Understanding the Connecticut Campaign Finance Laws

A Guide for Party (Town and State Central) Committees

STATE ELECTIONS ENFORCEMENT COMMISSION

Revised February 2017

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I. Introduction

This publication is designed to serve as a guide for party committees that desire to raise and spend funds in connection with elections or primaries for offices held in Connecticut at the state, district or local level or referenda. A party committee may be a state central committee or a town committee. The Connecticut campaign finance laws applicable to party committees are set forth in Chapter 155 of the Connecticut General Statutes, Sections 9-600 through 9-625. Commission guides are also available for candidate committees, political committees that are formed to support or oppose candidates, 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, http://www.ct.gov/seec.

A party committee may maintain a separate segregated federal account exclusively for financing federal candidates. For more information on this subject, contact the Federal Election Commission, toll free, at 800-424-9530.

A. Changes in the Law

The 2015 and 2016 legislative sessions did not bring major changes to the campaign finance field. While a number of campaign finance bills were brought forth during these years, the only ultimate change to the law in 2015 impacting town committees was to the definition of communicator lobbyist, raising their threshold of compensation from $2,000 to $3,000. *See* Public Act 15-15. In addition, the legislature passed Special Act 15-14 which allowed the Commission to establish a municipal filing pilot program under which twenty selected towns will have their filing duties transferred to the Commission for the 2017 election cycle. *See* Special Act 15-14. The program will allow candidates and committees registered at the local level in these towns to use the Commission's electronic filing system, eCRIS, to file disclosure statements and for them all to be viewable to the public. If successful, the Commission is hopeful it will become the permanent filing repository for all 169 towns in the state.

During the 2016 session, Public Act 2016-203 was signed into law which mandates that the majority of committees registered with the Commission file electronically by eCRIS effective July 1, 2017. Specifically, the following committees will be required to file electronically starting with the July 2017 quarterly filing: (1) candidate committees and exploratory committees of candidates registered with the Commission that raise or spend $1,000 or more; (2) all state central committees, legislative caucus committees and legislative leadership committees; (3) town committees and political committees registered with the Commission that raise or spend $1,000 or more during the current calendar year or in the preceding regular election cycle; and (4) any other committees or other persons (including individuals and businesses) who make or obligate to make an independent expenditure in excess of $1,000 on behalf of a statewide office, General Assembly, or judge of probate candidate. If a treasurer is able to demonstrate good cause for not being able to file electronically, the Commission may waive the requirement. For those committees that will file by paper until the July 2017 deadline or will continue to file by paper after then by permission of the Commission, Public Act 2016-203 also added a provision that permits the Commission to consider a committee's receipt from the post office or a commercial delivery service confirming that the

statement was made or should have been made to the Commission by the deadline. Thus, if you are filing by mail, we strongly encourage you to drop your statement off at the post office or other delivery service and obtain a receipt indicating that the statement will be received on or before the deadline date. If you are not yet filing by eCRIS, be prepared to make the switch in time to file your July 2017 quarterly statement electronically. Staff is available for one-on-one training so please give us a call as soon as possible so you are ready to file.

B. Changes in this Guide

This Guide will highlight the above-referenced changes to the law, which are denoted by reference to the public act and at times are emphasized in "Important Notes." The Guide also offers additional clarification of existing law based on questions received by Commission staff over the past two years. Terms defined in the Glossary of this Guide appear italicized when they first appear in the Guide.

We wholeheartedly welcome suggestions for future improvements to this Guide from you, the party committee chairpersons and treasurers, candidates and campaign 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

Anyone 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 Commission or by writing to us by U.S. mail or email. 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 (including "compliance advice" in the subject line) or by sending a letter to:

   State Elections Enforcement Commission
   Attn: Compliance Unit
   20 Trinity Street
   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

Commission staff counsel; it 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 entity.**

   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. Designation and Registration of a Party Committee

A *party committee* may not solicit or receive funds or make *expenditures* unless its *committee chairperson* first registers the committee with the State Elections Enforcement Commission. Registration is accomplished by signing and submitting a form entitled SEEC Form 2, "Party Committee Registration," with the State Elections Enforcement Commission. When registering a new party committee with the State Elections Enforcement Commission, the chairperson must also submit documentation showing that the party has filed its party rules and by-laws with the Office of the Secretary of the State.

Any additions or revisions to the information contained in a registration statement must be made by submitting an amended registration statement to the State Elections Enforcement Commission.

[General Statutes §§ 9-602(a), 9-603(a)]

Important Note: Town committees are no longer required to file copies of their registration or campaign finance disclosure statements with their town clerks.

B. Designation of a Depository Institution

The committee's registration statement (SEEC Form 2) 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 this designated depository and the *committee treasurer* can only make expenditures from this one account.

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

C. Appointment of a Treasurer and Deputy Treasurer

The committee chairperson is also required to appoint one individual, who is a Connecticut elector (registered voter), as *treasurer*. The committee chairperson may appoint another such individual as *deputy treasurer*. In the case of state central committees, the chairperson may appoint two deputy treasurers.

Only the treasurer and deputy treasurer(s), if applicable, can deposit funds and authorize or make expenditures. It is highly recommended that each committee 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 2). The committee treasurer and deputy treasurer(s) (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(s) (if applicable) serve indefinitely. The treasurer 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. For

more information on the treasurer's duties, please see **Chapter III. The Role of the Treasurer**.

[General Statutes §§ 9-602(a) and (c), 9-606(d), 9-607(a) and (d), 9-609(a)]

Important Note: There may be additional Internal Revenue Service (IRS) requirements 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. Additionally, information is available at the IRS website: www.irs.gov. Commission staff cannot provide information or advice about these rules or requirements.

D. Replacement of the Committee Chairperson

The process for removing and/or replacing a committee chairperson is governed by the party's rules. If a chairperson wishes to resign or a party committee wishes to replace him, a statement to this effect must be filed with the State Elections Enforcement Commission and must name the new chairperson. The committee's registration statement (SEEC Form 2) must also be amended to reflect the new chairperson's appointment.

E. Resignation and Replacement of a Treasurer

A treasurer may resign, be replaced, or otherwise become incapacitated. If a treasurer wishes to resign, he must submit a written statement of resignation with the Commission in order to be relieved from his or her statutory obligations under the campaign finance laws. Any treasurer may submit a resignation by email to SEEC@ct.gov. If a chairperson submits an amended registration statement appointing a new treasurer, signed by both the chairperson and the new treasurer, the prior treasurer is also relieved of his duties even if he has not submitted a statement of resignation.

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 2 with the Commission within the ten days.

A party committee may **not** receive any *contributions*, or make or incur any *expenditures* during a period in which the committee is without a treasurer or deputy treasurer. The committee chairperson is legally liable for any such violation and subject to a civil penalty of $2,000 per violation.

[General Statutes §§ 9-7b, 9-602(a) and (c), 9-607(a) and (d), 9-609(a)]

F. Who May Not Be Treasurer or Deputy Treasurer

An individual who is not a Connecticut elector may not serve as treasurer or deputy treasurer.

In addition, a *candidate* may never serve as treasurer of a committee that is the authorized funding source of the candidate's campaign, including a town committee. Thus, in the event that the candidate has authorized a town committee to be the sole funding source for his campaign, and such candidate is, at the time of filing his registration, the treasurer or deputy treasurer of the town committee, the candidate must immediately resign as treasurer or deputy treasurer. The candidate may not resume the position of town committee treasurer or deputy treasurer until he or she ceases to be a candidate.

State department heads and deputy department heads may not serve as a treasurer or deputy treasurer of a party committee.

Practically speaking, *communicator lobbyists*, their immediate family members, and their *agents* may not serve as treasurers for party committees since they cannot *bundle* contributions for such committees.

A person who has not paid civil penalties or forfeitures assessed against him under the campaign finance statutes may not serve as treasurer or deputy treasurer. In addition, a person may not serve as treasurer or deputy treasurer if the person has been convicted of or pled guilty or *nolo contendere* to any felony involving fraud, forgery, larceny, embezzlement or bribery, or any criminal offense under the state election or campaign finance laws unless at least eight years have elapsed from the date of the conviction or plea or the completion of any sentence, whichever date is later, without a subsequent conviction of or plea to another such felony or offense.

[General Statutes §§ 9-601(26), 9-606(d), 9-610(i), 9-622(11)]

III. The Role of the Treasurer

A. Makes and Authorizes Expenditures

Only a committee's designated 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.

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 the chairperson or a committee worker as an authorized 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 chairperson or 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. Committee debit cards may **only** be used by the treasurer (or deputy treasurer, when necessary).

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

B. Deposits All Monetary Receipts

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

The treasurer must ensure that any funds received by the committee are lawful and within the aggregate limits permitted under campaign finance 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 in Section P of the SEEC Form 20, 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 limit.

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

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 recordkeeping 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.

[Regulations of Conn. State Agencies § 9-607-1]

Important Note: If an agreement will involve, for example, paying a consultant who will be paying other vendors (i.e. secondary payees), the committee will best be served by including in the written agreement a requirement that the consultant disclose any secondary payees to the committee, and any pertinent information relating thereto, so that the committee treasurer can properly disclose such secondary payments, as required by law. *See* General Statutes § 9-608(c)(1).

Second, treasurers are required to keep an internal list of all individuals they appoint as **solicitors** for the committee, as discussed more fully below.

