CAMPAIGN FINANCE REGISTRATION AND DISCLOSURE REQUIREMENTS FOR CANDIDATES INVOLVED IN TOWN COMMITTEE PRIMARIES FAQ SHEET – 2008

Each candidate whose name appears on the ballot in the March 4, 2008 town committee primary for the position of town committee member is required to comply with the registration and financial reporting provisions of Connecticut's Campaign Finance Laws as contained in Chapter 155 of the General Statutes. In recognition of our continuing obligation to inform and educate those involved in financing political campaigns of their legal duties and responsibilities, the State Elections Enforcement Commission has prepared this FAQ Sheet which highlights the basic requirements pertaining to candidates in a primary for town committee member. Generally, these candidates have the same disclosure and reporting obligations as do candidates for election to a state or municipal public office.

Please note that a candidate who is involved in a town committee primary and who does not file the required form with the Town Clerk, as fully explained in this FAQ, will be responsible for mandatory penalties.

Those who use this FAQ Sheet should also refer to the provisions of Chapter 155 of the General Statutes to obtain a greater understanding of these requirements. Please contact the Commission at the number listed below if you have any questions.

Revised January, 2008

FREQUENTLY ASKED QUESTIONS CONCERNING THESE REQUIREMENTS

1. **I am currently on the Town Committee and wish to seek another term. Do I have to register in order to raise funds for my campaign?**

   No, unless your name will appear on the ballot in a party primary for town committee members. If there is no primary, candidates are not required to register or disclose contributions received or spent on their campaigns.

2. **My party recently had a caucus and I was chosen as an endorsed candidate for the position of town committee member. Although there was a challenge slate offered at the caucus, they were neither endorsed nor have they obtained a sufficient number of signatures on primary petitions. Am I, or are any of the candidates who were endorsed, required to register a fundraising committee and disclose the committee's receipts and expenditures?**

   No. The registration and disclosure requirements apply only to candidates who compete in a primary.

3. **I have been selected to the party-endorsed slate of candidates for town committee member and I'm being challenged at a primary. Do I have to register a fundraising committee for the campaign?**

   Yes. If there is a primary, the Town Clerk is required to prepare a legal notice for publication in a newspaper. See Section 9-435, Connecticut General Statutes. The campaign of each candidate in a primary for the position of town committee member, in these instances, must be financed either by (a) a properly registered committee, or (b) by filing a *"Certificate of Exemption from Forming a Candidate Committee"* as further described in Question 5.

4. **When must a form be filed?**

   It must be filed by the candidate **within ten calendar days** of becoming a candidate. Under state campaign finance law, one becomes a candidate by gaining ballot access either as an endorsed or petitioning candidate, or by making expenditures, soliciting contributions, or authorizing another to do the same on the candidate's behalf. The candidate has ten calendar days from the day of the earliest occurrence of any of these events which trigger candidacy in a primary.

5. **Which form must be filed?**

   An individual must give public notice of the manner in which the individual's campaign will be funded by filing a *"Registration by Candidate Form,"* SEEC Form 1.

   Additionally, you must file the *"Certification of Exemption From Forming A Candidate Committee,"* SEEC Form 1B, if any one of the following 4 conditions apply:

   (a) You are one of a slate of candidates in the primary whose campaigns are being funded solely by an existing Town Committee or a newly created political committee established for the slate in connection with the primary, or

   (b) You will be funding your campaign entirely from your own personal funds and do not intend to solicit contributions from other persons or committees, or

   (c) You do not intend to receive or spend more than $1,000, or

   (d) You do not intend to spend or receive any money.

If you do not choose to finance your campaign through one of these exemptions you must organize and establish a candidate committee for your campaign and file the form entitled *"Candidate Committee Registration,"* SEEC Form 1A.

You must therefore file SEEC Form 1 AND either Form 1A or Form 1B. Campaign finance registration and reporting forms are available at any office of a Town Clerk or the State Elections Enforcement Commission (www.ct.gov/seec).

6. **Where do I file this required form?**

   With the Town Clerk of the municipality holding the primary.

7. **What is the effect of filing a Certification of Exemption, SEEC Form 1B?**

   The candidate need not establish or register a separate candidate committee, open a separate bank account or appoint his own treasurer for the primary campaign.

8. **What are the consequences if I do not file SEEC Form 1?**

   The Town Clerk is required to assess a mandatory late fee of $100 if a candidate who is involved in a primary does not file either form by the tenth day after becoming a candidate. Filing fees cannot be waived. In addition, if the candidate does not file within seven days after receiving a delinquency notice, the candidate is referred to the State Elections Enforcement Commission and then is liable for additional civil penalties and possible criminal sanctions, including a fine of up to $2,000 and imprisonment of up to one year, or both.

