House of Representatives

General Assembly

File No. 512

January Session, 2025

Substitute House Bill No. 7089

House of Representatives, April 3, 2025

The Committee on Government Oversight reported through REP. DATHAN of the 142nd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING VARIOUS CAMPAIGN FINANCE REFORMS RECOMMENDED BY THE STATE ELECTIONS ENFORCEMENT COMMISSION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subdivision (14) of section 9-601 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(14) **[**"Solicitor"**]** "Collector" means an individual appointed by a treasurer of a committee to receive, but not to disburse, funds on behalf of the committee.

Sec. 2. Subparagraph (B) of subdivision (3) of subsection (a) of section 9-7b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(B) To issue an order when the commission finds that an intentional violation of any provision of chapter 155 or 157 has been committed,

after an opportunity to be heard at a hearing conducted in accordance with sections 4-176e to 4-184, inclusive, which order may contain one or more of the following sanctions: (i) Removal of a treasurer, deputy treasurer or [solicitor] collector; (ii) prohibition on serving as a treasurer, deputy treasurer or [solicitor] collector; and (iii) in the case of a party committee or a political committee, suspension of all political activities, including, but not limited to, the receipt of contributions and the making of expenditures, provided the commission may not order such a suspension unless the commission has previously ordered the removal of the treasurer and notifies the officers of the committee that the commission is considering such suspension;

Sec. 3. Subsection (b) of section 9-602 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) No contribution in aid of or in opposition to the candidacy of any person or to any party or referendum question shall be made at any time, except to the committee's treasurer whose designation is on file with the proper authority, a [solicitor] collector or a candidate who is exempt from the requirement to form a candidate committee and has filed a certification.

Sec. 4. Subsections (c) and (d) of section 9-606 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) The treasurer of each committee, other than a political committee established by an organization which receives its funds from the organization's treasury, may appoint [solicitors. If solicitors] collectors. If collectors are appointed, the treasurer shall receive and report all contributions made or promised to each [solicitor. Each solicitor] collector. Each collector shall submit to the treasurer a list of all contributions made or promised to [him] such collector. The list shall be complete as of seventy-two hours immediately preceding midnight of the day preceding the dates on which the treasurer is required to file a sworn statement as provided in section 9-608. Lists shall be received by

the treasurer not later than twenty-four hours immediately preceding each required filing date. Each [solicitor] collector shall deposit all contributions with the treasurer, [within] not later than seven days after receipt. No [solicitor] collector shall expend any contributions received by [him] such collector or disburse such contributions to any person other than the treasurer.

(d) No person shall act as a treasurer or deputy treasurer (1) unless the person is an elector of this state, the person has paid any civil penalties or forfeitures assessed pursuant to chapters 155 to 157, inclusive, and a statement, signed by the [chairman] chairperson in the case of a party committee or political committee or by the candidate in the case of a candidate committee, designating the person as treasurer or deputy treasurer, has been filed in accordance with section 9-603, and (2) if such person has been convicted of or pled guilty or nolo contendere to, in a court of competent jurisdiction, any (A) felony involving fraud, forgery, larceny, embezzlement or bribery, or (B) criminal offense under this title, 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. In the case of a political committee, the filing of a statement of organization by the [chairman] chairperson of the committee, in accordance with the provisions of section 9-605, shall constitute compliance with the filing requirements of this section. No provision of this subsection shall prevent the treasurer, deputy treasurer or [solicitor] collector of any committee from being the treasurer, deputy treasurer or [solicitor] collector of any other committee or prevent any committee from having more than one [solicitor] collector, but no candidate shall have more than one treasurer. A candidate shall not serve as the candidate's own treasurer or deputy treasurer, except that a candidate who is exempt from forming a candidate committee under subsection (b) of section 9-604 and has filed a certification that the candidate is financing the candidate's campaign from the candidate's own personal funds or is not receiving or expending in excess of one thousand dollars may perform the duties of a treasurer for the candidate's own campaign.

