child of a lobbyist. Moreover, if the political committee is authorized to contribute to Statewide Office or General Assembly candidates, the individual must also provide with the contribution a certification that she is not a principal of a state contractor or prospective state contractor.

[General Statutes § [9-608\(c\)\(1\) and \(3\)](#)]

For individuals who contribute to the committee in excess of \$100 in the aggregate for the calendar year (or since inception in the case of a political committee established for a single primary, election, or referendum), the treasurer must also obtain and report their principal occupation and name of employer to the extent known.

[General Statutes § [9-608\(c\)\(1\)](#)]

If a committee treasurer of a political committee authorized to contribute to Statewide Office and/or General Assembly candidates receives a contribution over \$50 that does not include a state contractor certification, the treasurer shall: (A) not later than three days after receiving the contribution, send the contributor a request for the certification by certified mail, return receipt requested; (B) not deposit the contribution until the certification is received; and (C) return the contribution to the contributor if the contributor does not submit the certification not later than fourteen days after the treasurer's written request or at the end of the reporting period in which the contribution was received, whichever is later.

[General Statutes § [9-608\(c\)\(3\)](#)]



Anonymous monetary receipts of \$15 or less during the reporting period are reported in Section I “Anonymous Contributions,” and must include the denomination of the bills and the total value of all coins received anonymously.

**Important Note (2012 Law Change):** Effective January 1, 2012, anonymous monetary receipts in any amount may not be deposited.

[General Statutes §§ [9-608\(c\)\(1\)\(B\)](#), [9-606\(b\)](#) (as amended by [P.A.11-48](#))]

Monetary receipts in the form of personal checks written on joint accounts should be attributed to the individual who signs the check. If both individuals on a joint checking account sign the check, then the contribution should be allocated equally between them.

**Important Note (2012 Law Change):** Effective January 1, 2012, if a joint check is accompanied by a written statement from the joint bank account holders indicating that the contribution should be allocated differently, then the check must be allocated in accordance with such statement.

**EXAMPLE:** John and Jane Doe have a joint bank account. John signs a \$1,000 contribution check to a political committee. On a contribution card signed by both John and Jane, they indicate that they would like \$250 of the contribution to be from Jane and \$750 of the contribution to be from John. The committee should report a \$250 contribution from Jane and a \$750 contribution from John in Section B of the [SEEC Form 20](#).

[General Statutes § [9-606\(b\)](#) (as amended by [P.A.11-48](#))]

A monetary receipt in the form of a money order is considered to be “cash” and should be reported as such. There is a limit of \$100 of aggregated contributions made by cash or money order per individual per calendar year.

[General Statutes § [9-611\(d\)](#)]

### **b. Loans**

All loans are reported in Section D, “Loans Received this Period,” of [SEEC Form 20](#), regardless of whether they are considered contributions. The treasurer must report the name and address of any bank or other lender which has made a loan to the committee, the principal amount of the loan received in the reporting period, along with the name and address of any person who is a guarantor or cosigner of the loan. Outstanding loan balances must be continuously reported as a debt, on the “Summary Page” of [SEEC Form 20](#).

[General Statutes § [9-608\(c\)\(1\)\(E\)](#)]

### **c. Contributions from Other Committees**

Any monetary receipt from another committee must be reported as either a contribution, and disclosed in Section C1, “Contributions from Other Committees,” or as a reimbursement, payment, or surplus distribution from the committee that is not a contribution in Section C2, “Reimbursements, Payments, or Surplus Distributions from Other Committees” (see applicable limitations in **Chapter IV. Raising Funds for Your Committee**). Any non-monetary contribution received from another committee must be disclosed in Section M, “In-Kind Contributions.”



#### **d. Monetary Receipts not Considered Contributions**

All other monetary receipts that are not contributions must be disclosed. Examples include interest posted or received from deposits in authorized investment accounts (reported as "Interest from Deposits in Authorized Accounts," Section J); bank credits or refunds (reported as "Miscellaneous Monetary Receipts not Considered Contributions," Section K); and certain other monetary receipts from fundraisers in Section L2.

#### **e. Transfer of Funds from Affiliated Business Entity**

For a political committee established by a business entity, the amount and date of funds transferred from the business entity treasury to pay for certain expenses (see **Chapter IV. Raising Funds for Your Committee** for more information), must be reported in Section F, "Amount Transferred from Affiliated Business Treasury."

#### **f. Transfer of Funds from Affiliated Organization**

For a political committee which has elected to be funded exclusively from the treasury of its affiliated organization (see **Chapter IV. Raising Funds for Your Committee** for more information), the amount and date of funds transferred from the organization's treasury must be reported in Section G, "Amount Transferred from Parent Organization."

### **2. Reporting Fundraising Events**

The treasurer is required to disclose all receipts of a fundraiser whether or not such receipt constitutes a contribution to the committee. Each fundraising affair, including the date, location, and a description, is required to be reported in Section L1 "Fundraiser Event Information" of Part II of [SEEC Form 20](#). All monetary receipts received at the given event which are contributions may be recorded as an aggregate amount if the contributor has contributed \$50 or less in the aggregate during the calendar year (enter in Section A of Part I of [SEEC Form 20](#)). If the contributor's total contributions given to the committee exceed \$50 for the calendar year, the contributor must be itemized in Section B of Part I. The treasurer must identify the corresponding fundraising event at which the given contribution was received in Section B as well. The purchase of fundraising tickets are considered contributions, and therefore must be reported in the appropriate section, dependent upon the amount purchased by the contributor and the aggregate amount of other contributions by the same contributor.

