

1 S.82

2 Introduced by Senators White, Ayer, Baruth, Kitchel, Lyons, MacDonald,

3 Mazza, McCormack, and Starr

4 Referred to Committee on

5 Date:

6 Subject: Elections; campaign finance

7 Statement of purpose: This bill proposes to make miscellaneous amendments  
8 to campaign finance law, including:

9 (1) repealing the current chapter and adding a new chapter that is  
10 restructured for ease of reference;

11 (2) requiring all campaign reports to be filed with the Secretary of State;

12 (3) increasing the frequency of reporting requirements for candidates,  
13 political committees, and political parties;

14 (4) establishing new contribution limits;

15 (5) requiring additional disclaimer information in electioneering  
16 communications; and

17 (6) providing for and requiring the filing of campaign information on a  
18 searchable database on the Secretary of State's website.

19 An act relating to campaign finance law

20 It is hereby enacted by the General Assembly of the State of Vermont:

1 Sec. 1. REPEAL

2 17 V.S.A. chapter 59 (campaign finance) is repealed.

3 Sec. 2. 17 V.S.A. chapter 61 is added to read:

4 CHAPTER 61. CAMPAIGN FINANCE

5 Subchapter 1. General Provisions

6 § 2901. DEFINITIONS

7 As used in this chapter:

8 (1) "Candidate" means an individual who has taken affirmative action to  
9 become a candidate for state, county, local, or legislative office in a primary,  
10 special, general, or local election. An affirmative action shall include one or  
11 more of the following:

12 (A) accepting contributions or making expenditures totaling \$500.00  
13 or more;

14 (B) filing the requisite petition for nomination under this title or  
15 being nominated by primary or caucus; or

16 (C) announcing that he or she seeks an elected position as a state,  
17 county, or local officer or a position as representative or senator in the General  
18 Assembly.

19 (2) "Candidate's committee" means the candidate's campaign staff,  
20 whether paid or unpaid.

21 (3) "Clearly identified," with respect to a candidate, means:

1           (A) the name of the candidate appears;

2           (B) a photograph or drawing of the candidate appears; or

3           (C) the identity of the candidate is apparent by unambiguous

4 reference.

5           (4) “Contribution” means a payment, distribution, advance, deposit,  
6 loan, or gift of money or anything of value, paid or promised to be paid for the  
7 purpose of influencing an election, advocating a position on a public question,  
8 or supporting or opposing one or more candidates in any election. For  
9 purposes of this chapter, “contribution” shall not include any of the following:

10           (A) a personal loan of money to a candidate from a lending  
11 institution made in the ordinary course of business;

12           (B) services provided without compensation by individuals  
13 volunteering their time on behalf of a candidate, political committee, or  
14 political party;

15           (C) unreimbursed travel expenses paid for by an individual for  
16 himself or herself who volunteers personal services to a candidate;

17           (D) unreimbursed campaign-related travel expenses paid for by the  
18 candidate or the candidate’s spouse or civil union partner;

19           (E) the use by a candidate or volunteer of his or her own personal  
20 property, including offices, telephones, computers, and similar equipment;

1           (F) the use of a political party's offices, telephones, computers, and  
2 similar equipment;

3           (G) the payment by a political party of the costs of preparation,  
4 display, or mailing or other distribution of a party candidate listing;

5           (H) documents, in printed or electronic form, including party  
6 platforms, single copies of issue papers, information pertaining to the  
7 requirements of this title, lists of registered voters, and voter identification  
8 information created, obtained, or maintained by a political party for the general  
9 purpose of party building and provided to a candidate who is a member of that  
10 party or to another political party;

11           (I) compensation paid by a political party to its employees whose job  
12 responsibilities are not for the specific and exclusive benefit of a single  
13 candidate in any election;

14           (J) compensation paid by a political party to its employees or  
15 consultants for the purpose of providing assistance to another political party;

16           (K) campaign training sessions provided to three or more candidates;

17           (L) costs paid for by a political party in connection with a campaign  
18 event at which three or more candidates are present; or

19           (M) activity or communication designed to encourage individuals to  
20 register to vote or to vote if that activity or communication does not mention or  
21 depict a clearly identified candidate.

1           (5) “Election” means the procedure whereby the voters of this State or  
2           any of its political subdivisions select a person to be a candidate for public  
3           office or to fill a public office or to act on public questions including voting on  
4           constitutional amendments. Each primary, general, special, or local election  
5           shall constitute a separate election.

6           (6) “Electioneering communication” means any communication that  
7           refers to a clearly identified candidate for office and that promotes or supports  
8           a candidate for that office or attacks or opposes a candidate for that office,  
9           regardless of whether the communication expressly advocates a vote for or  
10           against a candidate, including communications published in any newspaper or  
11           periodical or broadcast on radio or television or over the Internet or any public  
12           address system; placed on any billboards, outdoor facilities, buttons, or printed  
13           material attached to motor vehicles, window displays, posters, cards,  
14           pamphlets, leaflets, flyers, or other circulars; or contained in any direct  
15           mailing, robotic phone calls, or mass e-mails.

16           (7) “Expenditure” means a payment, disbursement, distribution,  
17           advance, deposit, loan, or gift of money or anything of value, paid or promised  
18           to be paid, for the purpose of influencing an election, advocating a position on  
19           a public question, or supporting or opposing one or more candidates. For the  
20           purposes of this chapter, “expenditure” shall not include any of the following:

1           (A) a personal loan of money to a candidate from a lending  
2 institution made in the ordinary course of business;

3           (B) services provided without compensation by individuals  
4 volunteering their time on behalf of a candidate, political committee, or  
5 political party;

6           (C) unreimbursed travel expenses paid for by an individual for  
7 himself or herself who volunteers personal services to a candidate; or

8           (D) unreimbursed campaign-related travel expenses paid for by the  
9 candidate or the candidate's spouse or civil union partner.