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

D. Files Periodic Financial Disclosure Statements

The treasurer is also obligated to file all financial disclosure statements on behalf of the party committee. For more information on how and when to submit financial disclosure statements, see **Chapter VI. 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 party 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. The treasurer is responsible for training solicitors and overseeing their activities to make sure they are complying with the law.

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 twenty 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 24 hours 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 information legally required) of all persons from whom or from which the solicitor collected monetary and/or non-monetary receipts on behalf of the committee as of 96 hours before the filing deadline. 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. Limitations on Who May Solicit Contributions

The treasurer of a party committee is prohibited from appointing department heads and deputy department heads of state departments as solicitors in all instances.

[General Statutes § 9-622(11)]

State contractors, *prospective state contractors*, and *principals of state contractors and prospective state contractors* (which includes immediate family), while they may

generally be appointed as solicitors, they are prohibited from knowingly soliciting contributions on behalf of a party committee from the state contractor's or prospective state contractor's employees or from their *subcontractor* or *principals of the subcontractor*.

[General Statutes § 9-612]

Communicator lobbyists, immediate family members and agents of communicator lobbyists, and political committees established by or controlled by a communicator lobbyist or any such immediate family member or agent are prohibited from knowingly soliciting contributions on behalf of a party committee 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 which the communicator lobbyist lobbies. *See the definitions of lobbyist, communicatory lobbyist, and client lobbyist in the Glossary of this Guide*.

Communicator lobbyists, as well as their agents and immediate family members, are also prohibited from bundling contributions for a party committee. "Bundle" is defined as the forwarding of five or more contributions to the committee, or raising contributions for the committee at a fundraising affair held by, sponsored by, or hosted by the communicator lobbyist or the agent or immediate family member of such lobbyist.

[General Statutes §§ 9-601(27), 9-610(h)]

Elected state officers and deputies, as well as members of the General Assembly, may generally solicit for party committees. However, state officers and General Assembly members, any candidates for such offices, and agents of any such official or candidate shall not knowingly, willfully or intentionally solicit contributions on behalf of a party committee from a person who she knows is prohibited from making contributions, including a principal of a state contractor or prospective state contractor.

[General Statutes § 9-612; Advisory Opinion 1983-2]

The following individuals are prohibited from soliciting contributions from a principal of an *investment services firm* on behalf of a party 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 on behalf of the State Treasurer or Deputy State Treasurer. This restriction does not apply to candidate and *exploratory committees* for an office other than State Treasurer established by the incumbent State Treasurer.

[General Statutes § 9-612]

Municipal employees may not solicit funds for the benefit of a party 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 party committee may 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. A party committee may also obtain other types of receipts that are not considered contributions. Note, however, that in many instances these donations remain reportable.

Party 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. 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 statements.

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

A. Contributions

1. Permissible Sources and Limits

a. Individuals

A party committee may accept contributions from an *individual* who is either a United States citizen or a foreign national with permanent resident status in the United States, subject to the following aggregate limits per contributor **per calendar year**:

Table 1-Individual Contribution Limits to Party Committees

PARTY COMMITTEE TYPE	INDIVIDUALS 18 OR OLDER	INDIVIDUALS UNDER 18
Town Committee	$2,000	$30
State Central Committee	$10,000	$30

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

A party committee may accept up to $100 in contributions in the aggregate from a **communicator lobbyist** or a member of the immediate family of the communicator lobbyist.

[General Statutes § 9-610(g)]

A party committee may accept contributions from principals of state contractors or prospective state contractors who are **elected** public officials (appointed public officials who are principals may not make contributions to a party committee).

[General Statutes § 9-612]

A party committee may only accept up to $30 in the aggregate per calendar year from a child who is younger than 18 years of age.

[General Statutes § 9-611(e)]

b. Political Committees

A party committee may accept contributions from *political committees* subject to the following aggregate limits **per calendar year**:

Table 2-Political Committee Contribution Limits to Party Committees

POLITICAL COMMITTEE	STATE CENTRAL COMMITTEE	TOWN COMMITTEE
Two or More Individuals Political Committee	$7,500	$1,500
Business Entity Political Committee	$7,500	$1,500
Labor Organization Political Committee	$7,500	$1,500
Single Election Political Committee	$7,500	$1,500
Legislative Leadership Committee	$10,000	PROHIBITED
Legislative Caucus Committee	$10,000	PROHIBITED

[General Statutes §§ 9-613(e), 9-615(d), 9-618(c), 9-619(c)]

A party committee may accept up to $100 in contributions in the aggregate from a political committee established or controlled by a **communicator lobbyist** or a member of the immediate family of the communicator lobbyist.

[General Statutes § 9-610(g)]

The donor political committee *must* be a registered Connecticut political committee. A party committee may **not** accept a contribution from a political committee registered with the Federal Election Commission under federal law or under the laws of another state, but not in Connecticut. A committee must first be registered in Connecticut and solicit funds in accordance with Connecticut campaign finance laws. Treasurers receiving contributions from entities not registered as committees in Connecticut must return the contributions immediately to the donor. The treasurer is advised to check with the Town Clerk and/or 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]

c. Other Party Committees

A party committee may accept contributions from another registered Connecticut party committee (state central committee or town committee) without limit.

A party committee may accept contributions from a national committee of a political party without limit provided that any such contribution is from the national party committee's federal account on file with the Federal Election Commission and such federal account contains only funds subject to the disclosure and contribution limits prescribed in the Federal Election Campaign Act. (No transfers from "soft money" accounts.)

[General Statutes § 9-617(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, "In Kind Contributions," of the committee's financial disclosure statement (SEEC Form 20).

Uncompensated services provided by an individual who **volunteers** his or her personal 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, the amount of the discount is a contribution. Moreover, if the volunteer provides things of value to the campaign as part of his volunteer service that are not otherwise exempt from the definition of contribution, he must either be reimbursed for such items or the committee can report the items as an in-kind contribution, if within the appropriate limits.

Example of an In-Kind Contribution: Susan enjoys designing websites and has decided to volunteer her personal time and services to create and maintain a website for XYZ town committee, using her own personal computer. However, the cost of hosting the committee website and purchasing a domain name will total $100. While Susan is permitted to use her own personal computer and provide her personal time and computer skills as part of her volunteer services, either the committee must reimburse her for the cost of the site hosting and domain name, or that cost must be reported as an in-kind contribution from her to the committee.

3. Loans as Contributions

Loans that are not made in the ordinary course of business by a bank 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 town committee cannot exceed $2,000 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 contributor, may not exceed the contribution limit applicable to that contributor. Repayments made on the loan reduce the amount of

the contribution. Once repaid in full, a loan no longer counts against the contributor'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. Impermissible Sources

Party committees have a number of impermissible or restricted sources of contributions:

- A party committee may not accept contributions from a *candidate committee* or a political committee formed solely for a *referendum question*. (Certain surplus distributions may, however, be received, as discussed below.)

  [General Statutes § 9-608(e) and (f)]

- A party committee may not accept contributions from a committee of a candidate for federal or out-of-state office.

  [General Statutes § 9-617(d)]

- A party committee also may not accept contributions from any *business entity* or labor union (*organization*). (Contributions from **political committees** established by such entities are permissible in accordance with applicable limits, as previously outlined.)

  [General Statutes §§ 9-613(a), 9-614(a)]

- Contributions from another committee or entity which is not registered in accordance with Connecticut's campaign finance laws are prohibited, except for a national committee of a political party as set forth in the preceding section.

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

- A party committee may not accept contributions of more than $30 in the aggregate in a calendar year from any minor child under 18 years of age.

  [General Statutes § 9-611(e)]

- A party committee may not accept contributions greater than $100 from a communicator lobbyist, member of the immediate family of a communicator lobbyist (spouse and dependent children), or a political committee established or controlled by a communicator lobbyist or members of his or her immediate family. The Office of State Ethics maintains a list of registered communicator lobbyists. Individuals contributing over $50 in the aggregate per calendar year are required to complete a contribution certification form certifying their status as a communicator lobbyist or immediate family member of a lobbyist. (*See the Commission's website for a sample contributor certification form.*)

  [General Statutes §§ 9-608(c)(3), 9-610(g)]

- A party committee may not accept contributions from a state contractor, a prospective state contractor, a holder or principal of a holder of a valid prequalification certificate, or a principal of a state contractor or prospective state contractor. This prohibition does not apply to principals who are elected officials. The definition of principal includes a principal's spouse and dependent

children 18 years of age or older and any political committees established by such principals. The State Elections Enforcement Commission maintains lists of state contractors and prospective state contractors on its website, www.ct.gov/seec. Please note, these lists are not exhaustive and there may be additional state contractors that are not listed.

Individuals contributing over $50 in the aggregate are required to complete a contribution certification form certifying their status as a state contractor, prospective state contractor or principal thereof. (*See the Commission's website for a sample contributor certification form.*)

[General Statutes §§ 9-608(c)(3), 9-612]

- While the communicator lobbyist and state contractor provisions limit or prohibit such individuals from making contributions to or for the benefit of a party committee's state account that is used to support state and local candidates, these provisions do not apply to contributions made and deposited to a party committee's **federal** account which was established pursuant to federal election laws to support candidates for nomination or election to federal offices. Nevertheless, to avoid the appearance of violating these provisions, we recommend that the federal committee's solicitations or invitations expressly state that the committee is soliciting funds only for a **federal** account, whenever that is the case.