Sec. 5. Subdivision (25) of section 9-601 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(25) "Organization expenditure" means an expenditure by a party committee, legislative caucus committee or legislative leadership committee for the benefit of a candidate or candidate committee for:

(A) The preparation, display or mailing or other distribution of a party candidate listing. As used in this subparagraph, "party candidate listing" means any communication that meets the following criteria: (i) The communication lists the name or names of candidates for election to public office, (ii) the communication is distributed through public advertising such as broadcast stations, cable television, newspapers or similar media, or through direct mail, telephone, electronic mail, publicly accessible sites on the Internet or personal delivery, and (iii) the communication is made to promote the success or defeat of any candidate or slate of candidates 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, provided such communication is not a solicitation for or on behalf of a candidate committee;

(B) A document in printed or electronic form, including a party platform, an electronic page providing merchant account services to be used by a candidate for the collection of on-line contributions, a copy of an issue paper, information pertaining to the requirements of this title, a list of registered voters and voter identification information, which document is created or maintained by a party committee, legislative caucus committee or legislative leadership committee for the general purposes of party or caucus building and is provided (i) to a candidate who is a member of the party that has established such party committee, or (ii) to a candidate who is a member of the party of the caucus or leader who has established such legislative caucus committee or legislative leadership committee, whichever is applicable;

(C) A campaign event at which (i) campaign materials are present

and food or beverage may be provided, but at which no contribution shall be received, solicited or bundled, or (ii) a candidate or candidates are present; or

(D) The retention of the services of an advisor or individual to provide assistance relating to a candidate's campaign.

Sec. 6. Subdivision (9) of subsection (b) of section 9-601c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(9) An expenditure made by a person or an entity for consultant or creative services, including, but not limited to, services related to communications strategy or design or campaign strategy or to engage a campaign-related vendor, to be used to promote or oppose a candidate's election to office if the provider of such services is or has provided consultant or creative services to such candidate, such candidate's candidate committee or an agent of such candidate committee, or to any opposing candidate's candidate committee or an agent of such candidate committee after January first of the year in which the expenditure occurs. For purposes of this subdivision, communications strategy or design does not include the costs of printing or costs for the use of a medium for the purpose of communications. For purposes of this subdivision, **[**campaign-related vendor**]** "campaign-related vendor" includes, but is not limited to, a vendor that provides the following services: **[**Polling, mail design, mail strategy, political strategy, general campaign advice or telephone banking**]** (A) Campaign strategy, (B) design or management of campaign communications, literature or advertising, or (C) fundraising or management services, including the identification, hiring and payment of subvendors for goods or services on behalf of a committee.

Sec. 7. Section 9-622 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The following persons shall be guilty of illegal practices and shall be punished in accordance with the provisions of section 9-623:

(1) Any person who, directly or indirectly, individually or by another person, gives or offers or promises to any person any money, gift, advantage, preferment, entertainment, aid, emolument or other valuable thing for the purpose of inducing or procuring any person to sign a nominating, primary or referendum petition or to vote or refrain from voting for or against any person or for or against any measure at any election, caucus, convention, primary or referendum;

(2) Any person who, directly or indirectly, receives, accepts, requests or solicits from any person, committee, association, organization or corporation, any money, gift, advantage, preferment, aid, emolument or other valuable thing for the purpose of inducing or procuring any person to sign a nominating, primary or referendum petition or to vote or refrain from voting for or against any person or for or against any measure at any such election, caucus, primary or referendum;

(3) Any person who, in consideration of any money, gift, advantage, preferment, aid, emolument or other valuable thing paid, received, accepted or promised to the person's advantage or any other person's advantage, votes or refrains from voting for or against any person or for or against any measure at any such election, caucus, primary or referendum;

(4) Any person who solicits from any candidate any money, gift, contribution, emolument or other valuable thing for the purpose of using the same for the support, assistance, benefit or expenses of any club, company or organization, or for the purpose of defraying the cost or expenses of any political campaign, primary, referendum or election;

(5) Any person who, directly or indirectly, pays, gives, contributes or promises any money or other valuable thing to defray or towards defraying the cost or expenses of any campaign, primary, referendum or election to any person, committee, company, club, organization or association, other than to a treasurer, except that this subdivision shall not apply to any expenses for postage, telegrams, telephoning, stationery, express charges, traveling, meals, lodging or photocopying incurred by any candidate for office or for nomination to office, so far as

may be permitted under the provisions of this chapter;