10          (8) "Full name" means an individual's full first name, middle name or  
11 initial, if any, and full legal last name, making the identity of the person who  
12 made the contribution apparent by unambiguous reference.

13          (9) "Mass media activity" means a television commercial, radio  
14 commercial, mass mailing, mass electronic or digital communication, literature  
15 drop, newspaper and periodical advertisement, robotic phone call, or telephone  
16 bank, which includes the name or likeness of a clearly identified candidate for  
17 office.

18          (10) "Party candidate listing" means any communication by a political  
19 party that:

20                 (A) lists the names of at least three candidates for election to public  
21 office;

1           (B) is distributed through public advertising such as broadcast  
2           stations, cable television, newspapers, and similar media or through direct  
3           mail, telephone, electronic mail, a publicly accessible site on the Internet, or  
4           personal delivery;

5           (C) treats all candidates in the communication in a substantially  
6           similar manner; and

7           (D) is limited to:

8           (i) the identification of each candidate, with which pictures may  
9           be used;

10           (ii) the offices sought;

11           (iii) the offices currently held by the candidates;

12           (iv) the party affiliation of the candidates and a brief statement  
13           about the party or the candidates' positions, philosophy, goals,  
14           accomplishments, or biographies;

15           (v) encouragement to vote for the candidates identified; and

16           (vi) information about voting, such as voting hours and locations.

17           (11) "Political committee" or "political action committee" means any  
18           formal or informal committee of two or more individuals or a corporation,  
19           labor organization, public interest group, or other entity, not including a  
20           political party, which receives contributions of \$1,000.00 or more and makes  
21           expenditures of \$1,000.00 or more in any two-year election cycle for the

1 purpose of supporting or opposing one or more candidates, influencing an  
2 election, or advocating a position on a public question in any election.

3 (12) “Political party” means a political party organized under chapter 45  
4 of this title and any committee established, financed, maintained, or controlled  
5 by the party, including any subsidiary, branch, or local unit thereof, and shall  
6 be considered a single, unified political party. The national affiliate of the  
7 political party shall be considered a separate political party.

8 (13) “Public question” means an issue that is before the voters for a  
9 binding decision.

10 (14) “Single source” means an individual, partnership, corporation,  
11 association, labor organization, or any other organization or group of persons  
12 which is not a political committee or political party.

13 (15) “Telephone bank” means more than 500 telephone calls of an  
14 identical or substantially similar nature that are made to the general public  
15 within any 30-day period.

16 (16) “Two-year general election cycle” means the 24-month period that  
17 begins 38 days after a general election.

18 § 2902. EXCEPTIONS

19 The definitions of “contribution,” “expenditure,” and “electioneering  
20 communication” shall not apply to:

1           (1) any news story, commentary, or editorial distributed through the  
2           facilities of any broadcasting station, newspaper, magazine, or other periodical  
3           publication which has not been paid for or such facilities are not owned or  
4           controlled, by any political party, committee, or candidate; or

5           (2) any communication distributed through a public access television  
6           station if the communication complies with the laws and rules governing the  
7           station and if all candidates in the race have an equal opportunity to promote  
8           their candidacies through the station.

9           § 2903. PENALTIES

10           (a)(1) A person who knowingly and intentionally violates a provision of  
11           subchapter 2 or 4 of this chapter shall be fined not more than \$1,000.00 or  
12           imprisoned not more than six months or both.

13           (2) A person who knowingly and intentionally violates any provision of  
14           subchapter 3 of this chapter shall be fined not more than \$10,000.00 or  
15           imprisoned not more than two years or both.

16           (3) If the person is not a natural person, each individual responsible for  
17           knowingly and intentionally authorizing a violation shall be liable under this  
18           subsection.

19           (b) A person who violates any provision of this chapter shall be subject to a  
20           civil penalty of up to \$10,000.00 for each violation and shall refund the

1 unspent balance of Vermont campaign finance grants received, if any,  
2 calculated as of the date of the violation.

3 (c) In addition to the other penalties provided in this section, a state's  
4 attorney or the Attorney General may institute any appropriate action,  
5 injunction, or other proceeding to prevent, restrain, correct, or abate any  
6 violation of this chapter.

7 § 2904. CIVIL INVESTIGATION

8 (a)(1) The Attorney General or a state's attorney, whenever he or she has  
9 reason to believe any person to be or to have been in violation of this chapter  
10 or of any rule or regulation made pursuant to this chapter, may examine or  
11 cause to be examined by any agent or representative designated by him or her  
12 for that purpose any books, records, papers, memoranda, and physical objects  
13 of any nature bearing upon each alleged violation and may demand written  
14 responses under oath to questions bearing upon each alleged violation.

15 (2) The Attorney General or a state's attorney may require the  
16 attendance of such person or of any other person having knowledge in the  
17 premises in the county where such person resides or has a place of business or  
18 in Washington County if such person is a nonresident or has no place of  
19 business within the State and may take testimony and require proof material  
20 for his or her information and may administer oaths or take acknowledgment in  
21 respect of any book, record, paper, or memorandum.