  [General Statutes §§ 9-610(h), 9-612, 9-622(10); 2 U.S.C. § 453; Opinion of Counsel 2007-2]

- A town committee may not accept contributions from a legislative caucus or leadership committee.

  [General Statutes § 9-618(d)]

- Finally, it is impermissible to accept any contribution in another person's name. No person may make a payment or contribution to a treasurer in any name other than the name of the true donor or payer, nor may any treasurer knowingly receive the payment or contribution. Moreover, a treasurer is prohibited from entering the name of someone other than the true donor or payer on the committee's financial disclosure statement (SEEC Form 20).

  [General Statutes § 9-622(7)]

5. Contributor Certification Forms

Treasurers are required to report each contribution received, as discussed more fully in **Chapter VI. Reporting Information**. To facilitate this process, the Commission has provided sample certification forms, available on its website, www.ct.gov/seec. The sample form requests that each contributor provide the following information:

- Contributor's name and address;
- Contributor's principal occupation;
- Name of contributor's employer;
- Statement as to whether the contributor is a lobbyist or an immediate family member of a lobbyist; and

- Certification that the contributor is not a principal of a state contractor or prospective state contractor.

The relevant definitions necessary to explain the requested certifications (which can be found on the backside of the sample forms) must also be provided.

While all of this information may not be statutorily required depending on the contribution amount, the Commission recommends that the treasurer request this information from **all** contributors, whatever the amount given, because such information becomes **necessary** as contributions are aggregated throughout the calendar year. For example, while an individual who contributes $50 or less to the party committee is not required to complete the state contractor certification, such certification is required as soon as that person contributes over $50 in the aggregate during that calendar year.

Moreover, it is always illegal for the committee to accept any contribution from principals of current or prospective state contractors, *regardless of dollar amount*. If a treasurer deposits a contribution based on a certification that is later determined to be false, the certification serves as a complete defense to any action against the committee, including a complaint investigated by the Commission for the treasurer's receipt of the contribution. In other words, the treasurer may rely on the contributor certification and without one the treasurer will be liable for receiving an illegal contribution.

Treasurers are not required to obtain and keep more than one certification form for each contributor, unless information certified to by the contributor (other than the amount contributed) changes. However, if the information has changed and the treasurer has not obtained a new certification, the old certification will not act to protect the treasurer against liability. Because of this, the Commission strongly recommends that the treasurer obtain a new certification form for every contribution.

[General Statutes § 9-608(c)(3)]

B. Other Sources of Funds – Donations and Funds Not Considered Contributions

The most common way by which party committees raise funds is receiving contributions from permissible sources. In addition, as previously stated, there are certain monetary and non-monetary receipts that are not considered contributions under the law. 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 VI. 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" in Section B, "Itemized Contributions from Individuals" of SEEC Form 20 (if permissible).

a. Certain Sales at Fairs (Town Committees Only)

A **town committee** may raise funds through the sale of food or beverages at a town fair, county fair, local festival or similar mass gathering held within the state, and such sales are not considered contributions to the extent the cumulative purchases by an individual do not exceed $50. Such an event must be reported in Section L1, "Event Information" of SEEC Form 20 (including subpart 3).

If an individual's purchase exceeds $50, the entire amount is considered a contribution and must be itemized in Section B of the SEEC Form 20.

[General Statutes §§ 9-601a(b)(15), 9-608(c)(1)]

b. 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 **$100**.

For *donations* not exceeding $100 in the aggregate, treasurers report them in Part II of SEEC Form 20 in Section L4, "In-Kind Donations Not Considered Contributions." For *purchases* not exceeding $100 in the aggregate, treasurers are no longer required to list the names of the individuals who purchased such items but rather can report the purchases in lump sum in subpart 1 of Section L1.

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

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 (e.g., price paid for a television purchased at a committee sponsored tag sale is not diminished by the fair market value of the television).

EXAMPLE A: Jane Doe donates six commemorative plates to a town committee to be sold at a tag sale, and the value of each plate is $10, for a total of $60. This non-monetary receipt is not a contribution yet must be reported in Section L4 as an in-kind donation from Jane.

EXAMPLE B: June Smith buys one of the commemorative plates at the tag sale for $10. This is a donation not considered a contribution because her overall purchase does not exceed $100. The town committee does not have to itemize June's purchase but rather may aggregate the $10 with any other purchases not considered contributions at the event and report that lump sum in subpart 1 of Section L1 without disclosing the individual names of June or any other such purchasers.

EXAMPLE C: John Smith buys the remaining five commemorative plates at the tag sale for $10 each, for a total of $50, as well as a table for $60. He has made a $110 contribution because the cumulative value of his purchases is over $100. This monetary receipt constitutes a $110 contribution from John that is counted against his contribution limit to the committee and must be separately itemized in Section B of SEEC Form 20.

c. Certain Business Entity Donations

Generally speaking, party committees must pay fair market value when purchasing goods or services. Donations and discounts from a business entity would be considered an in-kind contribution from an impermissible source. There are, however, two narrow exceptions to this prohibition.

First, a business entity (e.g. restaurant) may sell to a party committee food or beverage at a discount as long as the charge is not less than the cost to the business entity and the cumulative value of the discount given is not more than **$600** with respect to any calendar year. These discounts are not considered in-kind contributions because of this exception and are reported in Part II of SEEC Form 20 in Section L4, "In-Kind Donations Not Considered Contributions."

[General Statutes § 9-601a(b)(6)]

Second, the donation by a business entity of goods or services for a fundraising event may also be a permissible source of funds if the aggregate value of the goods or services does not exceed **$200**. These items would also be reported in Section L4 as in-kind donations.

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 under this exception. If the value of these goods or services **exceeds** $200, then the entire amount is a **prohibited business contribution**.

[General Statutes § 9-601a(b)(12)]

EXAMPLE D: ABC Corporation, a printing company, donates free printing services to a committee for a fundraising picnic worth $150 in value. This non-monetary receipt is not a contribution but must be reported as an "in-kind donation" in Section L4. Note that ABC Corporation would not be able to donate $150 worth of pizza for the picnic because it is in not in the business of selling pizza.

EXAMPLE E: The same corporation donates an **additional** $100 worth of printing to the fundraising affair. It has made a prohibited contribution because the value of the printing – now at $250 for this event – exceeds $200 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.

d. Ad Purchases

Another exception to an impermissible business contribution is a business entity's purchase of advertising space in a program for or on signs at a fundraising affair held by a town committee or state central committee if the purchase price for the space does not exceed **$250** in the calendar year. Other persons can avail themselves of this

exception, though they are limited to ad purchases of up to **$50**. "Other persons" for this purpose may be individuals, other committees, labor unions, and other organizations. If the purchase exceeds the given limit, then the entire amount constitutes a contribution. For example, if an individual purchases $200 worth of advertising space for a fundraiser ad book, this amount is above the $50 limit and therefore should be reported as a $200 contribution from the individual. If a business entity purchases $300 worth of advertising space for fundraiser ad book, this amount is above the $250 limit and the entire amount is therefore an impermissible business contribution.

The Commission has a sample advertising purchase form for party committees, available on its website, www.ct.gov/seec.

Communicator lobbyists and their family members, and state contractors, prospective state contractors, and principals of state contractors and prospective state contractors are prohibited from purchasing or soliciting the purchase of advertising space for town committee fundraisers.

Unlike the other fundraising exceptions, which apply separately to each fundraiser conducted by the committee, the advertising space purchase exception applies *cumulatively* to all purchases by the same business entity or person during a calendar year. Moreover, in order to utilize this exception, the fundraising event must be a **bona fide** event intended to make a profit exclusive of any receipts from the sale of ads, and there must be an actual program for the fundraising event and/or a sign at the event. These transactions are reported in Part II of the SEEC Form 20 in Section L3, "Purchases of Advertising in a Program Book or on a Sign."

EXAMPLE F: XYZ Corporation purchases $200 in advertising space in a program booklet for a fundraising dinner sponsored by a town committee. This monetary receipt from the corporation is not a contribution and may be accepted. As previously stated, the treasurer is required to report all monetary receipts whether or not the funds received constitute a contribution to the committee. The $200 purchase is reported in the name of XYZ Corporation, together with other program booklet advertising receipts, in Section L3. XYZ Corporation may subsequently purchase no more than $50 of advertising space in program booklets or on fundraiser signs for other fundraising affairs held by the same committee throughout the remainder of the calendar year.

[General Statutes §§ 9-601(10), 9-601a(b)(10)]

e. House Parties

There is also a special provision relating to expenses of a fundraising affair or gathering held for a party committee by an individual at his or her residential premises (or a community room in the individual's residence facility).

If a host pays for such a party to benefit a state central or town committee and the aggregate cost to the host for invitations, food or beverages for the event does not exceed $400 (or $800 for two or more events in any calendar year), then these costs are not considered contributions to the committee. If an event is hosted by two or more individuals on behalf of a party committee, with at least one of the hosting individuals owning or residing at the residential premises, and the aggregate cost for the event does not exceed $800 total (with each host paying no more than $400), then these

costs are also not considered contributions to the committee. Such costs are in-kind receipts that are not counted against such individual's contribution limit, but must be disclosed in Section L5, "In-Kind Donations Not Considered Contributions Associated with a House Party," of the SEEC Form 20. If the cost to the host(s) exceeds $400/$800, the entire value is an in-kind contribution that is counted against the contribution limit of the individual(s) and must be disclosed in Section M as an "in-kind contribution."