Each non-monetary receipt received at the event which is a contribution must be itemized as an in-kind contribution in Section M of [SEEC Form 20](#). Again, the treasurer must identify the fundraising event listed in L1 at which the given in-kind contribution was received.

The donations received in connection with a fundraising affair that do not constitute contributions must be disclosed in Section L4, "In-Kind Donations Not Considered Contributions," of Part II of [SEEC Form 20](#). Such itemizations must include the name and address of each such donor and the corresponding amount.

The treasurer must also separately itemize each expenditure made by the committee in connection with the fundraising affair in the same manner as any other committee expenditure in Section IV "Expenditures" of the [SEEC Form 20](#).

[General Statutes § [9-608\(c\)\(1\) and \(4\)](#)]



**Important Note:** Political committees should not be entering information in Section L3, "Purchases of Advertising in a Program Book," on the [SEEC Form 20](#) because this exemption does not apply to political committees.

### 3. Reporting Expenditures

Expenditures are reported in Section P, "Expenses Paid by Committee," of the [SEEC Form 20](#). Each expenditure, regardless of the amount, must be separately itemized with the following information:

- Payee's full name and address;
- Amount, date, description, and method of payment;
- Expenditure Code identifying the purpose of the expenditure (*Expenditure Codes are listed in the [SEEC Form 20 instructions](#)*); and
- If applicable, candidate supported or opposed by the expenditure, whether the expenditure is made independently of the candidate or is a coordinated or organization expenditure, and whether reimbursement is claimed from the political committee.

#### a. In-Kind Contributions to Other Committees

Each treasurer of a political committee which makes an in-kind contribution of goods or items to another committee is required to send written notice to the recipient committee's treasurer before the close of the recipient committee's next financial disclosure statement covering the period in which the in-kind contribution was received. The treasurer of the political committee is required to sign the valuation notice, which must include the full name of the committee, the date on which the in-kind contribution of goods was made, along with a complete description of the item and its value. While a written valuation notice is not similarly required for donated "services" (i.e. paid campaign staff which is loaned to the other committee), the recipient committee's treasurer is nevertheless required to make due inquiry of the donor committee as to the value of the in-kind services loaned and report the same in its next financial disclosure statement, covering the period of loaned services, as an in-kind contribution.

[General Statutes § [9-606\(a\)](#)]

**Important Note:** Candidate committees participating in the CEP may not accept in-kind contributions.

#### b. Organization Expenditures

Each statement filed by the treasurer of a legislative leadership or legislative caucus committee shall include an itemized accounting of each organization expenditure made by the committee for the benefit of a General Assembly candidate. Organization expenditures must be reported in Section P of [SEEC Form 20](#), checking off the appropriate type of organization expenditure.

The treasurer must also send notice of the organization expenditure to the recipient committee before the close of the reporting period in which the expenditure was made. The notice should be signed by the treasurer of the legislative leadership or



caucus committee and include the full name of the committee, the date on which the expenditure was made, and a complete description of the expenditure.

**Important Note (2012 Law Change):** Effective January 1, 2012, the Commission will post on its website a list of all organization expenditures reported by a legislative leadership or legislative caucus committee after that date, including the name of the committee, the committee receiving the expenditure, and the date and purpose of the expenditure. See [Public Act 11-48](#).

[General Statutes §§ [9-601\(25\)](#), [9-608\(c\)\(5\)](#)]

#### **c. Expenses Incurred but Not Paid**

Each expense incurred but not yet paid must **also** be separately itemized in the same manner as expenditures paid, including the disclosure of any secondary payees. Expenses incurred but not paid are reported in Section S, “Expenses Incurred by Committee but Not Paid During this Period.” The obligation to report expenses incurred arises when the committee enters into a written contract, promise or agreement to make an expenditure. For example, if a political committee purchases mailers that it distributes in June but is not billed for them until August, the committee would report the expense in Section S of its July 10<sup>th</sup> filing.

[General Statutes §§ [9-601b\(c\)](#), [9-606\(a\)](#), [9-608\(c\)\(1\)](#)]

#### **d. Loan Repayments**

Loan repayments are reported in Section P. The name and address of each bank or other lender, and the amount and date of the repayment or partial repayment (principal plus interest) on the loan during the applicable reporting period must be reported. When reporting a loan repayment, use “LOAN” as the Expenditure Code.

[General Statutes § [9-608\(c\)\(1\)](#)]

#### **e. Expenditures Coordinated with Other Committees**

Political committees must report expenditures made in coordination with other committees in Section P, checking off the appropriate type of coordinated expenditure and indicating the name or names of the candidates supported. Where the political committee does not seek reimbursement, it will indicate so in the entry and the recipient candidate committee will report the expenditure as an in-kind contribution on its financial disclosure statement. The political committee may choose to seek reimbursement for any expenditure it has made for the benefit of a candidate committee (unless the candidate is participating in the CEP and has received a public grant), provided notice of a description of the expenditure and the amount of reimbursement being sought is given to the candidate committee’s treasurer by the close of the candidate committee’s reporting period in which the political committee’s expenditure was made. In completing Section P, the political committee will indicate that the expense was coordinated with reimbursement sought. The political committee will then report the payment from the candidate committee as a reimbursement from another committee in Section C2 of [SEEC Form 20](#). The candidate committee will not report this as an in-kind contribution; it will report its reimbursement as an expenditure to the political committee.

[General Statutes § [9-601c](#)]



#### **f. Independent Expenditures**

Any political committee which makes or obligates to make an independent expenditure intended to promote the success or defeat of a Statewide Office or General Assembly candidate must report the same at the first dollar on their [SEEC Form 20](#). Such expenditures are reported in Section P, checking off "Independent" as the appropriate type of expenditure and indicating the name or names of the candidate(s) supported or opposed.