1           (3) The Attorney General or a state's attorney shall serve notice of the  
2           time, place, and cause of such examination or attendance or notice of the cause  
3           of the demand for written responses personally or by certified mail upon such  
4           person at his or her principal place of business or, if such place is not known,  
5           to his or her last known address.

6           (4) Any book, record, paper, memorandum, or other information  
7           produced by any person pursuant to this section shall not, unless otherwise  
8           ordered by a court of this State for good cause shown, be disclosed to any  
9           person other than the authorized agent or representative of the Attorney  
10          General or a state's attorney or another law enforcement officer engaged in  
11          legitimate law enforcement activities unless with the consent of the person  
12          producing the same, except that any transcript of oral testimony, written  
13          responses, documents, or other information produced pursuant to this section  
14          may be used in the enforcement of this chapter, including in connection with  
15          any civil action brought under section 2903 of this subchapter or subsection (c)  
16          of this section.

17          (5) Nothing in this subsection is intended to prevent the Attorney  
18          General or a state's attorney from disclosing the results of an investigation  
19          conducted under this section, including the grounds for his or her decision as to  
20          whether to bring an enforcement action alleging a violation of this chapter or  
21          of any rule or regulation made pursuant to this chapter.

1           (6) This subsection shall not be applicable to any criminal investigation  
2           or prosecution brought under the laws of this or any state.

3           (b)(1) A person upon whom a notice is served pursuant to the provisions of  
4           this section shall comply with its terms unless otherwise provided by the order  
5           of a court of this State. Any person who is served with such notice within the  
6           State shall bear the complete cost of compliance with its terms.

7           (2) Any person who, with intent to avoid, evade, or prevent compliance  
8           with, in whole or in part, any civil investigation under this section, removes  
9           from any place; conceals, withholds, or destroys; or mutilates, alters, or by any  
10           other means falsifies any documentary material in the possession, custody, or  
11           control of any person subject to such notice or mistakes or conceals any  
12           information shall be fined not more than \$5,000.00.

13           (c)(1) Whenever any person fails to comply with any notice served upon  
14           him or her under this section or whenever satisfactory copying or reproduction  
15           of any such material cannot be done and the person refuses to surrender the  
16           material, the Attorney General or a state's attorney may file, in the superior  
17           court in which the person resides or has his or her principal place of business  
18           or in Washington County if the person is a nonresident or has no principal  
19           place of business in this State, and serve upon the person a petition for an order  
20           of the court for the enforcement of this section.

1           (2) Whenever any petition is filed under this section, the court shall have  
2 jurisdiction to hear and determine the matter so presented and to enter any  
3 order or orders as may be required to carry into effect the provisions of this  
4 section. Any disobedience of any order entered under this section by any court  
5 shall be punished as a contempt of the court.

6           (d) Any person aggrieved by a civil investigation conducted under this  
7 section may seek relief from Washington Superior Court or the superior court  
8 in the county in which the aggrieved person resides. Except for cases the court  
9 considers to be of greater importance, proceedings before superior court as  
10 authorized by this section shall take precedence on the docket over all other  
11 cases.

12       § 2905. ADJUSTMENTS FOR INFLATION

13           (a) Whenever it is required by this chapter, the Secretary of State shall  
14 make adjustments to monetary amounts provided in this chapter based on the  
15 Consumer Price Index. Increases shall be rounded to the nearest \$10.00 and  
16 shall apply for the term of a two-year general election cycle. Increases shall be  
17 effective for the first two-year general election cycle beginning after the  
18 general election held in 2012.

19           (b) On or before July 1, 2013, the Secretary of State shall calculate and  
20 publish on the online database set forth in section 2906 of this chapter each  
21 adjusted monetary amount that will apply to the election cycle in which July 1,

1 2013 falls. On July 1 of each subsequent odd-numbered year, the Secretary  
2 shall publish the amount of each adjusted monetary amount for the election  
3 cycle in which that publication falls.

4 § 2906. CAMPAIGN DATABASE; CANDIDATE INFORMATION

5 PUBLICATION

6 (a) Campaign database. For each two-year general election cycle, the  
7 Secretary of State shall develop and continually update a publicly accessible  
8 campaign database which shall be made available to the public through the  
9 Secretary of State's home page online service or through printed reports from  
10 the Secretary in response to a public request within 14 days of the date of the  
11 request. The database shall contain:

12 (1) at least the following information for all candidates for statewide,  
13 county, and local office and for the General Assembly:

14 (A) for candidates receiving public financing grants, the amount of  
15 each grant awarded; and

16 (B) the information contained in any reports submitted pursuant to  
17 subchapter 4 of this chapter;

18 (2) campaign finance reports filed by candidates for federal office;

19 (3) the adjustments for inflation made to monetary amounts as required  
20 by this chapter; and

1           (4) any photographs, biographical sketches, and position statements  
2           submitted to the Secretary pursuant to subsection (b) of this section.

3           (b) Candidate information publication.

4           (1) Any candidate for statewide office and any candidate for federal  
5           office qualified to be on the ballot in this state may submit to the Secretary of  
6           State a photograph, biographical sketch, and position statement of a length and  
7           format specified by the Secretary for the purposes of preparing a candidate  
8           information publication.

9           (2) Without making changes in the material presented, the Secretary  
10           shall prepare a candidate information publication for statewide distribution  
11           prior to the general election, which includes the candidates' photographs,  
12           biographies, and position statements; a brief explanation of the process used to  
13           obtain candidate submissions; and, with respect to offices for which public  
14           financing is available, an indication of which candidates are receiving Vermont  
15           campaign finance grants and which candidates are not receiving Vermont  
16           campaign finance grants.