(6) Any person who, in order to secure or promote the person's own nomination or election as a candidate, or that of any other person, directly or indirectly, promises to appoint, or promises to secure or assist in securing the appointment, nomination or election of any other person to any public position, or to any position of honor, trust or emolument; but any person may publicly announce the person's own choice or purpose in relation to any appointment, nomination or election in which the person may be called to take part, if the person is nominated for or elected to such office;

(7) Any person who, directly or indirectly, individually or through another person, makes a payment or promise of payment to a treasurer in a name other than the person's own, and any treasurer who knowingly receives a payment or promise of payment, or enters or causes the same to be entered in the person's accounts in any other name than that of the person by whom such payment or promise of payment is made;

(8) Any person who knowingly and wilfully violates any provision of this chapter;

(9) Any person who offers or receives a cash contribution in excess of one hundred dollars to promote the success or defeat of any political party, candidate or referendum question;

(10) Any person who solicits, makes or receives a contribution that is otherwise prohibited by any provision of this chapter;

(11) Any department head or deputy department head of a state department who solicits a contribution on behalf of, or for the benefit of, any candidate for state, district or municipal office or any political party;

(12) Any municipal employee who solicits a contribution on behalf of, or for the benefit of, any candidate for state, district or municipal office, any political committee or any political party, from (A) an individual under the supervision of such employee, or (B) the spouse or

a dependent child of such individual;

(13) Any person who makes an expenditure, that is not an independent expenditure, for a candidate without the knowledge of such candidate. No candidate shall be civilly or criminally liable with regard to any such expenditure;

(14) Any chief of staff of a legislative caucus who solicits a contribution on behalf of or for the benefit of any candidate for state, district or municipal office from an employee of the legislative caucus;

(15) Any chief of staff for a state-wide elected official who solicits a contribution on behalf of or for the benefit of any candidate for state, district or municipal office from a member of such official's staff;

(16) Any chief of staff for the Governor or Lieutenant Governor who solicits a contribution on behalf of or for the benefit of any candidate for state, district or municipal office from a member of the staff of the Governor or Lieutenant Governor, or from any commissioner or deputy commissioner of any state agency;

(17) Any foreign national that makes, directly or indirectly, (A) any contribution or any express or implied promise to make a contribution, or (B) any expenditure; **[**or**]**

(18) Any person who solicits, accepts or receives any contribution or covered transfer from a foreign national; or

(19) Any campaign-related vendor, as described in subdivision (9) of subsection (b) of section 9-601c, as amended by this act, who is paid by a qualified candidate committee in excess of ten per cent of the Citizens' Election Program grant received by such qualified candidate committee, or five thousand dollars, whichever is less, and who fails to provide to the treasurer of such qualified candidate committee complete documentation regarding any financial obligation made or to be made on behalf of such qualified candidate committee by such campaign-related vendor, which documentation is necessary for the treasurer of such qualified candidate committee to perform such treasurer's duties

under chapters 155 to 157, inclusive.

Sec. 8. Subsections (b) and (c) of section 9-704 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(b) (1) (A) For elections for the office of Governor or Lieutenant Governor held in 2026, the aggregate contribution amounts in subdivision (1) or (2) of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than July 3, 2025, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December 31, 2024.

[(b) (1)**]** (B) For elections for the office of Governor or Lieutenant Governor held in **[**2022**]** 2030, and thereafter, the aggregate contribution amounts in subdivision (1) or (2) **[**, as applicable,**]** of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than January 15, **[**2022**]** 2029, and quadrennially thereafter, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December thirty-first in the year preceding the year in which said adjustment is to be made.

(2) (A) For elections for the office of Attorney General, State Comptroller, State Treasurer or Secretary of the State held in 2026, the aggregate contribution amounts in subdivision (2) of subsection (a) of this section shall be adjusted by the State Elections Enforcement Commission not later than July 3, 2025, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December 31, 2024.