In addition, if the political committee makes or obligates to make an independent expenditure in excess of \$1,000 in the aggregate to such a candidate more than 90 days before the day of a primary or election, the treasurer must file an independent expenditure report using the [SEEC Form 20](#) and disclose the expenditure not later than 48 hours after the expenditure is made or obligated. If the political committee makes or obligates to make such independent expenditure 90 days or less before the day of a primary or election, the treasurer must file the report not later than 24 hours after the expenditure is made or obligated. On the summary page of the [SEEC Form 20](#), the treasurer will check off "Independent Expenditure" as the "Type of Report," and specify whether the expenditure is made in association with a "Primary" or "Election." The report must include a statement identifying the candidate(s) for whom the independent expenditure is intended to promote the success or defeat and affirming that the expenditure is not coordinated. The period covered for this report will start on the first day not included on the last filed financial disclosure statement and end on the date the expenditure was made or incurred.

If a political committee fails to file a required report for an independent expenditure made or obligated to be made more than 90 days before the day of a primary or election, the treasurer shall be subject to a civil penalty of up to \$5,000. If a treasurer fails to file a required report for an independent expenditure made or obligated to be made 90 or less days before the day of a primary or election, the treasurer shall be subject to a civil penalty of up to \$10,000. If any such failure to file is knowing and willful, the treasurer shall be liable for fines up to \$5,000 and potential imprisonment of up to five years or both.

[General Statutes § [9-612\(e\)](#) (as amended by [P.A. 10-187](#))]

**Important Note:** All Independent Expenditure reports by political committees are filed with the filing repository where they are registered and normally file their financial disclosure statements.

#### **g. Reimbursements to Committee Workers**

Each expenditure that is a reimbursement to a committee worker must be treated as any other expenditure and must include an itemization of any payments to secondary payees (e.g. the vendors who transacted with the committee worker). Such reimbursements are reported in Section P, using "RCW" as the Expenditure Code. In a separate section of [SEEC Form 20](#), Section T, "Itemization of Reimbursements to Committee Workers and Consultants," the treasurer must itemize what the worker was reimbursed for. This section will not affect the balance on hand and need not be carried forward to the "Summary Page."

[General Statutes §§ [9-607\(j\)](#), [9-608\(c\)\(1\)](#)]



#### **h. Payments to Consultants**

If a consultant is paid by the committee to provide services, the committee treasurer must report the payment in Section P. If the consultant pays other vendors (secondary payees) for committee-related expenses, then the committee's payment to the consultant to cover such expenses must also be reported in a separate section of [SEEC Form 20](#), Section T, "Itemization of Reimbursements to Committee Workers and Consultants."

[General Statutes §§ [9-607\(j\)](#), [9-608\(c\)\(1\)](#); [Regs., Conn. State Agencies § 9-607-1](#)]

### **E. When to File?**

The treasurer of a political committee must file a financial disclosure statement with the appropriate filing repository by the following deadline dates:

- For a newly formed committee, with its registration statement if it received its first contribution or disbursement at or before the time of registration, or, if it has not, within 48 hours of such initial receipt
- The 10<sup>th</sup> day of January, April, July and October
- The 7<sup>th</sup> day prior to a regular November state election (all political committees must file this statement in even years, regardless of whether they have raised or spent funds in connection with the election)
- The 7<sup>th</sup> day prior to each municipal election, whether in May or November, if the committee has received or expended funds in connection with the election
- The 7<sup>th</sup> day prior to any primary if the committee has received or expended funds in connection with the primary
- The 7<sup>th</sup> day prior to any referendum if the committee has received or expended funds in connection with the referendum
- The 7<sup>th</sup> day prior to any special election if the committee has received or expended funds in connection with the special election
- The 7<sup>th</sup> day of February in the case of a political committee formed for a single election or referendum falling on the general election date
- The 45<sup>th</sup> day after any election not held in November in the case of a political committee formed for a single primary, election or referendum not held in November
- The 97<sup>th</sup> day after any election not held in November in the case of a political committee formed for a single primary, election or referendum not held in November
- Within 48 hours of an independent expenditure or independent expenditures exceeding \$1,000 in the aggregate that is made or obligated to be made more than 90 days before the day of a primary or election



- Within 24 hours of an independent expenditure or independent expenditures exceeding \$1,000 in the aggregate that is made or obligated to be made 90 days or less before the day of the primary or election

If such **deadline date** falls on a Saturday, Sunday or legal holiday, the financial disclosure statement shall be filed on the next business day, **with the exception of an independent expenditure report** concerning a Statewide Office or General Assembly candidate, which must still be filed within 24 or 48 hours of the expenditure even if the deadline falls on a weekend or holiday. Filings must be submitted at some time during the filing period, which begins the day after the conclusion of the reporting period and ends on the filing deadline date. A more specific calendar, with the actual filing dates and reporting periods, is available on the State Elections Enforcement Commission's website and from any Town Clerk's office.

The **reporting period** for each disclosure statement filed by a political committee on the 10<sup>th</sup> day of January, April, July and October must include the financial activity of the committee beginning the first day not included on the last filed financial disclosure statement and ending on the last day of the month preceding the month in which the statement is required to be filed. Each disclosure statement filed on the 7<sup>th</sup> day preceding an election day or primary day, however, must include the financial activity of the committee beginning the first day not included on the last filed financial disclosure statement and ending as of seven days immediately preceding the required filing deadline day.