Important Note (2015 Form Change): The SEEC Form 20 now has a section dedicated to reporting all house party costs, **Section L5**. Please see the instructions to the SEEC Form 20 for help with completing this section.

In order for the event to qualify for the "house party" exemption, the entire cost of the event (invitations, food, and beverages) should not exceed the $400/$800 amount. Thus, the committee cannot plan to hold a far more costly event and merely pay for any amount that exceeds that limit. In other words, the $400/$800 amount is not an offset for a more costly party. However, a candidate or committee may pay for a portion or all of the costs of the **invitations** for the event. The amount paid by the candidate or committee is not counted toward the calculation of the cumulative value of the party provided by the host(s) for purposes of determining whether the event falls within the house party exemption.

The homeowner or resident may also provide his or her home free of charge and the committee can pay for all costs associated with the event.

Important Note: Communicator lobbyists and their agents and immediate family members may not host a house party for a party committee **fundraiser** as this would constitute bundling. Such individuals may host a house party that is not a fundraiser. Principals of state contractors may host a house party for a party committee, whether a fundraiser or not, as long as they are careful not to invite individuals from whom they are prohibited from soliciting. In addition, they should take great care not to exceed the house party limits as this would constitute a prohibited contribution.

[General Statutes §§ 9-601(27), 9-601a(b)(5), 9-601b(b)(8), 9-608(c), 9-610(i)]

f. Surplus Distribution of Funds from Terminating Committees

Certain surplus distributions are also permissible sources of funds for party committees; however, treasurers must be mindful of the type of committee seeking to distribute its surplus.

A **political committee formed for a *referendum question*** which has a surplus after the vote on the question is held may distribute its surplus to the party committee subject to the following limitations:

1. If the referendum committee did **not** receive any contributions from *any* business entities or organizations, it may distribute a portion of or its entire surplus to a party committee; and
2. If the referendum committee received contributions from any business entities or organizations, it may only distribute its surplus to contributors on a proportional basis. Thus, a party 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 and *political slate committees*** may also distribute their surplus to party committees without limit after a primary day which results in the defeat of the candidate(s) or after the election. In addition, surplus distributions from a terminating exploratory committee in which the candidate has withdrawn may be accepted without limit (the exploratory committee must terminate within fifteen days of withdrawal).

A party committee may **never** accept surplus distributions from **a candidate committee of a candidate for a *statewide office* or General Assembly**.

[General Statutes § 9-608(e) and (f)]

2. Non-Reportable Receipts

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

a. Donation of Food or Beverages for a Non-Fundraising Event

An individual may donate food or beverages for consumption at a party 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 beverages donated by the individual for a single meeting or event does not exceed $50. Such food or beverage donations are no longer reported on the SEEC Form 20 but the treasurer should keep internal records of the donations (a list of the individuals and what they brought, any receipts provided) in order to substantiate that they did not exceed the $50 limit. If the value of the food or beverages 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.

Note that this exemption may be applied in conjunction with a house party that is not a fundraiser. For example, if an individual hosts a house party meet-and-greet for a party committee, that individual may spend up to $400 on the cost of invitations, food, and beverages which is not considered a contribution, and a guest may then bring food or beverage to the event, which also would not be considered a contribution if the value of the food or beverages does not exceed $50.

This exemption applies per individual, which means that each attendee may bring food or beverages valued at up to $50 to the non-fundraising event and none would be considered contributions.

[General Statutes §§ 9-601a(b)(17), 9-608(c)(1)]

b. Use of Facility Space

Generally, a party committee must pay fair market value for its use of facility space. A business entity or organization may, however, provide use of its facility space to a party 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 criteria, then it may not provide use of its facility space to a party committee for free or at a discount as it would constitute an impermissible business entity or organization contribution.

(Note that if the committee has to pay for use of the space, then this would be reported as a traditional expense in Section P of the SEEC Form 20.)

[Advisory Opinion 2010-02]

c. 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, while business entities may not make contributions to party 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 the term "lawn sign" to mean a sign of a temporary nature measuring not more than 32 square feet.

[General Statutes § 9-601a(b)(7); Advisory Opinion 2010-02]

d. *De Minimis* Campaign Activity

The value associated with *de minimis* campaign activity done on behalf of a party 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, the sending or receiving of electronic mail or messages, and the creation of digital photos or videos as part of an electronic file. 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.

Important Note: Included in the definition of *de minimis* activity is the creation of digital photos or video as part of an electronic file. This means, for example, that a volunteer could provide the campaign with a disc of digital photos to be used for campaign purposes and this would not need to be counted as an in-kind contribution from that individual.

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 or the donation of an item or items of personal property that are customarily used for campaign purposes by an individual provided the cumulative fair market value of such personal property or service does not exceed $100 in the aggregate per calendar year.

Important Note: Although not considered contributions, costs associated with communications that fall under this provision remain expenditures requiring **attributions** if otherwise needed. For example, if a committee sends out fundraising invitation by email, the committee's attribution should be included in the e-mail. For more information on the proper attribution, please see **Chapter V. Spending Committee Funds**.

[General Statutes § 9-601a(b)(18)]

e. Use of Offices and Equipment Provided by a Party Committee

A party committee may provide offices, telephones, computers, and similar equipment that it uses to a candidate as a permissible donation not considered a contribution or expenditure. The related costs are reported as expenses of the party committee. Recipient candidates have no reporting obligations if a party committee is sharing use of its office space and equipment under this exemption.

[General Statutes §§ 9-601a(b)(19), 9-601b(b)(14)]

C. Methods of Payment

1. Cash or Check

Monetary receipts from ***individuals*** may only be accepted by a party 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 contribution made in that year may only be made by personal check or credit card.

EXAMPLE: Charles gave a $100 check to a town committee in January. The following month, Charles attends a fundraising event for the same committee and wants to buy a $5 raffle ticket. This $5 is also considered a contribution to the town committee and is counted toward Charles' contribution limit for the year. Since Charles has already given $100 to the town committee, however, he must pay for the $5 raffle ticket 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 must be made by check drawn on that committee's designated depository institution.

Party committees may **not** accept an *anonymous contribution* in **any** amount. Anonymous contributions include funds for which the contributor cannot be determined by any means. The committee treasurer must immediately forward any anonymous cash receipts in full to the State Elections Enforcement Commission for deposit in the General Fund of the State of Connecticut.

[General Statutes § 9-606(b)]

2. Credit Card / Online Contributions

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

A party 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 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 email address (applicable to credit card contributions over the Internet);
- Amount of contribution;
- Certification as to whether contributor is a *lobbyist* or a member of the immediate family of a lobbyist for contributions that separately, or in the aggregate, exceed $50 (best practice is to obtain it at all amounts);
- Certification as to whether contributor is a principal of a state contractor or prospective state contractor (which includes spouse, dependent children over eighteen, and civil union partners) for contributions that separately, or in the aggregate, exceed $50 (best practice is to obtain it at all amounts);
- 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" (applicable to 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."

Important Note: Committees collecting contributions online must provide contributors with a link to the definitions pertaining to the lobbyist and state contractor provisions.

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, committees 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 the period of four years from the date that the credit card transaction(s) are reported.

If you would like to have your online contribution website reviewed by Commission staff, please call (860) 256-2940.

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

V. Spending Committee Funds

Spending by party 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 party committee may contribute to other committees and the manner in which a party committee may use cash for expenditures. Finally, there are some prohibitions on spending, such as personal use and buying votes. The permissible uses of party committee funds and guidelines for use are discussed below.

A. Permissible Expenditures Generally

All campaign expenditures must be made to promote the party, the candidates of the party, continuing operating costs of the party, or party building activities. "Party building activity" is defined as "any political meeting, conference, convention, and other event, attendance or involvement at which promotes or advances the interests of a party at a local, state or national level, and any associated expenses, including travel, lodging, and any admission or fees or other costs, whether or not any such meeting, conference, convention, or other event is sponsored by the party."

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 campaign staff, and campaign advertising. A party committee may also pay for gifts to committee workers or purchasing flowers or other commemorative items for political purposes as long as it does not exceed $100 to any one recipient in a calendar year.

[General Statutes §§ 9-601(30), 9-607(g)]

B. Joint Expenditures with Another Committee

A party committee may make such expenditures jointly with another committee if both committees are benefiting from the permissible expenditure. When making such joint expenditures, each committee must be sure to pay 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.

Party committees may also make an expenditure on behalf of a candidate committee which can either be:

1. reimbursed by the candidate committee (unless the candidate is participating in the *Citizens' Election Program* ("CEP") and has received a public grant);
2. deemed an *organization expenditure* which is not considered a contribution to the candidate committee, see **Organization Expenditures** in Section C of this chapter; *or*

3. 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 §§ 9-601(25), 9-601a(b)(16), 9-610(b), 9-616(a), 9-617(a)-(c); Regulations of Conn. State Agencies § 9-706-2(b)(8)]

C. Permissible Contributions from Party Committees

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

Table 4-Party Committee Contribution Limits to Candidate Committees

OFFICE SOUGHT	STATE CENTRAL COMMITTEE	TOWN COMMITTEE
Governor	$50,000	$7,500
Lt. Governor, State Treasurer, Comptroller, Attorney General and Secretary of State	$35,000	$5,000
State Senator	$10,000	$5,000
State Representative	$5,000	$3,000
Probate Judge	$10,000	$3,000
Chief Executive Officer of the Municipality (*e.g. Mayor, First Selectman*)	$10,000	$3,000
Other Municipal Offices	$5,000	$1,500
Exploratory Committee (*undetermined office*)	$375	$375
Political Slate Committee (*Municipal Offices*)	$2,500/year	$1,500/year
Political Slate Committee (*Town Committee Primary*)	UNLIMITED	UNLIMITED

[General Statutes §§ 9-600, 9-617(b) and (c)]

Candidates participating in the **CEP** may **not** receive contributions from party committees. However, party committees may make **organization expenditures** on behalf of such candidates which are not considered contributions. See **Organization Expenditures** in Section C of this chapter.