17           (3) The Secretary shall prepare, publish, and distribute the candidate  
18           information publication throughout the State no later than one week prior to  
19           the general election. The Secretary shall also seek voluntary distribution of the  
20           candidate information publication in weekly and daily newspapers and other  
21           publications in the State. The Secretary shall also make the candidate

1 information publication available in large type, audiotape, and Internet  
2 versions.

3 § 2907. ADMINISTRATION

4 The Secretary of State shall administer this chapter and shall perform all  
5 duties required under this chapter. The Secretary may employ or contract for  
6 the services of persons necessary for performance of these duties.

7 Subchapter 2. Registration and Maintenance Requirements

8 § 2911. CANDIDATES, POLITICAL COMMITTEES, POLITICAL  
9 PARTIES; CHECKING ACCOUNT; TREASURER

10 Each candidate who has made expenditures or received contributions of  
11 \$500.00 or more, each political committee, and each political party required to  
12 register under section 2912 of this subchapter shall be subject to the following  
13 requirements:

14 (1) All expenditures shall be paid by either a credit card or a debit card,  
15 check, or other electronic transfer from a single campaign checking account in  
16 a single bank publicly designated by the candidate, political committee, or  
17 political party.

18 (2) Each candidate, political committee, and political party shall name a  
19 treasurer who is responsible for maintaining the checking account. A  
20 candidate's treasurer may be the candidate or his or her spouse.

1     § 2912. POLITICAL COMMITTEES AND PARTIES; REGISTRATION

2         (a) Each political committee and each political party which has accepted  
3         contributions or made expenditures of \$1,000.00 or more in any two-year  
4         general election cycle shall register with the Secretary of State stating its full  
5         name and address, the name and address of its treasurer, and the name and  
6         address of the bank in which it maintains its campaign checking account within  
7         10 days of reaching the \$1,000.00 threshold.

8         (b) A political party or political committee whose principal place of  
9         business or whose treasurer is not located in this State shall file a statement  
10        with the Secretary of State designating a person who resides in this State upon  
11        whom may be served any process, notice, or demand required or permitted by  
12        law to be served upon the political party or political committee. This statement  
13        shall be filed at the same time as the registration required in subsection (a) of  
14        this section.

15     § 2913. CANDIDATES AND POLITICAL COMMITTEES; SURPLUS  
16             CAMPAIGN FUNDS

17         (a) A member of a political committee which has surplus funds after all  
18         campaign debts have been paid shall not convert the surplus to personal use.

19         (b) A candidate who has surplus funds after all campaign debts have been  
20         paid shall not convert the surplus to personal use, other than to reduce personal  
21         campaign debts.

1       (c) Surplus funds in a political committee's or candidate's account after  
2 payment of all campaign debts may be contributed to other candidates,  
3 political parties, or political committees subject to the contribution limits set  
4 forth in this chapter or may be contributed to a charity.

5       (d) The "final report" of a candidate or a political committee shall indicate  
6 the amount of the surplus and how it has been or is to be liquidated.

7       § 2914. CANDIDATES; NEW CAMPAIGN ACCOUNTS

8       (a) A candidate who chooses to roll over any surplus contributions into a  
9 new campaign account for public office may close out his or her former  
10 campaign by filing a final report with the Secretary of State converting all  
11 debts and assets to the new campaign.

12       (b) A candidate shall be required to file a new bank designation form only  
13 if there has been a change in the treasurer or the location of the campaign  
14 account.

15                       Subchapter 3. Contribution Limitations

16       § 2921. LIMITATIONS OF CONTRIBUTIONS

17       In any two-year general election cycle:

18               (1) A candidate for state representative or for local office shall not  
19 accept contributions totaling more than:

20                       (A) \$500.00 from a single source;

21                       (B) \$500.00 from a political committee; or

1           (C) \$1,000.00 from a political party.

2           (2) A candidate for state senator or county office shall not accept  
3 contributions totaling more than:

4           (A) \$1,000.00 from a single source;

5           (B) \$1,000.00 from a political committee; or

6           (C) \$2,000.00 from a political party.

7           (3) A candidate for the office of Governor, Lieutenant Governor,  
8 Secretary of State, State Treasurer, Auditor of Accounts, or Attorney General  
9 shall not accept contributions totaling more than:

10           (A) \$2,000.00 from a single source;

11           (B) \$2,000.00 from a political committee; or

12           (C) \$30,000.00 from a political party.

13           (4) A political committee shall not accept contributions totaling more  
14 than:

15           (A) \$2,000.00 from a single source;

16           (B) \$2,000.00 from a political committee; or

17           (C) \$2,000.00 from a political party.

18           (5) A political party shall not accept contributions totaling more than:

19           (A) \$2,000.00 from a single source;

20           (B) \$2,000.00 from a political committee; or

21           (C) \$30,000.00 from a political party.

1           (6) A single source shall not contribute more than an aggregate of:

2                   (A) \$20,000.00 to candidates; or

3                   (B) \$20,000.00 to political committees and political parties.

4           (7) A single source, political committee, or political party shall not  
5 contribute more to a candidate, political committee, or political party than the  
6 candidate, political committee, or political party is permitted to accept under  
7 subdivisions (1) through (5) of this section.

8           § 2922. EXCEPTIONS

9           The contribution limitations established by this subchapter shall not apply  
10 to contributions to a political committee made for the purpose of advocating a  
11 position on a public question, including a constitutional amendment.