Statements are considered **timely filed** if they are either filed electronically via eCRIS with the State Elections Enforcement Commission (if the appropriate repository) before midnight on or before the filing deadline date, postmarked by the United States Postal Service before midnight on or before the required filing deadline date, or delivered by hand to the appropriate filing repository by 4:30 p.m. on or before the filing deadline date. Please note that Town Clerks are not equipped to accept electronically filed statements.

**Important Note:** Some Town Clerk's offices may not have office hours or may have shortened office hours on a filing deadline day. This does not relieve the treasurer of filing by the deadline, so be sure to confirm the office hours of the Town Clerk if delivery by hand is anticipated.

[General Statutes §§ [1-2a](#), [9-605\(b\)](#), [9-608\(a\)](#), [\(d\)](#), and [\(e\)](#)]

**Important Note (2012 Law Change):** Effective January 1, 2012, for political committees registered with the Commission, filings sent by mail are no longer considered timely if postmarked by the filing deadline date – **they must actually be received by the Commission's offices by 5:00 p.m. on the filing deadline date in order to be deemed timely.** Committees seeking confirmation of receipt should check their committee's filing status on eCRIS. If the committee's filing repository is the town clerk, then statements are still considered timely filed if they are either postmarked by the United States Postal Service before midnight on or before the required filing deadline date or delivered by hand to the town clerk by the close of business on or before the required filing deadline date. See [Public Act 11-48](#).



## F. Late Filing Fees

Failure to file the financial disclosure statement by the applicable deadline date subjects the treasurer to an automatic \$100 late filing fee. The treasurer is personally responsible for the fine; **committee funds may not be used**. Late filing fees are payable to the State Elections Enforcement Commission, Campaign Finance and Disclosure Unit, if the Commission is the committee's filing repository, or to the Town Clerk if that is the proper filing repository. This fine is **mandatory** regardless of the reason for the late filing.

In addition, a treasurer's failure to submit these filings within seven days after receiving a failure to file notice from the Town Clerk by certified mail, return receipt requested, and/or within 21 days after notice from the State Elections Enforcement Commission, will constitute a violation of General Statutes § [9-608](#) and will subject the treasurer to an additional civil penalty between \$200 and \$2,000. These additional fines and penalties are enforced by the State Elections Enforcement Commission, and the Town Clerk is required to refer such failures to the Commission in a timely fashion after the seven day late period expires.

[General Statutes § [9-623](#)]

## G. Copies of Disclosure Statements

The treasurer must provide the committee chairperson with a duplicate copy of the financial disclosure statement at the time of filing.

[General Statutes § [9-608\(d\)](#)]

The registration and financial disclosure statements filed on behalf of political committees are available for public inspection at the applicable filing repository. These statements are required to be kept by the filing repository for five years from the date of filing.

[General Statutes § [9-608\(c\)\(7\)](#)]

# VIII. Terminating a Political Committee

## A. Political Committees Established for a Single Primary or Election

A political committee established for a single primary or election must distribute its surplus within ninety days of the primary or election for which it was established if not held in November or by January 31<sup>st</sup> if the election for which it was established was held in November.

**Important Note (2012 Law Change):** Effective January 1, 2012, a political committee established for a single primary or election will have distribute its surplus within 120 days of the primary or election for which it was established if not held in November or by March 31<sup>st</sup> if the election for which it was established was held in November. See [Public Act 11-48](#).



The committee must distribute its surplus to one or more of the following:

- A party committee;
- An ongoing political committee;
- All contributors to the committee on a prorated basis of contribution;
- The Citizens' Election Fund; or
- A tax-exempt, tax-deductible organization under Section 501(c)(3) of the Internal Revenue Code.

If the political committee was established by an organization which received its funds from the organization's treasury, then it must return its entire surplus to the organization.

The committee must terminate (checking off "Termination" as the type of report) within **seven days** of distributing its surplus. In the case of a committee established for a November election, the termination must occur by February 7<sup>th</sup> (or April 7<sup>th</sup> after January 1, 2012 pursuant to [Public Act 11-48](#)).

In the event of a **deficit**, the committee treasurer must file a supplemental statement (checking off "Deficit" as the type of report) ninety days after the election or primary for which it was established if not held in November or on the seventh day of February (or the next business day if such day is a Saturday, Sunday, or legal holiday) if the election for which it was established was held in November. Thereafter, the treasurer must file on the seventh day of each month following if on the last day of the previous month there was an increase or decrease in the deficit of more than \$500 from that reported on the last statement filed. Such supplemental statements must continue to be filed until the deficit is eliminated. A political committee established for a single primary or election may raise funds after the primary or election only to eliminate a deficit.

[General Statutes § [9-608\(e\)](#) (as amended by [P.A.11-48](#))]

**Important Note:** The surplus distribution options for a political committee formed for a single **referendum** are different. Moreover, such a committee is not required to expend its surplus within ninety days of the referendum if a substantially similar referendum question on the same issue will be submitted to the electorate within six months of the referendum. Rather, the committee may stay in existence for one or more substantially similar referenda and must expend its surplus within ninety days following the date of the last related referendum. Please see the Commission's [A Guide to Financing a Referendum Question](#), available on its website, for more information on referendum committees and the applicable surplus distribution rules.

## B. Ongoing Political Committees

An ongoing political committee may terminate after it has spent down its balance. This can be accomplished by making permissible expenditures or contributions, as outlined in **Chapter VI. Spending Committee Funds**, with the remaining balance. An ongoing political committee may not terminate if it has a deficit. Once the balance has reached zero, the committee accomplishes termination by filing a [SEEC Form 20](#), checking off "Termination" as the type of report.