9. **I have filed SEEC Form 1B and have certified that I am exempt from the candidate committee registration requirement because I intend to finance my campaign entirely from my own funds. My neighbor has since indicated he wants to donate $100 by check to my campaign. May I accept the contribution without having to register a candidate committee (open a checking account, and appoint a treasurer)?**

   Yes. You are not required to register a separate candidate committee if you do not receive or spend more than $1,000. However, you must file a SEEC Form 1B to reflect the change in the circumstances regarding your eligibility for the exemption not later than three business days following receipt of the contribution.

10. **The same circumstances apply as in Question 9 and I have accepted the $100 contribution. My brother now desires to contribute $1,000 to my campaign. If I accept it, must I register a candidate committee (open a checking account and appoint a treasurer)?**

    Yes. If during the course of the campaign, there is a change in circumstances and the candidate is no longer eligible for any of the exemptions, he must register his candidate committee and file SEEC Form 1A with the Town Clerk within 3 business days of the act which results in the loss of his exempt status. In this instance, you may only accept the 1,000 contribution, (or a total of $1,100) if you register a candidate committee, SEEC Form 1A.

11. **Am I required to appoint someone as my campaign treasurer if I finance my campaign entirely from my own personal funds or do not receive more than $1,000 from other sources?**

    No. In either case, the candidate may act as his own treasurer and is not required to designate another as his treasurer.

12. I am a candidate on the petitioning slate of candidates, and a separate political committee has been formed to finance the campaigns of all candidates on the slate. What are my obligations as a candidate?

You are exempt from the requirement of registering a separate candidate committee if you are part of a slate of candidates whose campaigns are financed solely by a political committee, and you file SEEC Form 1B, *"Certification of Exemption from Forming a Candidate Committee"* with the Town Clerk, and enter the name of the political committee which has been registered to finance the slate of candidates. The chairperson of the political committee is required to register using the form entitled *"Political Committee Registration,"* SEEC Form 3, with the Town Clerk of the municipality holding the primary.

13. For a political committee established to finance a slate of candidates in the primary, what is required of the chairperson to complete the registration process?

In addition to filing the committee registration form, SEEC Form 3, the chairperson is required to appoint one registered voter to serve as the campaign treasurer and establish a single checking account in a bank or other financial institution in Connecticut to serve as the depository for the committee's funds. The designation of the treasurer and depository must be made on the committee registration form.

14. For a candidate committee of a single candidate in the primary, what is required to complete the registration process?

In addition to filing the candidate committee registration, SEEC Form 1A, the candidate has the same responsibilities as the chairperson of a political committee for a slate of candidates (see Question 13), and must include the name of the treasurer and depository on the registration form.

15. Are there any requirements pertaining to the committee's depository?

The depository institution may be a bank, savings and loan or credit union and must be situated in this State. A single checking account must be established in the depository in which all receipts are deposited, and from which all expenditures are made.

16. Do restrictions apply to a campaign treasurer?

Yes. Only one individual may serve as campaign treasurer and a candidate may not serve as his own campaign or deputy campaign treasurer. This prohibition extends to the treasurer of a political committee or town committee that finances its treasurer's campaign. The appointment of a deputy campaign treasurer is optional but strongly recommended. The campaign treasurer and deputy campaign treasurer must be registered voters in Connecticut.

17. What are the campaign treasurer's responsibilities?

(a) To deposit funds in the checking account within fourteen (14) days of receipt.

(b) To authorize and pay all committee expenditures by check drawn on the depository institution.

(c) To complete and file required financial disclosure statements in a timely manner.

(d) To appoint *"solicitors"* to receive funds on behalf of the campaign treasurer, if necessary.

(e) To oversee all financial transactions of the committee.

18. When must the campaign treasurer file the detailed statement of committee receipts and expenditures?

If the committee has either raised or spent more than $1,000 by the seventh day prior to the filing date, a detailed financial statement must be filed by February 26, 2008 (the 7th day prior to the March 4, 2008 town committee primary) and within 30 days following the primary. Additional statements must

be filed if the committee has a surplus or deficit as of the last filed statement. A printed calendar of filing dates is attached to this FAQ Sheet. (See Question 20 if committee has raised or spent $1,000 or less.)