12           § 2923. LIMITATIONS ADJUSTED FOR INFLATION

13           The contribution limitations contained in this subchapter shall be adjusted  
14 for inflation pursuant to the Consumer Price Index as provided in section 2905  
15 of this chapter.

16           § 2924. ACCOUNTABILITY FOR RELATED EXPENDITURES

17           (a) A related campaign expenditure made on a candidate's behalf shall be  
18 considered a contribution to the candidate on whose behalf it was made.

19           (b) For the purposes of this section, a "related campaign expenditure made  
20 on the candidate's behalf" means any expenditure intended to promote the  
21 election of a specific candidate or group of candidates or the defeat of an

1 opposing candidate or group of candidates if intentionally facilitated by,  
2 solicited by, or approved by the candidate or the candidate's committee.

3 (c)(1) An expenditure made by a political party or by a political committee  
4 that recruits or endorses candidates that primarily benefits six or fewer  
5 candidates who are associated with the political party or political committee  
6 making the expenditure is presumed to be a related expenditure made on behalf  
7 of those candidates.

8 (2) An expenditure made by a political party or by a political committee  
9 that recruits or endorses candidates that substantially benefits more than six  
10 candidates and facilitates party or political committee functions, voter turnout,  
11 platform promotion, or organizational capacity shall not be presumed to be a  
12 related expenditure made on a candidate's behalf. In addition, an expenditure  
13 shall not be considered a "related campaign expenditure made on the  
14 candidate's behalf" if all of the following apply:

15 (A) The expenditure was made in connection with a campaign event  
16 whose purpose was to provide a group of voters with the opportunity to meet  
17 the candidate personally.

18 (B) The expenditure was made only for refreshments and related  
19 supplies that were consumed at that event.

20 (C) The amount of the expenditure for the event was less than  
21 \$100.00.

1           (3) For the purposes of this section, a “related campaign expenditure  
2 made on the candidate’s behalf” does not mean:

3           (A) the cost of invitations and postage and of food and beverages  
4 voluntarily provided by an individual in conjunction with an opportunity for a  
5 group of voters to meet a candidate if the cumulative value of these items  
6 provided by the individual on behalf of any candidate does not exceed \$500.00  
7 per election; or

8           (B) the sale of any food or beverage by a vendor at a charge less than  
9 the normal comparable charge for use at a campaign event providing an  
10 opportunity for a group of voters to meet a candidate if the charge to the  
11 candidate is at least equal to the cost of the food or beverages to the vendor and  
12 if the cumulative value of the food or beverages does not exceed \$500.00 per  
13 election.

14           (d)(1) A candidate may seek a determination that an expenditure is a  
15 related expenditure made on behalf of an opposing candidate by filing a  
16 petition with the superior court of the county in which either candidate resides.

17           (2) Within 24 hours of the filing of a petition, the court shall schedule  
18 the petition for hearing. Except as to cases the court considers of greater  
19 importance, proceedings before the superior court, as authorized by this section  
20 and appeals therefrom take precedence on the docket over all cases and shall

1 be assigned for hearing and trial or for argument at the earliest practicable date  
2 and expedited in every way.

3 (3) The findings and determination of the court shall be prima facie  
4 evidence in any proceedings brought for violation of this chapter.

5 (e) The Secretary of State may adopt rules necessary to administer the  
6 provisions of this section.

7 § 2925. GENERAL PROVISIONS

8 (a) A candidate, political committee, or political party accepts a  
9 contribution when the contribution is deposited in the candidate's,  
10 committee's, or party's campaign account or two business days after the  
11 candidate, committee, or party receives it, whichever comes first.

12 (b) A candidate, political committee, or political party shall not accept a  
13 monetary contribution in excess of \$50.00 unless made by check, credit or  
14 debit card, or other electronic transfer.

15 (c) A candidate's expenditures related to a previous two-year general  
16 election cycle and contributions used to retire a debt of a previous two-year  
17 general election cycle shall be attributed to the earlier two-year general  
18 election cycle.

19 (d) This subchapter shall not be interpreted to limit the amount a candidate  
20 or his or her immediate family may contribute to his or her own campaign. For  
21 purposes of this subsection, "immediate family" means a candidate's spouse or

1 civil union partner, parent, grandparent, child, grandchild, sister, brother,  
2 stepparent, stepgrandparent, stepchild, stepgrandchild, stepsister, stepbrother,  
3 mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law,  
4 daughter-in-law, legal guardian, or former legal guardian.

5 (e) For purposes of this subchapter, the term “candidate” includes the  
6 candidate’s political committee.

7 (f) A candidate, political committee, or political shall not knowingly accept  
8 a contribution which is not directly from the contributor but was transferred to  
9 the contributor by another person for the purpose of transferring the same to  
10 the candidate, political committee, or political party or otherwise  
11 circumventing the provisions of this chapter. It shall be a violation of this  
12 chapter for a person to make a contribution with the explicit or implicit  
13 understanding that the contribution will be transferred in violation of this  
14 subsection.

15 Subchapter 4. Reporting Requirements; Disclosures and Disclaimers

16 § 2931. SUBMISSION OF REPORTS TO THE SECRETARY OF STATE

17 (a)(1) The Secretary of State shall provide on the online database set forth  
18 in section 2905 of this chapter digital access to the form he or she provides for  
19 any report required by this chapter. Digital access shall enable any person  
20 required to file a report under this chapter to file the report by completing and  
21 submitting the report to the Secretary of State online.