[(2)**]** (B) For elections for the office of Attorney General, State Comptroller, State Treasurer or Secretary of the State held in **[**2018**]** 2030, and thereafter, the aggregate contribution amounts in subdivision (2) of subsection (a) of this section shall be adjusted by the State Elections Enforcement Commission not later than January 15, **[**2018**]** 2029, and quadrennially thereafter, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December thirty-first in the year preceding the year in which said adjustment is to be made.

(3) (A) **[**Except as provided in subparagraph (B) of this subdivision, for**]** For elections for the office of state senator or state representative held in **[**2018, and thereafter**]** 2026, the aggregate contribution amounts in subdivision (3) or (4) **[**, as applicable,**]** of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than **[**January 15, 2018, and biennially thereafter**]** July 3, 2025, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on **[**December thirty-first in the year preceding the year in which said adjustment is to be made**]** December 31, 2024.

(B) For elections for the office of state senator or state representative held in **[**2024**]** 2028, and thereafter, the aggregate contribution amounts in subdivision (3) or (4) **[**, as applicable,**]** of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than January 15, **[**2024**]** 2027, and biennially thereafter, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December **[**31, 2021**]** thirty-first in the year preceding the year in which said adjustment is to be made.

(c) (1) (A) For elections for the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State held in 2026, the two-hundred-fifty-dollar maximum individual contribution amount in subdivision (1) or (2) of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than July 3, 2025, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December 31, 2024.

[(c) (1)**]** (B) For elections for the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State held in **[**2022**]** 2030, and thereafter, the two-hundred-fifty-dollar maximum individual contribution amount in subdivision (1) or (2) **[**, as applicable,**]** of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than January 15, **[**2022**]** 2029, and quadrennially thereafter, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December thirty-first in the year preceding the year in which said adjustment is to be made.

(2) (A) For elections for the office of state senator or state representative held in 2026, the two-hundred-fifty-dollar maximum individual contribution amount in subdivision (3) or (4) of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than July 3, 2025, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December 31, 2024.

[(2)**]** (B) For elections for the office of state senator or state representative held in **[**2020**]** 2028, and thereafter, the two-hundred-

fifty-dollar maximum individual contribution amount in subdivision (3) or (4) **[**, as applicable,**]** of subsection (a) of this section, as applicable, shall be adjusted by the State Elections Enforcement Commission not later than January 15, **[**2020**]** 2027, and biennially thereafter, in accordance with any change in the consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics, during the period beginning on January 1, 2017, and ending on December thirty-first in the year preceding the year in which said adjustment is to be made.

Sec. 9. Subsection (a) of section 9-706 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2028*):

(a) (1) (A) A participating major party candidate for nomination to the office of Governor in **[**2026**]** 2030, or thereafter, may apply to the State Elections Enforcement Commission for a grant from the fund under the Citizens' Election Program for a convention campaign, beginning in January of the year preceding the election for said office and after such candidate files the affidavit under section 9-703 certifying such candidate's intent to abide by the expenditure limits under said program.

(B) A participating candidate for nomination to the office of state senator or state representative in 2008, or thereafter, or the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer in 2010, or thereafter, may apply to the State Elections Enforcement Commission for a grant from the fund under the Citizens' Election Program for a primary campaign, after the close of the state convention of the candidate's party that is called for the purpose of choosing candidates for nomination for the office that the candidate is seeking, if a primary is required under chapter 153, and (i) said party endorses the candidate for the office that the candidate is seeking, (ii) the candidate is seeking nomination to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State or the district office of state

senator or state representative and receives at least fifteen per cent of the votes of the convention delegates present and voting on any roll-call vote taken on the endorsement or proposed endorsement of a candidate for the office the candidate is seeking, or (iii) the candidate circulates a petition and obtains the required number of signatures for filing a candidacy for nomination for (I) the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State or the district office of state senator or state representative, pursuant to section 9-400, or (II) the municipal office of state senator or state representative, pursuant to section 9-406, whichever is applicable.