**Important Note:** An ongoing political committee cannot distribute its balance in the same manner as a political committee established for a single primary or election can distribute its surplus. Rather, an ongoing political committee must spend down its balance by making permissible expenditures and/or contributions.

[General Statutes §§ [9-607\(g\)](#), [9-608\(e\)](#)]

## IX. Complaints

### A. Who May Bring a Complaint?

Any individual may bring a complaint to the State Elections Enforcement Commission requesting that an investigation be made into any alleged violation of the state election or campaign finance laws. The State Elections Enforcement Commission may, on its own initiative, also decide to conduct an investigation on any possible violation of the state election or campaign finance laws.

[General Statutes § [9-7b\(1\)](#)]

### B. Form of Complaint

All complaints filed with the Commission must be in writing and sworn to under oath by the complainant. A [complaint form](#) is available at the State Elections Enforcement Commission's offices and on its website ([www.ct.gov/seec](http://www.ct.gov/seec)) and may be used to file complaints. A complaint may also be filed in letter form provided that it is sworn to under oath. Complaints must be submitted with an original signature of the complainant. No copies or facsimiles will be accepted.

Complaints should include the following:

- The legal name, address and telephone number of the person filing the complaint.
- A clear and concise statement of the facts including:
  - The date of the alleged violation(s);
  - The identity of the person(s) alleged to have committed the violation(s);
  - The identity of any person(s) who may have knowledge of the facts asserted in the complaint; and
  - Any other document, written material or other information known to the complainant and having a bearing on the violation(s) alleged in the complaint.

Complaints should be mailed to:

State Elections Enforcement Commission  
Attn: Legal Unit – Enforcement  
20 Trinity Street  
Hartford, CT 06106



## C. General Criminal and Civil Penalties

Any person who violates any provision of Connecticut's campaign finance laws is subject to a civil penalty not to exceed \$2,000 or twice the amount of the improper contribution or payment, whichever is greater.

[General Statutes § [9-7b\(a\)\(2\)](#)]

Any person who "knowingly and willfully" violates any provision of Connecticut's campaign finance laws is subject to criminal penalties of up to \$5,000 in fines, or five years imprisonment, or both.

[General Statutes § [9-623\(a\)](#)]

## X. Conclusion

This Guide was intended to clarify and summarize the most important provisions relating to Connecticut's campaign financing requirements relevant to political committees.

### Contact Us

Inquiries regarding campaign financing requirements, legal interpretations of the State Elections Enforcement Commission, and requests for formal advice may be addressed to:

State Elections Enforcement Commission  
Attn: Legal Unit – Compliance  
20 Trinity Street, 5<sup>th</sup> Floor  
Hartford, Connecticut 06106-1628

Main Telephone:	860-256-2940
Toll Free (outside Hartford area):	866-SEEC-INFO
Main Fax:	860-256-2997
Website:	<a href="http://www.ct.gov/seec">www.ct.gov/seec</a>
E-Mail:	<a href="mailto:seec.compliance@ct.gov">seec.compliance@ct.gov</a>

Requests for copies of the published calendar of specific filing dates and committee registration and disclosure statements may be obtained from the Commission's website and also by contacting the Commission by phone or mail.



## XI. Glossary

**Agent:** A person authorized to act for or in place of another. See General Statutes § [9-601\(18\)](#) (as amended by [P.A. 10-187](#)) (defining “agent”).

**Bundle:** The forwarding of five or more contributions to a single committee by a communicator lobbyist, an agent of such lobbyist, or a member of the immediate family of such lobbyist, or raising contributions for a committee at a fundraising affair held by, sponsored by, or hosted by a communicator lobbyist or an agent or immediate family member of such lobbyist. See General Statutes § [9-601\(27\)](#) (as amended by [P.A. 10-1](#)) (defining “bundle”).

**Business Entity:** Any stock corporation, bank, insurance company, limited liability company, business association, bankers association, insurance association, trade or professional association receiving funds from membership dues and other sources, partnership, joint venture, private foundation, trust or estate, cooperative or other association, and any similar organization or entity which is engaged in the operation of a business or profit-making activity. A non-profit entity would not satisfy the definition of “business entity.” A solely owned professional service corporation (P.C.) or a sole proprietorship is considered an individual and not a business entity. See General Statutes §§ [9-601\(8\)](#) (defining “business entity”); [9-601\(9\)](#) (defining “individual”).

**Campaign Treasurer:** A Connecticut elector (registered voter) appointed to serve as treasurer for a candidate committee; for a political committee, including exploratory, political slate, and referendum committees; or for a party committee. Only the committee's properly designated campaign treasurer may deposit funds into, or expend funds from, the committee's depository account. See General Statutes §§ [9-601\(12\)](#) (defining “campaign treasurer”), [9-606\(d\)](#) (requiring campaign treasurers to be Connecticut electors), [9-608](#) (outlining requirements for statements that campaign treasurers file on behalf of candidate, party, or political committees).

**Candidate:** An individual seeking nomination or election to public office, who has solicited or expended funds to bring about that election or nomination, who can appear on the ballot having received the endorsement or nomination of a political party, or who has satisfied the requirements to appear on the ballot (e.g. “petitioning candidate”). See General Statutes §§ [9-601\(11\)](#) (defining “candidate”), [9-400](#) (designating means for filling state or district candidacies), [9-406](#) (establishing process for circulating nominating petitions). Persons who have formed exploratory committees are considered candidates.

**Candidate Committee:** A committee established by a single candidate to promote only that candidate's nomination or election to a *specific* office. See General Statutes § [9-601\(4\)](#) (defining “candidate committee”). A candidate may establish only one candidate committee for a particular office to be sought.