1           (2) The Secretary shall maintain on the online database reports that have  
2           been filed for each two-year general election cycle so that any person may  
3           have direct machine-readable electronic access to the individual data elements  
4           in each report as soon as a report is filed.

5           (b) Any person required to file a report with the Secretary of State under  
6           this chapter shall file the report digitally on the online database.

7           § 2932. CAMPAIGN REPORTS; SECRETARY OF STATE; FORMS;

8                   FILING

9           (a) The Secretary of State shall prescribe and provide a uniform reporting  
10           form for all campaign finance reports. The reporting form shall be designed to  
11           show the following information:

12                   (1) the full name, town of residence, and mailing address of each  
13                   contributor who contributes an amount in excess of \$100.00, the date of the  
14                   contribution, and the amount contributed, as well as a space on the form for the  
15                   occupation and employer of each contributor, which the candidate, political  
16                   committee, or political party shall make a reasonable effort to obtain;

17                   (2) the total amount of all contributions of \$100.00 or less and the total  
18                   number of all such contributions;

19                   (3) each expenditure listed by amount, date, to whom paid, and for what  
20                   purpose;

1           (4) the amount contributed or loaned by the candidate to his or her own  
2 campaign during the reporting period; and

3           (5) each debt or other obligation, listed by amount, date incurred, to  
4 whom owed, and for what purpose, incurred during the reporting period.

5           (b)(1) The form shall require the reporting of all contributions and  
6 expenditures accepted or spent during the reporting period and during the  
7 campaign to date and shall require full disclosure of the manner in which any  
8 indebtedness is discharged or forgiven.

9           (2) Contributions and expenditures for the reporting period and for the  
10 campaign to date also shall be totaled in an appropriate place on the form. The  
11 total of contributions shall include a subtotal of nonmonetary contributions and  
12 a subtotal of all monetary contributions.

13           (3) The form shall contain a list of the required filing times so that the  
14 person filing may designate for which time period the filing is made.

15           (4) Contributions and expenditures received or spent after 5 p.m. on the  
16 third day prior to the filing deadline shall be reported on the next report.

17           (c) The form described in this section shall contain language of  
18 certification of the truth of the statements and places for the signature of the  
19 candidate or the treasurer of the campaign.

20           (d) Any person required to file a campaign finance report under this chapter  
21 shall provide the information required in the Secretary of State's reporting

1 form. Disclosure shall be limited to the information required to administer this  
2 chapter.

3 (e) All reports filed under this chapter shall be retained in an indexed file  
4 by the Secretary of State and shall be subject to the examination of any person.

5 § 2933. CAMPAIGN REPORTS; CANDIDATES FOR STATE OFFICE

6 AND THE GENERAL ASSEMBLY; POLITICAL COMMITTEES;

7 POLITICAL PARTIES

8 (a) Each candidate for state office, each candidate for the General  
9 Assembly who has made expenditures or received contributions of \$500.00 or  
10 more, and, except as provided in subsection (b) of this section, each political  
11 committee and each political party required to register under section 2912 of  
12 this chapter shall file with the Secretary of State campaign finance reports as  
13 follows:

14 (1) in the first year of the two-year general election cycle, quarterly,  
15 beginning on January 15 of the odd-numbered year;

16 (2) in the second year of the two-year general election cycle, monthly,  
17 beginning on January 15 of the even-numbered year until the primary election;

18 (3) from the primary election through the general election, every two  
19 weeks; and

20 (4) two weeks after the general election.

1       (b) A political committee or a political party which has accepted  
2       contributions or made expenditures of \$1,000.00 or more in any two-year  
3       general election cycle for the purpose of influencing a local election or  
4       supporting or opposing one or more candidates in a local election shall file  
5       campaign finance reports regarding that election 10 days before and 10 days  
6       after the local election with the Secretary of State.

7       (c) Any formal or informal committee of two or more individuals or a  
8       corporation, labor organization, public interest group, or other entity, not  
9       including a political party, which makes expenditures of \$1,000.00 or more in  
10       any two-year general election cycle for the purpose of advocating a position on  
11       a public question in any election shall file a report of its expenditures 10 days  
12       before and 10 days after the election with the Secretary of State.

13       (d) At any time, but not later than December 15th following the general  
14       election, each candidate for state office and each candidate for the General  
15       Assembly who has made expenditures or received contributions of \$500.00 or  
16       more shall file with the Secretary of State a “final report” which lists a  
17       complete accounting of all contributions and expenditures since the last report  
18       and disposition of surplus and which shall constitute the termination of his or  
19       her campaign activities.

20       (e) A political committee or political party shall file a campaign finance  
21       report not later than 40 days following the general election. At any time, a

1 political committee or a political party may file a “final report” which lists a  
2 complete accounting of all contributions and expenditures since the last report  
3 and disposition of surplus and which shall constitute the termination of its  
4 campaign activities.

5 (f) Each candidate for state office and each candidate for the General  
6 Assembly who has made expenditures or received contributions of less than  
7 \$500.00 shall file with the Secretary of State 10 days following the general  
8 election a statement that the candidate has not made expenditures or received  
9 contributions of \$500.00 or more during the two-year general election cycle.

10 § 2934. ADDITIONAL CAMPAIGN REPORTS; CANDIDATES FOR  
11 STATE OFFICE AND THE GENERAL ASSEMBLY

12 (a) In addition to any other reports required to be filed under this chapter, a  
13 candidate for state office or for the General Assembly who receives a monetary  
14 contribution in an amount over \$2,000.00 within 10 days of a primary or  
15 general election shall report the contribution to the Secretary of State within 24  
16 hours of receiving the contribution.