A party committee may make contributions to a political committee, subject to the following aggregate limits, per calendar year:

Table 5-Party Committee Contribution Limits to Political Committees

POLITICAL COMMITTEE	STATE CENTRAL COMMITTEE	TOWN COMMITTEE
Legislative Caucus Committee	$10,000	$2,000
Legislative Leadership Committee	$10,000	$2,000
Two or More Individual Political Committee	$2,500	$1,500
Business Entity Political Committee	$2,500	$1,500
Labor Organization Political Committee	PROHIBITED	PROHIBITED
Single Election Political Committee	$2,500	$1,500

[General Statutes §§ 9-614(a), 9-617(b)(2) and (c)(2)]

A party committee may make contributions to a national committee of a political party or to a committee of a candidate for federal or out-of-state office under Connecticut law. However, the committee treasurer must refer to federal law or the laws of the applicable jurisdiction to determine what limitations, if any, exist.

Table 6-Party Committee Contribution Limits to Out-of-State Committees

COMMITTEE	STATE CENTRAL COMMITTEE	TOWN COMMITTEE
National Committee of a Political Party	UNLIMITED*	UNLIMITED*
Federal Candidate Committee	UNLIMITED*	UNLIMITED*
Out-of-State Candidate Committee	UNLIMITED*	UNLIMITED*

*Subject to federal law and/or law of recipient jurisdiction.

[General Statutes § 9-617(a)]

A party committee 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 honor of someone who has passed away.

A **town committee** may contribute to a **scholarship *awarded by a* high school** on the basis of objective criteria. A state central committee may **not** make such a contribution.

A party committee may make unlimited contributions to another party committee. Thus, for example, a town committee may make unlimited contributions to a state central committee or to another town committee.

[General Statutes § 9-617(a)]

D. Organization Expenditures

An organization expenditure by a party committee is specifically exempted from the definition of contribution and expenditure for purposes of the campaign finance laws, but remains a reportable transaction by party committees for purposes of public disclosure. **This means that an organization expenditure does not count against the party committee's contribution limit, because it is exempted from the definition of contribution**. **Organization expenditures are the only donations a party committee may make to benefit candidates participating in the CEP**.

[General Statutes §§ 9-601a(b)(16), 9-601b(b)(8)]

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 candidates, (2) is distributed through public advertising, direct mail, telephone, electronic mail, Internet, or personal delivery, and (3) promotes the success or defeat of any candidate or slate of candidates, or the success or defeat of any

referendum question or political party, as long as the communication is not a solicitation for or on behalf of a candidate committee;

Important Note: Party committees wishing to sponsor a party candidate listing should be mindful of the registration status of candidates they wish to include, as certain candidates have filed exemptions from forming a candidate committee which restrict or prohibit their ability to receive organization expenditures. In order to be included, the candidates may have to pay their proportional share or change their funding source, if feasible. See below for more information.

- Printed or electronic documents including party platforms, an electronic page providing merchant account services to be used by a candidate for the collection of online contributions, 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; and
- Advisors on campaign organization, financing, accounting, strategy, law, or media.

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, legislative caucus committees, and party committees are the only types of committees that may utilize the organization expenditure exemption.

There are additional restrictions on organization expenditures made on behalf of **General Assembly candidates participating in the CEP**. A party committee may not make any organization expenditures on party candidate listings benefiting participating General Assembly candidates for a primary campaign. In addition, a town committee may make only up to $10,675 in organization expenditures on behalf of a participating candidate running for state senate for a general election and only up to $3,736.25 for a participating candidate running for state representative for a general election. These limits are adjusted biennially in accordance with any change in the consumer price index and will next be adjusted in January 2018. For all other candidate committees, there are no limitations on the amount of organization expenditures that a party committee may make on their behalf.

In addition, a candidate who has filed an **exemption** from forming a candidate committee (SEEC Form 1B) because she intends to finance her campaign *entirely* from personal funds or does not intend to receive or expend *any* funds may not receive organization expenditures. Also, a candidate who has filed an exemption from forming a candidate committee because he is on a slate of candidates solely funded by a party committee or political slate committee may not receive organization

expenditures. In the case of a candidate funded by a party committee, that committee is of course permitted to make unlimited expenditures to promote that candidate. In the case of a candidate funded by a political slate committee, the political slate committee can still receive in-kind contributions from a party committee, subject to the applicable contribution limits outlined previously in this chapter. Finally, a candidate who has filed an exemption from forming a candidate committee because he does not intend to raise or spend more than $1,000 may receive an organization expenditure under that exemption as long as it does not put him over the $1,000 threshold.

If a candidate who has filed a **1B exemption** would like to be included in a party candidate listing or involved in a campaign event that a party committee is doing as an organization expenditure for other candidates, he may do so if he pays for a proportional share of the associated costs (and have his attribution included on the communication), assuming such payment would not disqualify him from the exemption he has chosen.

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

[General Statutes §§ 9-601(25), 9-608(c)(5), 9-718]

E. Joint Fundraising Events Held To Benefit Two or More Party Committees

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

Alternatively, a party committee may throw a joint fundraiser with another party committee (or a political committee or candidate committee) without forming a political committee as long as contributors write separate checks out to each involved committee. Each committee taking part should pay its proportional share of the cost of the event and include its attribution on any communications concerning the event. The committees should agree to and document the terms of the joint fundraising event and all related expenditures before making or committing to make any expenditures for the event.

[General Statutes § 9-609(a)]

F. Committee Worker Reimbursements

A party committee may reimburse a committee worker or candidate if:

1. the worker or candidate has paid the expense from his or her own personal funds or personal credit card;
2. the treasurer authorized the expenditure;
3. the worker or candidate provides the treasurer with a written receipt from the vendor proving payment by the worker or candidate;

4. the expenditure is for a lawful purpose of the committee; and
5. the expenditure is not a contribution to any other committee.

When a committee worker or candidate 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. The Commission has determined that 45 days from the date an expenditure is 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)]

G. Petty Cash Funds

The treasurer of a party 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 (e.g., 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 (e.g., 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); Regulations of Conn. State Agencies § 9-333i-1]

H. Election Day Expenditures

On any day which an election or primary is being held, a town committee may give a check to one individual in each voting district of the municipality in which the election or primary is being held. The check shall be drawn by the committee treasurer against the committee's depository institution account to the order of such individual in an amount not to exceed $250. The individual may use the proceeds of the check to make cash expenditures for expenses incurred by campaign workers on election or primary day, such as food and gas. Such individual shall submit a detailed accounting of such expenditures within 48 hours after the closing of the polls and the treasurer shall report the names of all involved workers and the expenditures made by them in Section P of SEEC Form 20.

Where the committee agrees to pay someone in excess of $100 for their work or services, the treasurer must enter into a **written agreement** with the individual, signed before any such work or service is performed, 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.

[General Statutes § 9-607(c); Regulations of Conn. State Agencies § 9-607-1]

I. Computers and Other Electronic Equipment

There are several ways a committee may access computers and other electronic equipment:

1. A committee may purchase a computer or other types of electronic equipment (i.e. mobile devices) at fair market value. Electronics purchased with committee funds must be used exclusively for the committee; no personal, business or non-committee use is permitted by law.
2. A committee may choose to lease or rent electronic equipment 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 in Section P of SEEC Form 20. Leasing electronic equipment to the committee at less than the fair rental value is an in-kind contribution and must be reported accordingly.
3. A committee may accept the contribution of electronic equipment, or use of electronic equipment, as an in-kind contribution from any source that is able to contribute to the committee, and within the applicable contribution limits. Such contributors may only make an in-kind contribution of a computer or other electronic equipment 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 electronic equipment to the committee at fair market value.
4. An individual may perform committee work on a personal computer or with another type of personal electronic equipment owned by such individual and use of the equipment 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 or other electronic equipment while working for a committee is not a contribution and does not need to be reimbursed or reported by the committee. However, as noted in the above paragraph, loaning electronics 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 electronic equipment is also subject to the aggregate contribution limits applicable to such donor.

[General Statutes §§ 9-601a(b)(4), (5) and (18), 9-607(g)(2), (3), and (4)]

J. Attribution Requirements for Communications

When a party committee makes expenditures for 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, campaign signs that are greater than 32 square feet in surface area, as well as television or internet video advertising, radio or internet radio advising, and automated telephone calls ("robo" calls).

1. "Paid for By"

Any party 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**. A party committee can only abbreviate its name in the attribution if it has indicated the abbreviation as its "acronym" on the committee registration statement (SEEC Form 2). The treasurer's name is not required.

2. "Approved By"

If a party committee's communication supports or opposes a candidate and is done with the consent of, in coordination with, or in consultation with a candidate, candidate's committee or candidate's agent, the communication must also include on its face the text **"Approved by," together with the name(s) of the candidate(s)**.