**Citizens' Election Program:** The publicly-funded, campaign financing program created in Connecticut, which provides campaign grants to qualifying major party,



minor party, and petitioning candidates seeking election to Statewide Office or General Assembly. See General Statutes § [9-702\(a\)](#).

**Committee Chairperson:** The individual who has signed the committee's registration statement as the designated chairperson. The chairperson is responsible to appoint and designate the treasurer and deputy treasurer(s) of the committee on the committee's registration statement, along with the other required information. See General Statutes § [9-602\(a\)](#).

**Communicator Lobbyist:** A person who earns more than \$2,000 per year communicating directly or soliciting others to communicate with officials in the executive or legislative branch to advocate on behalf of a client to influence a legislative or administrative action. See General Statutes §§ [1-91\(v\)](#) (defining "communicator lobbyist"), [9-601\(16\)](#) (drawing on § [1-91](#) to define "communicator lobbyist" for purposes of campaign finance laws). Communicator lobbyists are to be distinguished from "client lobbyists" who are the clients that hire the communicator lobbyists.

**Contribution:** Any gift, loan, payment or expenditure of money, goods or anything of value made for the purpose of influencing the nomination or election of any individual to office. The campaign treasurer must report all contributions, both monetary and non-monetary (or "in-kind"), that the committee has received. See General Statutes § [9-601a](#) (offering broad definition for "contribution" as well as specific exceptions).

**Depository Institution:** Under Connecticut's campaign finance laws, a political committee must establish a single checking account at a financial institution located in Connecticut from which it will make all expenditures and deposit all monetary receipts. See General Statutes §§ [9-602\(a\)](#) (directing campaign treasurer of committee to designate single depository institution for committee's funds); [9-607\(e\)](#) (directing that majority of payments must be made by check, debit card, or credit card); [Advisory Opinion 1975-6](#) (directing that all expenditures must emanate from checking account).

**Deputy Campaign Treasurer:** A "back-up" treasurer who steps in as treasurer if the campaign treasurer is unable to perform his or her duties for any reason. See General Statutes § [9-601\(13\)](#) (defining "deputy campaign treasurer").

**Entity:** An organization, corporation, cooperative association, limited partnership, professional association, limited liability company, or limited liability partnership, whether organized in Connecticut or any other state. See General Statutes § [9-601\(19\)](#) (as amended by [P.A. 10-187](#)) (defining "entity").

**Expenditure:** Any outlay or disbursement of funds or anything of value when made to influence the election or nomination of a candidate for office, to promote the success or defeat of a referendum question, or to benefit a political party. See General Statutes § [9-601b](#) (establishing meaning of "expenditure" for campaign finance purposes, and exceptions to that definition).



**Exploratory Committee:** A political committee that a candidate establishes to raise funds and gauge support for his or her candidacy while deciding whether to seek a particular public office. See General Statutes § [9-601\(5\)](#) (defining “exploratory committee”).

**Individual:** A human being, a sole proprietorship, or a professional service corporation organized under Chapter 594a of the Connecticut General Statutes and owned by a single human being. See General Statutes § [9-601\(9\)](#) (defining “individual” for purposes of Connecticut’s campaign finance laws).

**In-Kind Contributions:** Donation of goods, services, or anything of value (other than cash, checks, or other negotiable instruments) that the recipient committee or candidate receives free of charge or at less than the usual charge.

**Investment Services Firm:** A firm conducting investment legal services, investment banking services, investment advisory services, underwriting services, financial advisory services or brokerage firm services. See General Statutes § [9-612\(f\)\(1\)](#).

**Lobbyist:** Any individual or entity that receives or pays more than \$2,000 in a single calendar year to communicate with state executive or legislative branch officials with the intent to influence administrative action. See General Statutes § [1-91\(l\)](#) (defining “lobbyist”). The term lobbyist includes both communicator and client lobbyists.

**Organization:** All labor organizations, employee organizations, bargaining representative organizations for teachers, local, state or national organizations to which any labor organization pays fees or membership dues, as well as any trade or professional association receiving its funds exclusively from membership dues. See General Statutes § [9-601\(7\)](#) (defining “organization”).

**Organization Expenditure:** Certain expenditures made by legislative leadership committees, legislative caucus committees, or party committees that benefit candidates but are exempted from the definition of “contribution.” These expenditures can only be made for specific publications, advertisements, events, services, and office expenses outlined in General Statutes § [9-601\(25\)](#) (defining “organization expenditures”).

**Party Committee:** A committee established by a political party, including a local town committee or state central committee, excluding party-affiliated district, ward, or borough committees, which are considered “political committees.” See General Statutes § [9-601\(2\)](#) (defining “party committee”).

**Political Committee:** A committee established by a business, organization, group of individuals, an exploratory candidate, or a slate of municipal candidates to promote the election or nomination of candidates for public office or to advocate for or against a referendum issue. Political committees may also be established by legislative leadership or legislative caucuses. See General Statutes § [9-601\(3\)](#) (defining “political committee”).



**Political Slate Committee:** A political committee formed by two or more candidates for nomination or election to any municipal office in the same town, city or borough, or in a primary for the office of justice of the peace or the position of town committee member, whenever such political committee will serve as the sole funding vehicle for the candidates' campaigns. See General Statutes § [9-601\(28\)](#) (as amended by [P.A. 10-1](#)) (defining "slate committee").