17 (b) The report shall include the following information:

18 (1) the full name, town of residence, and mailing address of the  
19 contributor; the date of the contribution; and the amount contributed; and

20 (2) the amount contributed or loaned by the candidate to his or her own  
21 campaign.

1     § 2935. CAMPAIGN REPORTS; COUNTY OFFICE CANDIDATES

2           (a) Each candidate for county office who has made expenditures or  
3     accepted contributions of \$500.00 or more shall file campaign finance reports  
4     with the Secretary of State as follows:

5           (1) Ten days before the primary election.

6           (2) Ten days before the general election.

7           (3) Further campaign reports shall be filed on the 15th day of July and  
8     annually thereafter or until all contributions and expenditures have been  
9     accounted for and any indebtedness and surplus have been eliminated.

10          (b) Within 40 days after the general election, each candidate for county  
11     office who has made expenditures or accepted contributions of \$500.00 or  
12     more shall file with the Secretary of State a “final report” which lists a  
13     complete accounting of all contributions and expenditures since the last report  
14     and a disposition of surplus and which shall constitute the termination of his or  
15     her campaign activities.

16          (c) The failure of a county candidate to file a campaign finance report shall  
17     be deemed an affirmative statement that the candidate has not accepted  
18     contributions or made expenditures of \$500.00 or more.

1     § 2936. CAMPAIGN REPORTS; LOCAL CANDIDATES

2           (a) Each candidate for local office who has made expenditures or accepted  
3     contributions of \$500.00 or more shall file with the Secretary of State  
4     campaign finance reports 10 days before and 10 days after the local election.

5           (b) The failure of a local candidate to file a campaign finance report shall  
6     be deemed an affirmative statement that the candidate has not accepted  
7     contributions or made expenditures of \$500.00 or more.

8     § 2937. REPORT OF MASS MEDIA ACTIVITIES

9           (a)(1) In addition to any other reports required to be filed under this  
10    chapter, a person who makes expenditures for any one mass media activity  
11    totaling \$500.00 or more, adjusted for inflation pursuant to the Consumer Price  
12    Index as provided in section 2905 of this chapter, within 45 days before a  
13    primary or general election shall, for each activity, file a mass media report  
14    with the Secretary of State and send a copy of the report to each candidate  
15    whose name or likeness is included in the activity without that candidate's  
16    knowledge.

17           (2) The copy of the mass media report shall be sent by e-mail to each  
18    candidate who has provided the Secretary of State with an e-mail address on  
19    his or her consent form and to any other candidate by mail.

20           (3) The mass media report shall be filed and the copy of the report shall  
21    be sent within 24 hours of the expenditure or activity, whichever occurs first.

1 For the purposes of this section, a person shall be treated as having made an  
2 expenditure if the person has executed a contract to make the expenditure.

3 (b) The report shall identify the person who made the expenditure; the  
4 name of each candidate whose name or likeness was included in the activity;  
5 the amount and date of the expenditure; to whom it was paid; and the purpose  
6 of the expenditure.

7 (c) If the activity occurs within 30 days before the election and the  
8 expenditure was previously reported, an additional report shall be required  
9 under this section.

10 § 2938. DISCLAIMERS IN ELECTIONEERING COMMUNICATIONS

11 (a) An electioneering communication shall contain the name and mailing  
12 address of the person, candidate, political committee, or political party that  
13 paid for the communication. The name and address shall appear prominently  
14 such that a reasonable person would clearly understand by whom the  
15 expenditure has been made, except that:

16 (1) An electioneering communication transmitted through radio and paid  
17 for by a candidate does not need to contain the candidate's address.

18 (2) An electioneering communication paid for by a person acting as an  
19 agent or consultant on behalf of another person, candidate, political committee,  
20 or political party shall clearly designate the name and mailing address of the

1 person, candidate, political committee, or political party on whose behalf the  
2 communication is published or broadcast.

3 (b) If an electioneering communication is a related campaign expenditure  
4 made on a candidate's behalf as provided in section 2924 of this chapter, then  
5 in addition to other requirements of this section, the communication shall also  
6 clearly designate the candidate on whose behalf it was made by including  
7 language such as "on behalf of" such candidate.

8 (c) The disclaimer requirements of this section shall not apply to lapel  
9 stickers or buttons, nor shall they apply to electioneering communications  
10 made by a single individual acting alone who spends, in a single two-year  
11 general election cycle, a cumulative amount of no more than \$150.00 on those  
12 electioneering communications, adjusted for inflation pursuant to the  
13 Consumer Price Index as provided in section 2905 of this chapter.

14 § 2939. SPECIFIC DISCLAIMER REQUIREMENTS FOR RADIO OR  
15 TELEVISION COMMUNICATIONS

16 (a) A person, candidate, political committee, or political party that makes  
17 an expenditure for an electioneering communication shall include in any  
18 communication which is transmitted through radio or television, in a clearly  
19 spoken manner, an audio statement by the person who paid for the  
20 communication stating his or her name and title, that the person paid for the

1 communication, and that the person approves of the content of the  
2 communication.

3 (b) If the person who paid for the communication is not a natural person, a  
4 statement required by this section shall be made by the principal officer of the  
5 person and shall include the name of the person who paid for the  
6 communication, the principal officer's name and title, and a statement that the  
7 officer approves of the content of the communication.