(C) The State Elections Enforcement Commission shall make any such grants to participating candidates in accordance with the provisions of subsections (d) to (g), inclusive, of this section.

(2) A participating candidate for nomination to the office of state senator or state representative in 2008, or thereafter, or the office of Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer in 2010, or thereafter, may apply to the State Elections Enforcement Commission for a grant from the fund under the Citizens' Election Program for a general election campaign:

(A) After the close of the state or district convention or municipal caucus, convention or town committee meeting, whichever is applicable, of the candidate's party that is called for the purpose of choosing candidates for nomination for the office that the candidate is seeking, if (i) said party endorses said candidate for the office that the candidate is seeking and no other candidate of said party files a candidacy with the Secretary of the State in accordance with the provisions of section 9-400 or 9-406, whichever is applicable, (ii) the candidate is seeking election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State or the district office of state senator or state representative and receives at least fifteen per cent of the votes of the convention delegates present and voting on any roll-call vote taken on

the endorsement or proposed endorsement of a candidate for the office the candidate is seeking, no other candidate for said office at such convention either receives the party endorsement or said percentage of said votes for said endorsement or files a certificate of endorsement with the Secretary of the State in accordance with the provisions of section 9-388 or a candidacy with the Secretary of the State in accordance with the provisions of section 9-400, and no other candidate for said office circulates a petition and obtains the required number of signatures for filing a candidacy for nomination for said office pursuant to section 9-400, (iii) the candidate is seeking election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State or the district office of state senator or state representative, circulates a petition and obtains the required number of signatures for filing a candidacy for nomination for said office pursuant to section 9-400 and no other candidate for said office at the state or district convention either receives the party endorsement or said percentage of said votes for said endorsement or files a certificate of endorsement with the Secretary of the State in accordance with the provisions of section 9-388 or a candidacy with the Secretary of the State in accordance with the provisions of section 9-400, or (iv) the candidate is seeking election to the municipal office of state senator or state representative, circulates a petition and obtains the required number of signatures for filing a candidacy for nomination for the office the candidate is seeking pursuant to section 9-406 and no other candidate for said office at the caucus, convention or town committee meeting either receives the party endorsement or files a certification of endorsement with the town clerk in accordance with the provisions of section 9-391;

(B) After any primary held by such party for nomination for said office, if the Secretary of the State declares that the candidate is the party nominee in accordance with the provisions of section 9-440;

(C) In the case of a minor party candidate, after the nomination of such candidate is certified and filed with the Secretary of the State pursuant to section 9-452; or

(D) In the case of a petitioning party candidate, after approval by the Secretary of the State of such candidate's nominating petition pursuant to section 9-453o.

(3) A participating candidate for nomination to the office of state senator or state representative at a special election in 2008, or thereafter, may apply to the State Elections Enforcement Commission for a grant from the fund under the Citizens' Election Program for a general election campaign after the close of the district convention or municipal caucus, convention or town committee meeting of the candidate's party that is called for the purpose of choosing candidates for nomination for the office that the candidate is seeking.

(4) Notwithstanding the provisions of subdivisions (1) and (2) of this subsection, no participating candidate for nomination or election who changes the candidate's status as a major party, minor party or petitioning party candidate or becomes a candidate of a different party, after filing the **[**affidavit required under section 9-703**]** grant application under this section, shall be eligible to **[**apply for a grant**]** receive additional grant funds under the Citizens' Election Program for such candidate's primary campaign for such nomination or general election campaign for such election. The provisions of this subdivision shall not apply in the case of a candidate who is nominated by more than one party and does not otherwise change the candidate's status as a major party, minor party or petitioning party candidate.

(5) Notwithstanding the provisions of this subsection, no candidate may apply to the State Elections Enforcement Commission for a grant from the fund under the Citizens' Election Program if such candidate has been convicted of or pled guilty or nolo contendere to, in a court of competent jurisdiction, any (A) criminal offense under this title 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 offense, or (B) a felony related to the individual's public office, other than an offense under this title in accordance with subparagraph (A) of this subdivision.