19. What form must the campaign treasurer use to comply with the financial disclosure requirements?

SEEC Form 20 entitled *"Itemized Campaign Finance Disclosure Statement."*

20. If the committee has not raised or spent more than $1,000, does the campaign treasurer have any filing requirements?

Yes. The campaign treasurer must file SEEC Form 21 entitled *"Short Form Campaign Finance Disclosure Statement"* on the day required if no more than $1,000 was raised or spent by the committee by the close of the reporting period. The requirement to file either SEEC Form 21 or SEEC Form 20 on the filing date does not apply to a candidate who is exempt from registering a candidate committee and has filed SEEC Form 1B.

21. If the candidate has filed SEEC Form 1B, are there additional filing requirements?

Yes. If the candidate has claimed reason number (2) on SEEC Form 1B and has made expenditures exceeding $1,000, the candidate must file a report of his/her expenditures in accordance with the same schedule of filings as a treasurer of a candidate committee. (See Question 18)

22. Where must these financial disclosure statements be filed?

With the Town Clerk of the municipality holding the primary.

23. What are the penalties for a campaign treasurer who fails to file either form (SEEC Form 20 or SEEC Form 21) on the day it is due?

The Town Clerk is required by law to assess a mandatory late filing fee of $100 against the delinquent treasurer which must be paid from the treasurer's personal funds. Filing fees cannot be waived. In addition, if the campaign treasurer does not file within seven days after receiving a delinquency notice, the treasurer is referred to the State Elections Enforcement Commission and then is liable for additional civil penalties and possible criminal sanctions, including a fine of up to $2,000 and imprisonment of up to one year, or both.

24. What must be disclosed on the *"Itemized Campaign Finance Disclosure Statement"*?

Generally, the disclosure requirements applicable to candidates' campaigns for election, or nomination to a state or municipal public office apply with equal effect to candidates in town committee primaries. This includes the disclosure of the name and address of each contributor of more than $50 in total contributions to the committee, the employer and occupation if that sum exceeds $100, the total sum of all monetary receipts of $50 or less, the name and address of each payee to whom an expenditure is made, the purpose of each expenditure, and a statement of the balance on hand and outstanding expenses or other committee obligations. The *"Itemized Campaign Finance Disclosure Statement"* contains detailed instructions for completion of the form.

25. What about receipts and expenses before the committee was required to be registered? Must these be disclosed?

No. However, the Commission encourages full disclosure of all receipts and expenditures made in the campaign. The campaign treasurer should at least disclose the balance of unspent contributions received prior to registration as the beginning balance on the summary page of the Statement.

26. Are there any restrictions on contributions made in cash?

Yes. A $100 maximum cash contribution in the aggregate is permitted from any person or entity.

27. Are there any limitations on contributions made by check from an individual?

Individuals may give without limit to a candidate committee formed for the

position of town committee member or to a political committee formed for a slate of candidates for the position of town committee. However, there is a $1,000 per calendar year limit on an individual's total contributions to a town committee.

28. May business entities, such as partnerships and corporations make direct contributions?

Generally, a business entity may not contribute to a candidate for public office or a political or party committee. However, a business entity, which is incorporated or licensed to do business in Connecticut, may give without limit to a candidate committee formed for the position of town committee member or to a political committee formed for a slate of candidates for the position of town committee. A town committee that is the sole funding source for a town committee slate *may not* receive contributions from a business entity.

29. May labor unions make direct contributions?

Generally a labor union may not contribute to a candidate for public office or a political or party committee without first forming its own political committee. However, a labor union may also give without limit to a candidate committee formed for the position of town committee member or to a political committee formed for a slate of candidates for the position of town committee. A town committee that is the sole funding source for a town committee slate *may not* receive contributions from a labor union.

30. May an existing ongoing political committee make contributions to town committee candidates?

Yes, but only if it is properly registered as a political committee with the State Elections Enforcement Commission or the Town Clerk, as the case may be. A registered political committee may make unlimited contributions to a candidate or political committee formed solely for the town committee primary.

31. Are there any other prohibitions which pertain to the campaign financing of candidates in town committee primaries?

Yes. Vote buying and selling is prohibited. A promise of appointment to a public position made in exchange for support in the primary is prohibited. False disclosure of the name of a contributor on any campaign finance statement is also prohibited. These are classified as corrupt election practices. Other prohibited practices are contained in Section 9-622, Connecticut General Statutes.

32. What are the penalties if I make or accept an improper contribution, or engage in a corrupt election practice?

Any single violation of the campaign finance laws subjects the offender to a civil penalty of up to $2,000 which can be imposed by the State Elections Enforcement Commission. Any improper contributions or payments can also be confiscated by the Commission for deposit in the State's treasury. An intentional violation of these laws is punishable as a Class D felony, for which a maximum of $5,000 in fines and five years imprisonment can be imposed by the Court. Criminal prosecutions are instituted by the Office of the Chief State's Attorney and the State's Attorneys' Offices upon recommendation of the Commission.