Most party committee communications in support of or in opposition to a candidate can be done as a **party candidate listing** organization expenditure which, while not considered a contribution, must still include the "Approved by" language. If the communication does not constitute a party candidate listing, either because it solicits funds for a candidate committee or is benefiting a candidate that is ineligible to receive organization expenditures (i.e., a candidate being funded by a political slate committee), the communication would constitute an **in-kind contribution** to that candidate or committee (unless reimbursed). Accordingly, the party committee should not only report the communication on its own financial disclosure statement as an expenditure that was coordinated without reimbursement sought but should also notify the other committee's treasurer of the expenditure, who in turn should report it as an in-kind contribution. Because such coordinated expenditures are in-kind contributions from the party committee to the candidate or committee, alternatively the communication may contain the other committee's attribution rather than the party committee's attribution (i.e., "Paid for by" followed by the name of the candidate committee and the name of its treasurer, along with "Approved by" together with the name of the candidate).

Important Note: If a candidate, candidate committee, or political slate committee wants to pay its proportional costs of a communication that a party committee is otherwise doing as a party candidate listing for other candidates, both the party committee's and the candidate's or candidate or slate committee's attribution must be included on the face of the communication. For more information on the attribution requirements for candidates or candidate committees, please refer to the Commission's candidate guidebooks.

If a party committee's coordinated communication as described above, whether done as a party candidate listing or a contribution, 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 (e.g., "Approved by the Above Listed Candidates"), rather than all of the candidates' names, provided they are otherwise identified in the communication.

Moreover, if the party committee's communication takes the form of a **print, television or social media communication** promoting a **slate** of candidates (i.e., more than one

candidate), it is **not** required to include the "Approved by" language. Rather, it need only include the "Paid for by" language followed by the name of the party committee.

[General Statutes § 9-621(a), (b), and (c); Declaratory Ruling 2011-01]

3. Referendum Communications

If a party committee makes an expenditure for any written, typed or other printed communication which promotes the success or defeat of a referendum question, the attribution must only contain the "paid for by language" (i.e., "Paid for by [name of the party committee]").

4. Font Requirements for Certain Communications

For attributions on communications contained in a flyer, leaflet, newspaper, magazine, or similar literature, or that is delivered by mail, the disclaimer required to be on the face of the communication must be at least in **eight-point type of uniform font.**

[General Statutes § 9-621(k)]

5. Exempt Communications

Attributions are **not** required for "political paraphernalia" such as pins, badges, hats, rulers, and bumper stickers. Campaign signs (such as lawn signs) that have a surface area of 32 square feet or less and banners are also exempt from the attribution requirements.

[General Statutes § 9-621(d)]

K. Testimonial Affairs

A "testimonial affair" is an event held in honor of a candidate or in honor of an individual who holds elective office. Party 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 or for the party committee. There are two exceptions to this rule:

- A retirement party may be held for an individual who has retired 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 party committee conducts a testimonial affair to benefit a candidate or elected official, all funds raised or received 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 and must be reported by the candidate committee. 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.

If, however, a party committee conducts a testimonial affair to raise funds for itself, then all funds raised or received in connection with the event must be deposited in the party committee account and treated as contributions to the party committee.

Note that the invitation should make it clear which committee the event is raising funds for.

[General Statutes §§ 9-606(a), 9-609(b)]

L. Personal Use

No goods, services, funds or contributions received by any 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 the candidate, the immediate family of the 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. The treasurer may not under any circumstances pay a candidate or a candidate's immediate family for services rendered to the campaign. This prohibition is not applicable to reimbursements to candidates or committee workers for goods and services purchased by them for campaign purposes.

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

M. 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)]

VI. 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 State Elections Enforcement Commission. Town committee treasurers are no longer required to file a copy of the form with their town clerk.

A **state central committee** is **always** required to file a SEEC Form 20.

All **town committees** are required to file a SEEC Form 20 for their filings due January 10th and on the 7th day preceding an election. With the exception of these filings, a town 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 of the calendar year through the close of the reporting period covered by the statement and has not previously filed a SEEC Form 20. Once a town committee exceeds the $1,000 threshold or has the 7th day preceding the election filing due, it is required to file the SEEC Form 20. Moreover, once a committee files a SEEC Form 20, the committee treasurer must continue to use the SEEC Form 20 for all of the committee's remaining required financial disclosure statements for that calendar year.

Further, committees should keep in mind that if they opt to file SEEC Form 21's, they will still be required to report ***all*** activity since the beginning of the year when they file their 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.

In the case of eCRIS users filing a SEEC Form 20 after having filed one or more SEEC Form 21's, the committee will be required to: (1) amend the SEEC Form 21 covering the period in which the first financial activity of the year occurred by amending the SEEC Form 21 to change it to a SEEC Form 20 and reporting that financial activity; (2) amend all subsequent SEEC Form 21's submitted after that initial SEEC Form 21, to report any activity in those periods and to correct the summary totals, regardless of whether activity occurred in that particular period; and (3) after this "look back" reporting has been completed in eCRIS, submit the itemized statement (SEEC Form 20), covering the period laid out in the filing calendar. If the committee is not filing by eCRIS, then its first filed itemized statement (SEEC Form 20) must cover a period that begins with January 1 as the start date.

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

[General Statutes §§ 9-603(a), 9-608(b)]

C. Electronic Filing

The Commission's Electronic Campaign Reporting Information System ("eCRIS") enables 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 party committees and is fully supported by our eCRIS helpdesk (860-256-2930).

eCRIS users may 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 efficiently;
- Calculations required by law are system-generated, including aggregates for contributions and expenditures, thereby reducing potential errors; and
- eCRIS utilizes state-of-the-art technology and can handle heavy traffic.

Effective July 1, 2017, all town committees that raise or spend $1,000 or more during the current calendar year or in the preceding regular election cycle and all state central committees will be required to file by eCRIS. Therefore, your July 2017 quarterly filing would have to be filed by eCRIS. If a treasurer is able to demonstrate good cause for not being able to file electronically, the Commission may waive the requirement.

If you are currently serving as a treasurer, deputy treasurer, or data entry operator of a party committee, go to the Commission's website to set up an eCRIS user ID and to learn more about eCRIS. You may also contact the eCRIS Helpdesk at 860-256-2930 for questions or to set up a one-on-one training.

[General Statutes § 9-675 (as amended by Public Act 16-203)]

D. When to File

Important Note – Paper Filers: In Advisory Opinion 2014-02, the Commission articulated that in order to be deemed a filing, a disclosure statement must, at a minimum:

1. be **signed and dated** under penalty of false statement by the **legally authorized person**;
2. cover the **applicable time period** required by the applicable section or subsection of General Statutes §§ 9-608, 9-601d or 9-712; and
3. be on the **proper form** required for that person for that filing.

While submissions that do not meet these requirements will be date-stamped and made publicly available, **they will not be deemed filings and will result in penalties for late/non-filing** if they are not timely fixed. Committees may **not** attach printed spreadsheets or other information in lieu of completing any section of the SEEC Form 20.

The treasurer of a **town committee** must file a financial disclosure statement with the State Elections Enforcement Commission by the following deadline dates:

- The 10th day of January, April, July and October
- The 7th day prior to a regular November state election (i.e., even years) (regardless of whether any funds have been raised or spent in connection with the election)
- The 7th day prior to each municipal election (i.e., odd years), whether in May or November (regardless of whether any funds have been raised or spent in connection with the election)
- The 7th day prior to any primary if the committee has expended funds in connection with the primary
- The 7th day prior to any referendum if the committee has expended funds in connection with the referendum
- The 7th day prior to any special election if the committee has expended funds in connection with the special 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. This filing must be submitted at some time during the filing period, which begins at 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 Commission's website (www.ct.gov/seec).

The **reporting period** for each disclosure statement filed by a town committee on the 10th 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 7th day preceding an election, primary, or referendum, 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 two days immediately preceding the required filing deadline day.

The treasurer of a **state central committee** must file a financial disclosure statement with the State Elections Enforcement Commission by the following deadline dates: the 10th day of January, April, and July, and the 12th day prior to any regular state or municipal election. State central committees are also required to file on the 12th day before any other election or any primary or referendum when they have made or received a contribution or expenditure in connection with such election, primary, or referendum. If such deadline date falls on a Saturday, Sunday or legal holiday, the statement shall be filed on the next business day. This filing must be submitted at some time during the filing period, which begins at 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 Commission's website (www.ct.gov/seec).

The reporting period for each disclosure statement filed by a state central committee on the 10th of January, April and July must include the financial activity of the committee beginning the first day not included on the last 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 12th day preceding an election shall include financial activity up to the 19th day preceding the election.

Statements are considered **timely filed** if they are either filed electronically via eCRIS with the State Elections Enforcement Commission before 11:59 p.m. on or before the filing deadline date or, in the case of those still qualified to file by paper, if they are **received by** the Commission's offices after the filing period has begun and by 5:00 p.m. on or before the required filing deadline date if delivered by the United States Postal Service, courier service, parcel service or hand delivery. Paper statements postmarked on the deadline date are not considered timely – they must actually be received by the Commission's offices by 5:00 pm on the deadline date. The Commission also cannot receive a statement before the filing period has begun. Committees seeking confirmation of receipt should check their committee's filing status on eCRIS search. As mentioned in the previous section, **the majority of state central committees and town committees will be required to file by eCRIS commencing July 1, 2017**.