Sec. 10. Subsection (d) of section 9-706 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) (1) In accordance with the provisions of subsection (g) of this section, the commission shall review the application, determine whether **[**(1)**]** (A) the candidate committee for the applicant has received the required qualifying contributions, **[**(2)**]** (B) in the case of an application for a grant from the fund for a convention campaign, the applicant has met the applicable condition under subsection (a) of this section for applying for such grant and complied with the provisions of subsections (b) and (c) of this section, **[**(3)**]** (C) in the case of an application for a grant from the fund for a primary campaign, the applicant has met the applicable condition under subsection (a) of this section for applying for such grant and complied with the provisions of subsections (b) and (c) of this section, **[**(4)**]** (D) in the case of an application for a grant from the fund for a general election campaign, the applicant has met the applicable condition under subsection (a) of this section for applying for such grant and complied with the provisions of subsections (b) and (c) of this section, and **[**(5)**]** (E) in the case of an application by a minor party or petitioning party candidate for a grant from the fund for a general election campaign, the applicant qualifies as an eligible minor party candidate or an eligible petitioning party candidate, whichever is applicable.

(2) (A) If the commission approves an application, the commission shall determine the amount of the grant payable to the candidate committee for the applicant pursuant to section 9-705 from the fund, and notify the State Comptroller and the candidate of such candidate committee of such amount.

(B) (i) If the timing of the commission's approval of the grant for a convention campaign in relation to the commission's consumer price index adjustment under subdivision (1) of subsection (d) of section 9-705 is such that the commission cannot yet determine the final amount of the convention campaign grant, the commission shall approve the

unadjusted initial amount. The commission shall then authorize the payment of any remaining portion of the convention campaign grant after such adjustment has been made.

(ii) Notwithstanding the provisions of subparagraph (B)(i) of this subdivision, the candidate committee of an applicant who submits an application prior to July 3, 2025, shall only be approved by the commission to receive payment of the unadjusted amount described in said subparagraph.

(C) If the timing of the commission's approval of the grant for a primary campaign or general election campaign in relation to the Secretary of the State's determination of ballot status is such that the commission cannot determine whether the qualified candidate committee is entitled to the applicable full initial grant for the primary or election or the applicable partial grant for the primary or election, as the case may be, the commission shall approve the lesser applicable partial initial grant. The commission shall then authorize the payment of the remaining portion of the applicable primary campaign or general election campaign grant after the commission has knowledge of the circumstances regarding the ballot status of the opposing candidates in such primary or election.

(D) Not later than thirty days following notification by the commission in the case of a convention campaign grant, or not later than two business days following notification by the commission in the case of any other grant, the State Comptroller shall draw an order on the State Treasurer for payment of any such approved amount to the qualified candidate committee from the fund.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*from passage*	9-601(14)
Sec. 2	*from passage*	9-7b(a)(3)(B)
Sec. 3	*from passage*	9-602(b)
Sec. 4	*from passage*	9-606(c) and (d)
Sec. 5	*from passage*	9-601(25)

Sec. 6	*from passage*	9-601c(b)(9)
Sec. 7	*from passage*	9-622
Sec. 8	*July 1, 2025*	9-704(b) and (c)
Sec. 9	*January 1, 2028*	9-706(a)
Sec. 10	*from passage*	9-706(d)

Statement of Legislative Commissioners:
Section 10(d)(2)(B)(i) was rewritten for clarity; and in Section 10(d)(2)(B)(ii), "lesser amount" was changed to "unadjusted amount" for accuracy.

GOS *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 $	FY 27 $
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal
Judicial Dept. (Probation); Correction, Dept.	GF - Cost	Minimal	Minimal
Resources of the Citizen's Election Fund	CEF - Potential Cost	Minimal	Minimal

Note: GF=General Fund CEF= Citizens' Election Fund

Municipal Impact: None

Explanation

The bill makes a variety of changes regarding campaign finance laws and results in the fiscal impacts outlined below.