**Principal of an Investment Services Firm:** For purposes of the contribution and solicitation ban by such principals to or for an exploratory committee or candidate committee for nomination or election to the office of State Treasurer, such individuals are identified as follows: (i) Directors; (ii) Owners of at least 5% of the shares of the firm; (iii) President, Treasurer, and Executive Vice President; (iv) any individual who is an employee of an investment services firm who has managerial or discretionary responsibilities with respect to investment services provided to the State Treasurer; (v) the Spouse and Dependent Children eighteen years or older of all of the above individuals; and (vi) any Political Committee established or controlled by the investment services firm or by any of the above individuals. See General Statutes § [9-612\(f\)\(1\)](#).

**Principal of a State Contractor, Prospective State Contractor, or Subcontractor:**

For purposes of the contribution and solicitation provisions, such individuals are identified as follows:

For Business Entities (including all types of businesses, regardless of its form of organization): (i) Directors; (ii) Owners of at least 5% of business; (iii) President, Treasurer, Executive Vice President; (iv) Managerial or Discretionary Employees (those employees having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract (or subcontract in the case of a principal of a subcontractors)); (v) the Spouse and Dependent Children eighteen years or older of all of the above individuals; (vi) any political committee established or controlled by the business entity or by any of the above individuals.

For Non-Profit Organizations (all types of non-profits, regardless of tax exempt status): (i) Chief Executive Officer or, if none, officer with comparable duties; (ii) Managerial or Discretionary Employees (those employees having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract (or subcontract in the case of a principal of a subcontractors)); (iii) the Spouse and Dependent Children eighteen years or older of all of the above individuals; (iv) any political committee established or controlled by the nonprofit organization or by any of the above individuals.

See General Statutes § [9-612\(g\)\(1\)](#) (as amended by [P.A. 10-1](#)).

**Prospective State Contractor:** For purposes of the contribution and solicitation provisions, prospective state contractors include any person, business entity, or nonprofit organization that submits a bid or proposal on a state contract or request or that holds a prequalification certificate issued by the Commissioner of Administrative Services. See General Statutes § [9-612\(g\)\(1\)\(E\)](#).



**Referendum Question:** A question to be voted upon at any election or referendum, including a proposed amendment to the Connecticut Constitution. See General Statutes § [9-601\(15\)](#) (defining "referendum question").

**Solicitor:** An individual, including a candidate, appointed by a campaign treasurer to receive funds on behalf of a committee organized under the auspices of [Chapter 155](#). See General Statutes § [9-601\(14\)](#) (defining "solicitor").

**State Contract:** An agreement or contract with the state, any state agency or quasi-public agency, obtained through a procurement process or otherwise valued at \$50,000 or more for a single contract, or \$100,000 or more for a series of contracts in a calendar year. The contract must be for (i) the rendition of services; (ii) the furnishing of any goods, material, supplies, equipment or any item of any kind; (iii) the construction, alteration, or repair of any public building or public work; (iv) the acquisition, sale or lease of any land or building; (v) a licensing arrangement; or (vi) a grant, loan, or loan guarantee. See General Statutes § [9-612\(g\)\(1\)\(C\)](#).

**State Contractors:** State contractors include any person, business entity, or nonprofit organization that enters into a state contract. See General Statutes § [9-612\(g\)\(1\)\(D\)](#).

**Slate Committee:** See **Political Slate Committee**.

**Statewide Office:** Statewide Office includes the offices of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, and Attorney General.

**Subcontractor:** Any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization is deemed to be a subcontractor until December 31<sup>st</sup> of the year in which the subcontract terminates. "Subcontractor" does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee. See General Statutes § [9-612 \(g\)\(1\)\(K\)](#) (as amended by [P.A. 10-1](#)).

**Town Committee:** A type of party committee affiliated at the municipal level.

**Treasurer:** See **Campaign Treasurer**.



## Permissible Contributions by Political Committees Aggregate Dollar Limits

Committee Type (received by)	Contributor Sources				
	Political Committee 2 or more Individuals	Political Committee Business entity	Political Committee Labor Organization	Political Committee Established for Single Election	Legislative Leadership or Caucus Committee
Candidate (Governor) <sup>1</sup>	5,000	5,000	5,000	5,000	PROHIBITED
Candidate (Lt. Gov., Secretary of the State, Treas., Comp., A.G.) <sup>1</sup>	3,000	3,000	3,000	3,000	PROHIBITED
Candidate (State Senator) <sup>1</sup>	1,500	1,500	1,500	1,500	10,000
Candidate (Probate Judge) <sup>1</sup>	1,500	1,500	1,500	1,500	PROHIBITED
Candidate (State Representative) <sup>1</sup>	750	750	750	750	5,000
Candidate (Chief Executive Officer of Town) <sup>1</sup>	1,500	1,500	1,500	1,500	PROHIBITED
Candidate (All other municipal offices) <sup>1</sup>	375	375	375	375	PROHIBITED
Candidate (Town Committee Primary) <sup>2</sup>	UNLIMITED	UNLIMITED	UNLIMITED	UNLIMITED	PROHIBITED
Exploratory Committee (Statewide Office and/or General Assembly – not including state rep.)	375	375	375	375	PROHIBITED
Exploratory Committee (Statewide Office and/or General Assembly – not including state rep.)	375	375	375	375	PROHIBITED
Exploratory Committee (municipal office only)	375	375	375	375	PROHIBITED
Political Slate Committee (municipal offices only)	2,000/yr	2,000/yr	2,000/yr	2,000	PROHIBITED
Political Slate Committee (Town Committee Primary) <sup>2</sup>	UNLIMITED	UNLIMITED	UNLIMITED	UNLIMITED	PROHIBITED
Party Committee (Town)	1,500/yr	1,500/yr	1,500/yr	1,500/yr	PROHIBITED
Party Committee (State Central )	7,500/yr	7,500/yr	7,500/yr	7,500/yr	10,000/yr
Legislative Caucus or Leadership Committee	2,000/yr	2,000/yr	2,000/yr	2,000	PROHIBITED
Political Committee (2 or more individuals)	2,000/yr	2,000/yr	2,000/yr	2,000	PROHIBITED
Political Committee (Business Entity)	2,000/yr	2,000/yr	2,000/yr	2,000	PROHIBITED
Political Committee (Labor Organization) <sup>3</sup>	2,000/yr	2,000/yr	2,000/yr	2,000	PROHIBITED
Referendum <sup>3</sup>	2,000/yr	2,000/yr	UNLIMITED	2,000	PROHIBITED
National Committee of a Political Party <sup>4</sup>	UNLIMITED	UNLIMITED	UNLIMITED	PROHIBITED	PROHIBITED
Federal or Out of State Candidate Committee <sup>4</sup>	UNLIMITED	UNLIMITED	UNLIMITED	PROHIBITED	PROHIBITED