Important Note: Pursuant to Public Act 2016-203, the Commission may now consider, in assessing a late fee in the event a filing is late, a committee's **receipt** from the post office or a commercial delivery service confirming that their statement was received or should have been received by the Commission's offices by the deadline date. Committees still filing by mail are therefore encouraged to obtain a receipt from the post office or delivery service indicating that the statement will be received on or before the filing deadline date.

[General Statutes §§ 1-2a, 9-608(a), (d), and (e) (as amended by Public Act 16-203)]

E. Late Filing Fees

Failure to file a financial disclosure statement with the State Elections Enforcement Commission by the applicable deadline date subjects the treasurer to an **automatic and non-discretionary $100 late filing fee**, which is the personal responsibility of the

treasurer and is **not a legitimate expenditure of the committee**. Late filing fees are payable to Treasurer, State of Connecticut and mailed to the State Elections Enforcement Commission. This fee is **mandatory** regardless of the reason for the late filing.

In addition, a treasurer's failure to submit the filing within 21 days after receiving a failure to file notice from the State Elections Enforcement Commission by certified mail, return receipt requested, 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's Enforcement Unit.

[General Statutes § 9-623(b)]

F. 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). Certain non-monetary receipts received in connection with a fundraising affair, whether or not they constitute contributions, as well as all expenditures, made or incurred, and all organization expenditures made by the committee must also be reported on the financial disclosure statement.

[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 do not need to be itemized and can be reported in Section A entitled "Total Contributions from Small Contributors – Received 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 individual has made or will make in that calendar year. To assist with recordkeeping and compliance with the required aggregation, the treasurer may also choose to itemize contributions that are $50 or less in Section B entitled "Itemized Contributions from Individuals."

All monetary contributions in excess of $50 must be itemized in Section B. Moreover, when monetary contributions exceed $50 for the calendar year 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 and all non-monetary contributions require disclosure of the contributor's name, address, amount received during the relevant reporting period, method of contribution, date of the contribution, the aggregate amount given, the name of her employer, and whether the contributor is a lobbyist or immediate family

member of a lobbyist. Moreover, the individual must also provide with the contribution a **certification** that she is not a principal of a state contractor or prospective state contractor. For individuals who contribute to the committee in excess of $100 in the aggregate for the calendar year, the treasurer must also report their principal occupation to the extent known.

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

If a committee treasurer receives a contribution over $50 that does not include a state contractor certification, the treasurer shall:

1. not later than three days after receiving the contribution, send the contributor a request for the certification by certified mail, return receipt requested;
2. not deposit the contribution until the certification is received; **and**
3. return the contribution to the contributor if the contributor does not submit the certification within 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)]

As previously noted, the Commission has a sample party committee individual contributor certification form available on its website (www.ct.gov/seec). While all of the information included in the sample certification form may not be statutorily required depending on the contribution amount, the Commission recommends that the treasurer request this information from **all** contributors, whatever the amount given, because such information becomes **necessary** as contributions are aggregated throughout the calendar year.

Moreover, as previously discussed, contributions from state contractors, prospective state contractors, and principals thereof are prohibited at any amount – if a treasurer obtains a certification form with a contribution from someone later deemed to be a principal of a state contractor or prospective state contractor, the treasurer is entitled to rely on the certification and it will provide him with a good faith reliance defense.

Monetary receipts in the form of personal checks written on **joint accounts** should generally 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. One or both of the account holders may also submit a signed statement (e.g. a certification card) indicating how the check should be allocated differently (i.e. non-equally) between them or to one of them only, and the contribution should be allocated in accordance with that statement.

EXAMPLE: John and Jane Doe have a joint bank account. Jane signs a $1,000 contribution check to a party committee. On a contributor certification form signed by John and Jane, they indicate they would like $250 of the contribution to be from her and $750 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)]

A monetary receipt in the form of a money order is considered to be "cash" and should be reported as such. Only an individual's first $100 contributed in the aggregate in a

calendar year may made by cash or money order.

[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 Totals" of SEEC Form 20.

[General Statutes § 9-608(c)(1)(E)]

c. Receipts 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 (see applicable limitations in **Chapter IV. Raising Funds for Your Committee**) that is not a contribution, in Section C2, "Reimbursements or Surplus Distributions from Other Committees." The purchase of advertising by another committee in a town committee's program book, which is not considered a contribution, is disclosed in "Purchases of Advertising in a Program Book or on a Sign," Section L3. 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 (although certain receipts need not be itemized, as discussed above). 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 (e.g. purchases of goods or ads in program books reported in the "Event Activity" section of SEEC Form 20).

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 event, including the date, location, and a description, are required to be reported in Section L1 "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 (report 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 corresponding fundraising event at which the given contribution was received must be identified in Section B as well. The purchase of fundraising event tickets and raffle tickets are considered contributions, and therefore must be reported in Section A or B

depending on the amount purchased by the contributor and the amount of other contributions by the same contributor.

Important Note: When a party committee holds a **raffle** as a fundraiser, each raffle ticket purchased is considered a contribution to the committee. This means that the treasurer must keep an internal record of the name and address of each person buying a raffle ticket so that he can aggregate the cost of the ticket with the person's other contributions for that calendar year. Moreover, if the purchase of the raffle ticket puts the contributor over $50 in contributions for the calendar year or the contributor has already reached that threshold, the treasurer must also have them complete a certification form and must itemize the ticket purchase as a contribution in Section B.

Party committees interested in having raffles should contact the **Gaming Division of the Department of Consumer Protection** at 860-713-6310 for information on holding a raffle and obtaining the proper permit.

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 reported in L1 at which the in-kind contribution was received.

The donations received in connection with a fundraising affair that do not constitute contributions must generally 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. Donations made under the house party provision are reported in Section L5, "In-Kind Donations Not Considered Contributions Associated with a House Party," of the SEEC Form 20.

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, as more fully outlined below. The treasurer cannot merely disclose the net proceeds of the event.

[General Statutes §§ 9-601a(b), 9-608(c)(1) and (4)]

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

- Type of expenditure indicating whether or not the expenditure supported or opposed a candidate, and if so whether it was made independently of the candidate or as a coordinated or organization expenditure, and whether reimbursement is claimed from the party committee.

Important Note (2015 Form Change): The "Type of Expenditure" field in the expense sections of the SEEC Form 20 has been modified to add a "none of the below" box so that treasurers and the public have a clearer understanding of the type of the expenditure being reported. Please see the instructions to the SEEC Form 20 for help with completing this section.

a. In-Kind Contributions to Other Committees

Each treasurer of a party 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 party 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" (e.g., 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. A town committee is not required to send valuation notice of an in-kind contribution made to a municipal candidate who has certified that his campaign will be funded exclusively by the town committee and therefore does not have a candidate committee.

[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 party committee shall include an itemized accounting of each organization expenditure made by the committee for the benefit of a candidate. Party committees report organization expenditures in Section P, "Expenses Paid by Committee," of SEEC Form 20, checking off the appropriate type of organization expenditure and providing an itemized accounting for each benefiting candidate in the Addendum to Section P.

Where the benefiting candidate is running for General Assembly or statewide office, the party committee treasurer must also, at the time of reporting the organization expenditure on its statement, provide notice of the organization expenditure to the candidate committee of such candidate or candidates.

The Commission will post on its website a list of all organization expenditures reported by a party committee that benefit a General Assembly or statewide office candidate,

including the name of the committee receiving the benefit of the expenditure and the date and purpose of the expenditure.

[General Statutes §§ 9-601(25), 9-608(c)(5) and (6)]

c. Expenses Incurred but Not Paid

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 party committee purchases mailers that it distributes in June but is not billed for them until August, the committee would report the mailers as an expense incurred but not paid on its July 10th filing.

Each expense incurred but not yet paid must 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," of the SEEC Form 20.

If a committee incurs an expense but will not know the actual cost until it receives an invoice at a later date, it should still report the expenditure incurred in Section S in the period in which it was incurred and provide a good faith **estimate** of the amount.

The treasurer must then report the expense incurred on Line 28, Column A, of the Summary Page Totals on page 2 of the SEEC Form 20. Once the expense is paid off, the treasurer must subtract the corresponding amount from the total reported on Line 28A.

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

d. Loan Repayments

Loan repayments are reported in Section P, "Expenses Paid by Committee." The name and address of each bank or other lender, 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

Party committees must report expenditures made in coordination with other committees in Section P, "Expenses Paid by Committee," checking off the appropriate type of coordinated expenditure and indicating the name or names of the candidates supported in the case of a candidate committee. Where the party committee does not seek reimbursement, it will indicate so in Section P and the recipient committee will report the expenditure as an in-kind contribution on its financial disclosure statement.

The party committee may choose to seek reimbursement for any expenditure it has made for the benefit of another committee (unless the committee is that of a candidate participating in the CEP that has received a public grant). In order to accomplish this, the committee must provide notice of a description of the expenditure and the amount of reimbursement being sought to the other committee's treasurer by the close of that committee's reporting period in which the party committee's expenditure was made. In completing Section P, the party committee will indicate that the expense was coordinated with reimbursement sought. The party committee will

then report the payment from the other committee as a reimbursement from that committee in Section C2, "Reimbursements or Surplus Distributions from other Committees," of SEEC Form 20, referencing the expenditure number as assigned in Section P of the expenditure that was reimbursed. The other committee will not report this as an in-kind contribution; it will report its reimbursement as an expenditure to the party committee.