Section 7 makes it an illegal campaign finance practice for certain campaign-related vendors to fail to provide a committee treasurer with certain documentation, which results in a potential cost to the Department of Correction and the Judicial Department for incarceration or probation and a potential revenue gain to the General Fund from fines. On average, the marginal cost to the state for incarcerating an offender for the year is $3,300[1] while the average marginal cost for

[1] Inmate marginal cost is based on increased consumables (e.g., food, clothing, water, sewage, living supplies, etc.) This does not include a change in staffing costs or utility expenses because these would only be realized if a unit or facility opened.

supervision in the community is less than $600[2] each year for adults. Few, if any, additional violations are anticipated.

Section 9 results in a minimal potential cost to the Resources of the Citizens' Election Fund due to a change in eligibility for the grant cycle. The exact impact will depend on the number of candidates who will now receive grants who otherwise would not have.

The remaining sections of the bill make a variety of changes that result in no fiscal impact to the state or municipalities.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the actual number of violations.

[2] Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

OLR Bill Analysis

HB 7089

AN ACT CONCERNING VARIOUS CAMPAIGN FINANCE REFORMS RECOMMENDED BY THE STATE ELECTIONS ENFORCEMENT COMMISSION.

SUMMARY

This bill makes several changes to the state's campaign finance laws, including (1) amending the list of activities that campaign-related vendors may conduct without being considered an independent expenditure, (2) making it an illegal campaign finance practice for certain campaign-related vendors to fail to give necessary information to candidate committee treasurers, (3) changing when certain inflationary adjustments must be made for the Citizens' Election Program (CEP), (4) modifying the procedures for gubernatorial convention campaign grants, (5) changing when certain CEP grant restrictions take effect, and (6) amending certain campaign finance definitions.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: Upon passage, except that provisions changing the timeline for certain CEP adjustments are effective July 1, 2025, and provisions on when a convention campaign grant may be applied for and when CEP grant restrictions attach are effective January 1, 2028.

§§ 6 & 7 — CAMPAIGN-RELATED VENDORS

Independent Expenditures: Exclusions (§ 6)

By law, an "independent expenditure" (IE) is an expenditure made without the consent, coordination, or consultation of a (1) candidate or candidate's agent, (2) candidate committee, (3) political committee (PAC), or (4) party committee, and authorized persons (including individuals, entities, and committees) may make unlimited IEs.

The law specifically excludes certain things from being independent expenditures (although there is a rebuttable presumption), and the bill changes one of these. Current law excludes payments to campaign-related vendors that provide the following services: polling, mail design, mail strategy, political strategy, general campaign advice, or telephone banking. The bill instead excludes payments to vendors that provide the following services: (1) campaign strategy; (2) design or management of campaign communications, literature, or advertising; or (3) fundraising or management services, or with duties that include identifying, hiring, or paying subvendors for goods or services on the committee's behalf.

Documentation (§ 7)

Under campaign finance law, committee treasurers must authorize all committee expenditures, make payments accordingly, and preserve all transaction records. The bill makes it an illegal campaign finance practice for certain campaign-related vendors to not give a committee treasurer the complete information about any financial obligation to be made or made on behalf of the committee so the treasurer can meet his or her responsibilities under the campaign finance laws. It subjects to this penalty vendors who are paid by a qualified candidate committee either $5,000 or more than 10% of the CEP grant received.

By law, an illegal campaign finance practice is subject to a civil penalty of up to $2,000 per offense or twice the amount of any improper payment or contribution, whichever is greater (CGS § 9-7b(a)(2)(D)). If the act is knowing and willful, it is a class D felony, punishable by up to five years in prison, a fine of up to $5,000, or both (CGS § 9-623(a)).

§ 8 — CPI ADJUSTMENTS FOR CITIZENS' ELECTION PROGRAM

CEP is the state's voluntary public campaign financing system, available to candidates for legislative and statewide office. By law, candidates qualify for the CEP by raising at least an aggregate amount of funds through qualifying contributions (QCs) from individual donors. The State Elections Enforcement Commission (SEEC) must adjust the aggregate and QC amounts every two years for legislative

office candidates and every four years for statewide office candidates based on the change in the Consumer Price Index for All Urban Consumers (CPI-U).