**\*No candidate participating in the Citizens' Election Program may accept a contribution from any political committee.**



## Permissible Contributions Special Donor Restrictions

<i>Committee Type (received by)</i>	Contributor Sources	
	Political Committee controlled by a Communicator Lobbyist	Political Committee Controlled by a Principal of State or Prospective State Contractor
Candidate (Governor) <sup>1</sup>	100	PROHIBITED <sup>7</sup>
Candidate (Lt. Governor) <sup>1</sup>	100	PROHIBITED <sup>7</sup>
Candidate (Secretary of the State, Treasurer, Comptroller, A.G.) <sup>1</sup>	100	PROHIBITED <sup>7</sup>
Candidate (State Senator) <sup>1</sup>	100	PROHIBITED <sup>8</sup>
Candidate (Probate Judge) <sup>1</sup>	1,500	1,500
Candidate (State Representative) <sup>1</sup>	100	PROHIBITED <sup>8</sup>
Candidate (Chief Executive Officer of Town) <sup>1</sup>	1,500	1,500
Candidate (All other municipal offices) <sup>1</sup>	375	375
Candidate (Town Committee Primary) <sup>2</sup>	UNLIMITED	UNLIMITED
Exploratory Committee (Statewide Office and/or General Assembly – not including state rep.)	100 <sup>5</sup>	PROHIBITED <sup>7,8</sup>
Exploratory Committee (Statewide Office and/or General Assembly – including state rep.)	100 <sup>5</sup>	PROHIBITED <sup>7,8</sup>
Exploratory Committee (municipal office only)	375	375
Political Slate Committee (municipal offices only)	2,000	2,000
Political Slate Committee (Town Committee Primary) <sup>2</sup>	2,000	2,000
Party Committee (Town)	100	PROHIBITED
Party Committee (State Central)	100	PROHIBITED
Legislative caucus or Leadership Committee	100	PROHIBITED <sup>8</sup>
Political Committee (2 or more individuals)	100 <sup>6</sup>	PROHIBITED <sup>7,8</sup>
Political Committee (Business Entity)	2000/yr	PROHIBITED <sup>7,8</sup>
Political (Organization)	2000/yr	PROHIBITED <sup>7,8</sup>
Referendum <sup>3</sup>	UNLIMITED	UNLIMITED
<b>*No candidate participating in the Citizens' Election Program may accept a contribution from any political committee.</b>		

<sup>1</sup> Contribution limits to candidate committees apply separately to primaries and elections. Contributions received on or before day of primary are counted toward primary; contributions received after primary are counted toward election. Candidate must compete in primary for separate primary limit to apply and in election for separate election limit to apply.

<sup>2</sup> Candidates in a primary for town committee member are not subject to contribution limits or restrictions set forth in Sections 9-611 to 9-620 of the Connecticut General Statutes, unless they have designated a town committee as their sole funding source (in which case, the contribution limits to a town committee apply).

<sup>3</sup> Business entities, trade and professional associations, labor unions and other organizations may contribute to a referendum campaign up to 10 cents per individual residing in the state or political subdivision in which such referendum question is to be voted upon.

<sup>4</sup> Limitations are subject to federal law.

<sup>5</sup> Reduced limit applies to any exploratory committee of a candidate who is considering the offices of Governor, Lt. Governor, Secretary of the State, Comptroller, Treasurer, Attorney General, State Senator and/or State Representative. For other offices, \$375 limitation applies.

<sup>6</sup> Reduced limit applies to political committee established or controlled by any candidates for Governor, Lt. Governor, Secretary of the State, Treasurer, Comptroller, Attorney General, State Senator or Representative; otherwise, the limit is \$2,000/year.



<sup>7</sup> Prohibition applies if contract, bid or proposal is with executive branch agency and meets financial threshold and the recipient political committee is authorized to contribute to executive branch candidates. If contract, bid or proposal is with legislative branch, then principal (political committee) may contribute to candidate or exploratory committee of a candidate for executive branch office, or political committee authorized to contribute to such candidates subject to the same limits as any other political committee (\$375 for exploratory committee; \$2,000 for political committee).

<sup>8</sup> Prohibition applies if contract, bid or proposal is with legislative branch agency and meets financial threshold and the recipient political committee is authorized to contribute to General Assembly candidates. If contract, bid or proposal is with executive branch agency or quasi-public agency, then principal (political committee) may contribute to candidate or exploratory committee of a candidate for the General Assembly or political committee authorized to contribute to such candidates, subject to the same limits as any other political committee (\$375 for exploratory committee; \$2,000 for political committee).