[General Statutes § 9-601c]

f. Reimbursements to Committee Workers

Each expenditure that is a reimbursement to a committee worker must be treated as any other expenditure but must also 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, "Expenses Paid by Committee," using "RMB" as the Expenditure Code. In a separate section of SEEC Form 20, Section T, "Itemization of Reimbursements and Secondary Payees," the treasurer must itemize the expenditure for which the worker was reimbursed. This section will not affect the balance on hand and need not be carried forward to the "Summary Page Totals."

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

g. Payments to Consultants

If a consultant is paid by the committee to provide services, the committee treasurer must report the payment in Section P, "Expenses Paid by Committee." If the consultant pays other vendors (secondary payees) for committee-related expenses, then the committee's payment to the consultant to cover such expenses would be reported in Section P, "Expenses Paid by Committee," using "RMB" as the Expenditure Code, and then must also be reported in a separate section of SEEC Form 20, Section T, "Itemization of Reimbursements and Secondary Payees." Secondary payees are those vendors who received a payment from the consultant for goods or services purchased by the consultant for which the committee has paid the consultant.

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

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. As noted above, town committees are no longer required to file copies of their campaign finance disclosure statements with their town clerks.

[General Statutes §§ 9-603(a), 9-608(d)]

The registration and financial disclosure statements filed on behalf of party committees are available for public inspection at the State Elections Enforcement Commission's offices, which is required to maintain these filings for five years from the date of filing. They may also be reviewed on the Commission's website, through eCRIS search.

[General Statutes § 9-608(c)(7)]

VII. 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 Commission's offices and on its website (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: Enforcement Unit
20 Trinity Street – 1st Floor
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. Any person who knowingly and willingly violates the campaign finance laws shall be guilty of a Class D felony.

[General Statutes §§ 9-7b(a)(2), 9-623(a)]

VIII. Conclusion

This Guide is intended to clarify and summarize the most important provisions relating to Connecticut's campaign financing requirements relevant to party 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: Compliance Unit
20 Trinity Street
Hartford, CT 06106-1628

Main Telephone:	860-256-2940
Toll Free (outside Hartford area):	866-SEEC-INFO
Main Fax:	860-256-2981
Website:	www.ct.gov/seec
E-Mail:	seec@ct.gov

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 or by contacting the Commission by telephone, email, or mail.

IX. Glossary

Agent: A person authorized to act for or in place of another. *See* General Statutes § 9-601(18) (defining "agent").

Anonymous Contribution: A contribution for which the treasurer has no information about the identity of the contributor. Treasurers may not deposit anonymous contributions, of any amount, but must immediately forward them in full to the State Elections Enforcement Commission for deposit in the General Fund of the State of Connecticut. *See* General Statutes § 9-606(b).

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) (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").

Candidate: An individual seeking nomination or election to public office, who has solicited or expended funds to bring about that election or nomination, other than for a party committee, 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. An individual must register within ten days of becoming a candidate. General Statutes § 9-604(a).

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).

Client Lobbyist: A lobbyist on behalf of whom lobbying takes place and who makes expenditures for lobbying and in furtherance of lobbying. *See* General Statutes §§ 1-91(21) (defining "client lobbyist"), 9-601(16) (drawing on § 1-91 to define "client lobbyist" for purposes of campaign finance laws). Client lobbyists are to be distinguished from "communicator lobbyists" who are the ones who are paid to do the communicating on the client lobbyist's behalf. *See also* **Communicator Lobbyist** and **Lobbyist.** For more information on who is a client lobbyist or who is a communicator lobbyist, please contact the Office of State Ethics at 860-263-2400 or visit their website.

Committee Chairperson: The individual who has signed the committee's registration statement as the designated chairperson. Generally, party committees elect their chairpersons. The chairperson is responsible for appointing and designating 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), 9-609(a).

Committee Treasurer: *See* **Treasurer**.

Communicator Lobbyist: A lobbyist 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. *See* General Statutes §§ 1-91(22) (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. *See also* **Client Lobbyist** and **Lobbyist**. For more information on who is a client lobbyist or who is a communicator lobbyist, please contact the Office of State Ethics at 860-263-2400 or visit their website.

Contribution: Any gift, subscription, loan, advance, payment or deposit of money or anything of value, made to promote the success or defeat of any candidate seeking the nomination for election, or election or for the purpose of aiding or promoting the success or defeat of any referendum question or the success or defeat of any political party. The committee 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 party 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 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 Treasurer: A "back-up" treasurer who steps in as treasurer if the treasurer is unable to perform his or her duties for any reason. *See* General Statutes § 9-601(13) (defining "deputy treasurer").

eCRIS (Electronic Campaign Reporting Information System): The Commission's online campaign finance reporting and disclosure system that allows chairpersons and their committee treasurers to submit required committee registration information and campaign finance statements detailing the receipts and expenditures of the committee electronically via the Internet. See General Statutes § 9-675.

Entity: An organization, corporation, whether for-profit or not-for-profit, cooperative association, limited partnership, professional association, limited liability company, or limited liability partnership, whether organized in Connecticut or any other state. "Entity" includes any tax-exempt organization under Section 501(c) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, and any tax-exempt political organization organized under Section 527 of said code. *See* General Statutes § 9-601(18) (defining "entity").

Expenditure: Any outlay or disbursement of funds or anything of value when made to promote the success or defeat of any candidate seeking election or nomination of any person, to promote the success or defeat of a referendum question, or to promote the success or defeat of 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.

Lobbyist: Generally defined as a person who, in lobbying and in furtherance of lobbying, makes or agrees to make expenditures, or receives or agrees to receive compensation, reimbursement, or both, and such compensation, reimbursement or

expenditures are $3,000 or more in any calendar year or the combined amount thereof is $3,000 or more in any such calendar year. *See* General Statutes §§ 1-91(12) (as amended by Public Act 15-15) (defining "lobbyist"), 9-601(16) (drawing on § 1-91 to define "lobbyist" for purposes of campaign finance laws). The term lobbyist includes both communicator and client lobbyists. *See also* **Client Lobbyist** and **Communicator Lobbyist.** For more information on who is a client lobbyist or who is a communicator lobbyist, please contact the Office of State Ethics at 860-263-2400 or visit their website.

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 expenses made by legislative leadership committees, legislative caucus committees, or party committees that benefit candidates but are exempted from the definition of "contribution" and "expenditure." These expenses can only be made for specific publications, advertisements, events, and services 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").

Person: An individual, committee, firm, partnership, organization, association, syndicate, company trust, corporation, limited liability company or any other legal entity of any kind but does not mean the state or any political or administrative subdivision of the state. *See* General Statutes § 9-601(10) (defining "person").

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) (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(e).

Principal of a State Contractor or Prospective State Contractor: 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); (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); (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.

Note that the same definitions of the term principal apply to subcontractors for purposes of the subcontractor solicitation ban.

See General Statutes § 9-612(f).

Prospective State Contractors: 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(f).

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 the treasurer to receive funds on behalf of a committee organized under the auspices of Chapter 155. *See* General Statutes § 9-601(14) (defining "solicitor").

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

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. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense. *See* General Statutes § 9-612(f).

State Contractors: State contractors include any person, business entity, or nonprofit organization that enters into a state contract. "State contractor" does not include 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 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(f).

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 31st 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(f).

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

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 treasurer may deposit funds into, or expend funds from, the committee's depository account. *See* General Statutes §§ 9-601(12) (defining "treasurer"), 9-606(d) (requiring treasurers to be Connecticut electors), 9-608 (outlining requirements for statements that treasurers file on behalf of candidate, party, or political committees).

X. Appendix

Permissible Contributions to Party Committee
Aggregate Dollar Limits

Contributor Sources[a]	*Received by*	
	Town Committee	***State Central Committee***
Individual (*18 or older*)	$2,000/yr	$10,000/yr
Another Party Committee[b]	Unlimited	Unlimited
Candidate Committee	Prohibited[c]	Prohibited[c]
Political Committee Formed by Two or More Individuals	$1,500/yr	$7,500/yr
Political Committee Formed by a Business Entity	$1,500/yr	$7,500/yr
Political Committee Formed by an Organization	$1,500/yr	$7,500/yr
Political Committee Formed for a Single Election	$1,500/yr[d]	$7,500/yr[d]
Legislative Leadership or Caucus Political Committee	Prohibited	$10,000/yr
Referendum Committee	Prohibited[e]	Prohibited[e]

a) Only contributions from political and party committees that are registered in Connecticut may be accepted, with the exception set forth in footnote b.

b) Contributions from a national committee of a political party may be accepted without limit provided that any such contribution is from the national party committee's federal account on file with the Federal Election Commission which contains only funds subject to the limits prescribed in the Federal Election Campaign Act. (No transfers from "soft money" accounts.)

c) Judge of probate and municipal candidate committees may distribute their surplus to a town committee upon termination in certain circumstances. *See* **Surplus Distribution of Funds from Terminating Committees** in Chapter IV, Section B: Other Sources of Funds.

d) Except for political committees established for a slate of candidates in a primary for town committee member, which are **prohibited**. For other political slate committees, please *see* **Permissible Sources and Limits** in Chapter IV, Section A: Contributions. Exploratory committees may also distribute their surplus upon termination in certain circumstances. *See* **Surplus Distribution of Funds from Terminating Committees** in Chapter IV, Section B: Other Sources of Funds.

e) A referendum committee may be able to distribute its surplus to a party committee upon termination dependent upon how it was funded. *See* **Surplus Distribution of Funds from Terminating Committees** in Chapter IV, Section B: Other Sources of Funds.