Beginning with the 2028 election cycle, the bill shifts the timing of these adjustments from January of an election year to January of the prior year. For the 2026 election cycle, it also authorizes SEEC to make an early inflationary adjustment to these amounts by July 3, 2025, based on the CPI-U, as published by the U.S. Department of Labor, during the period beginning on January 1, 2017, and ending on December 31, 2024.

By law, the statutory aggregate contribution amounts and QC amounts are set based on the elected office. The statutory aggregate amounts are $250,000 for the governor, $75,000 for the lieutenant governor or other statewide office, $15,000 for a state senator, and $5,000 for a state representative. The maximum QC amount under state law is $250.

§ 9 — INELIGIBILITY FOR CEP GRANTS

Once a candidate files an affidavit to abide by the CEP's requirements, current law makes the candidate ineligible for a CEP grant if he or she changes status as a major party, minor party, or petitioning party candidate or becomes a candidate of a different party. The bill shifts when this prohibition begins from the affidavit's filing to the CEP grant application's filing (which is generally after the candidate has met his or her fundraising requirement and qualified for ballot access, unlike when the affidavit has been filed).

§§ 9 & 10 — GUBERNATORIAL CONVENTION CAMPAIGN GRANT

Under existing law, a major party gubernatorial candidate who participates in the CEP may apply for and receive a "convention campaign grant" before the party's nominating convention. The law allows candidates to apply for this grant at any time after filing the affidavit of intent to participate in, and abide by, the CEP's spending limits and requires SEEC to approve or disapprove the application within 10 business days after receiving it. The bill specifies that a major

party candidate for nomination to the office of governor in 2030 or after may apply for this grant beginning in the January preceding the election after filing the affidavit.

Additionally, under the bill, if a gubernatorial candidate is approved for a convention campaign grant, but the upcoming grant amount has not yet been determined through the CPI adjustment process described above, similar to existing law for other CEP grants, SEEC must approve the initial grant amount the candidate is eligible for. Once the CPI adjustment has been made, SEEC must approve and pay the remaining portion of the candidate's grant.

Relatedly, any candidate committee that applies for a grant before July 3, 2025 (see above), may only be approved for the lesser unadjusted amount.

§§ 1-5 — CHANGES TO CAMPAIGN FINANCE DEFINITIONS

Solicitor (§§ 1-4)

The state's campaign finance laws define the terms "solicit" and "solicitor." Solicit means, among other things, requesting that a contribution be made. However, a "solicitor" is not a person who requests or solicits contributions, but is instead a specially designated agent of a committee who can physically collect contributions on the committee's behalf. The bill renames a "solicitor" as a "collector," thus unlinking these terms and makes several conforming changes.

Organization Expenditures (§ 5)

By law, organization expenditures are made by legislative caucus, legislative leadership, or party committees to benefit candidates or their committees. They are not considered campaign contributions, but the law places restrictions and limits on those made to benefit legislative candidates participating in the CEP.

The bill modifies the definition of organizational expenditure to include a campaign event at which a candidate or candidates are present. (Prior law included this language until 2023.) Current law only defines this as an event with campaign materials but at which no

contribution may be received, solicited, or bundled.

BACKGROUND

Related Bills

SB 515, favorably reported by the Government Oversight Committee, makes changes to the inflationary adjustment procedures for QCs.

sSB 1405, favorably reported by the Government Oversight Committee, makes changes to the inflationary adjustment procedures for QCs and amends the definitions of "organization expenditure" and "solicit."

SB 1517, favorably reported by the Government Administration and Elections (GAE) Committee, makes a variety of changes concerning independent expenditures.

SB 1533, favorably reported by the GAE Committee, makes identical changes to this bill regarding the definition of "organization expenditure," CPI adjustments, and gubernatorial convention campaign grants.

HB 7093, favorably reported by the Government Oversight Committee, makes a variety of changes concerning independent expenditures.

HB 7222, favorably reported by the GAE Committee, makes identical changes as this bill.

sHB 7246, favorably reported by the GAE Committee, amends the definitions of "organization expenditure" and "solicit."

COMMITTEE ACTION

Government Oversight Committee

Joint Favorable
Yea 12 Nay 0 (03/18/2025)