33. Is identification required on political communications which advocate the election or defeat of a candidate in a primary for town committee member?

Yes. The rules applicable to communications for candidates for public office are also applicable to campaign communications that advocate the election or defeat of a candidate in a primary for town committee member. If a candidate pays for the communication it must include on its face the text *"Paid for by"* and the candidate's name and address. In addition, if a candidate or candidate committee finances the above mentioned communication, it must also include "I am (candidate's name) and I approved this message. The

communication made by a candidate or candidate committee which is in the form of a mailing shall also include a photograph of the candidate and the candidate's name in a font that is not less than the size of the font used for the narrative of the mailing. If a slate committee pays for the communication it must include on its face the text *"Paid for by"* and the name of the sponsoring committee and its treasurer, except that a party committee's attribution need not include the name of the treasurer. See Section 9-621, Connecticut General Statutes.

34. Where can I obtain the forms necessary to register a committee or claim an exemption, or to disclose contributions and expenditures?

All campaign finance forms and statements are available at your Town Clerk's Office and the State Elections Enforcement Commission either at its offices or on its website (www.ct.gov/seec).

35. What if my candidate committee or the political committee established for the slate of candidates for the town committee primary has a surplus after the primary?

The surplus can only be returned to contributors on a prorated basis of contribution or it may be distributed to a charitable organization which is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954 as amended. ***Surplus may not be given to a town committee, candidate or other political committee!***

36. Where can I obtain an interpretation of campaign finance law, advisory opinion, or file a complaint if I know a violation has been committed?

State Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, CT 06106-1628

Jeffrey B. Garfield Executive Director & General Counsel

Internet: www.ct.gov/seec

Telephone: (860) 256-2940
Toll Free within Connecticut
1-866-SEEC INFO [1-866-733-2463]
E-mail: SEEC@ct.gov
FAX: (860) 256-2981

Campaign Finance Filing Dates

For All Committees Funding Candidates for the Position of Town Committee Members in the 3/4/08 Town Committee Primary

(Section 9-612, C.G.S.)

Type of Statement	Period Covered	Committee Type	Filing/ Mailing Date
7th Day Preceding 3/4/08 Primary	Date of Formation through 2/19/08	All	2/26/08
Within 30 days Following 3/4/08 Primary	2/20/08 through 3/27/08	All but Town Committees	4/3/08[1]
April Filing	2/20/08 through 3/31/08	Town Committee **only**	4/10/08
Deficit Report	3/28/08 through 6/02/08	All but Town Committees	6/2/08[2]
Surplus & Termination Report	3/28/08 through 6/02/08	All but Town Committees	6/9/08[3]
July Filing	4/1/08 through 6/30/08	Town Committee only	7/10/08

1. A committee formed in connection with the 3/4/08 town committee primary which has distributed any surplus or has eliminated any deficit within 30 days of the primary may terminate with the filing of this report.
2. A committee formed in connection with the 3/4/08 town committee primary which reports a deficit on the 90th day following the primary will thereafter be required to file an additional statement on the 7th day of any succeeding month when there is an increase or decrease in the deficit which is greater than $500.00 from the last filed financial disclosure statement.
3. A committee formed in connection with the 3/4/08 town committee primary must distribute or expend its surplus within 90 days following the primary and report such distribution within seven days thereafter.

Permissible Contributions

Town Committee Primary Aggregate Dollar Limits[a]

Recipient Committee	Contributor Sources[b]						
	Individual	Candidate Committee	Party Committee	Political Committee formed by two or more Individuals	Political Committee formed by a Business	Political Committee formed by an Organization	Other Entity[c]
Slate Political Committee *of two or more Candidates for Town Committee Member*	Unlimited	Prohibited	1,500	2,000	2,000	2,000	Unlimited
Town Committee *as authorized funding vehicle for two or more Candidates for Town Committee Members*	1,000[a]	Only surplus distribution	Unlimited	1,500	1,500	1,500[a]	Prohibited
Candidate Committee *for individual Town Committee Member*	Unlimited	Prohibited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited

a. For town committees the aggregate limit is a calendar year limit for all events.

b. Only contributions from committees that are registered in Connecticut may be accepted. *Note:* A political committee formed for a referendum may not give to a candidate committee or slate political committee under any circumstances.

c. Only contributions from an *"Other Entity"* that is permitted to do business in Connecticut may be accepted. Examples of other entities would be partnerships, labor unions, and corporations.