8 Subchapter 5. Public Financing Option

9 § 2951. DEFINITIONS

10 As used in this subchapter:

11 (1) "Affidavit" means the Vermont campaign finance affidavit required  
12 under section 2952 of this chapter.

13 (2) "General election period" means the period beginning the day after  
14 the primary election and ending the day of the general election.

15 (3) "Primary election period" means the period beginning the day after  
16 primary petitions must be filed under section 2356 of this title and ending the  
17 day of the primary election.

18 (4) "Vermont campaign finance qualification period" means the period  
19 beginning February 15 of each even-numbered year and ending on the date on  
20 which primary petitions must be filed under section 2356 of this title.

1        § 2952. FILING OF VERMONT CAMPAIGN FINANCE AFFIDAVIT

2            (a) A candidate for the office of Governor or Lieutenant Governor who  
3        intends to seek Vermont campaign finance grants from the Vermont Campaign  
4        Fund shall file a Vermont campaign finance affidavit on the date on or before  
5        which primary petitions must be filed, whether the candidate seeks to enter a  
6        party primary or is an independent candidate.

7            (b) The Secretary of State shall prepare a Vermont campaign finance  
8        affidavit form, informational materials on procedures and financial  
9        requirements, and notification of the penalties for violation of this subchapter.

10          (c)(1) The Vermont campaign finance affidavit shall set forth the  
11        conditions of receiving grants under this subchapter and provide space for the  
12        candidate to agree that he or she will abide by such conditions and all  
13        expenditure and contribution limitations, reporting requirements, and other  
14        provisions of this chapter.

15          (2) The affidavit shall also state the candidate's name, legal residence,  
16        business or occupation, address of business or occupation, party affiliation, if  
17        any, the office sought, and whether the candidate intends to enter a party  
18        primary.

19          (3) The affidavit shall also contain a list of all the candidate's qualifying  
20        contributions together with the name and town of residence of the contributor  
21        and the date each contribution was made.

1           (4) The affidavit may further require affirmation of such other  
2 information as deemed necessary by the Secretary of State for the  
3 administration of this subchapter.

4           (5) The affidavit shall be sworn and subscribed to by the candidate.

5           § 2953. VERMONT CAMPAIGN FINANCE GRANTS; CONDITIONS

6           (a) A person shall not be eligible for Vermont campaign finance grants if,  
7 prior to February 15 of the general election year during any two-year general  
8 election cycle, he or she becomes a candidate by announcing that he or she  
9 seeks an elected position as Governor or Lieutenant Governor or by accepting  
10 contributions totaling \$2,000.00 or more or by making expenditures totaling  
11 \$2,000.00 or more.

12           (b) A candidate who accepts Vermont campaign finance grants shall:

13           (1) not solicit, accept, or expend any contributions except qualifying  
14 contributions, Vermont campaign finance grants, and contributions authorized  
15 under section 2955 of this chapter, which contributions may be solicited,  
16 accepted, or expended only in accordance with the provisions of this  
17 subchapter;

18           (2) deposit all qualifying contributions, Vermont campaign finance  
19 grants, and any contributions accepted in accordance with the provisions of  
20 section 2955 of this chapter in a federally insured noninterest-bearing checking  
21 account; and

1           (3) not later than 40 days after the general election, deposit in the  
2           Vermont Campaign Fund, after all permissible expenditures have been paid,  
3           the balance of any amounts remaining in the account established under  
4           subdivision (2) of this subsection.

5           § 2954. QUALIFYING CONTRIBUTIONS

6           (a) In order to qualify for Vermont campaign finance grants, a candidate for  
7           the office of Governor or Lieutenant Governor shall obtain during the Vermont  
8           campaign finance qualification period the following amount and number of  
9           qualifying contributions for the office being sought:

10           (1) for Governor, a total amount of no less than \$35,000.00 collected  
11           from no fewer than 1,500 qualified individual contributors making a  
12           contribution of no more than \$50.00 each; or

13           (2) for Lieutenant Governor, a total amount of no less than \$17,500.00  
14           collected from no fewer than 750 qualified individual contributors making a  
15           contribution of no more than \$50.00 each.

16           (b) A candidate shall not accept more than one qualifying contribution  
17           from the same contributor and a contributor shall not make more than one  
18           qualifying contribution to the same candidate in any Vermont campaign  
19           finance qualification period. For the purpose of this section, a qualified  
20           individual contributor means an individual who is registered to vote in

1 Vermont. No more than 25 percent of the total number of qualified individual  
2 contributors may be residents of the same county.

3 (c) Each qualifying contribution shall indicate the name and town of  
4 residence of the contributor and the date received and be acknowledged by the  
5 signature of the contributor.

6 (d) A candidate may retain and expend qualifying contributions obtained  
7 under this section. A candidate may expend the qualifying contributions for  
8 the purpose of obtaining additional qualifying contributions and may expend  
9 the remaining qualifying contributions during the primary and general election  
10 periods. Amounts expended under this subsection shall be considered  
11 expenditures for purposes of this chapter.

12 § 2955. VERMONT CAMPAIGN FINANCE GRANTS; AMOUNTS;

13 TIMING

14 (a) To the extent funds are available, the Secretary of State shall make  
15 grants from the Vermont Campaign Fund in separate grants for the primary  
16 and general election periods to candidates who have qualified for Vermont  
17 campaign finance grants under this subchapter.

18 (b) Whether a candidate has entered a primary or is an independent  
19 candidate, Vermont campaign finance grants shall be in the following amounts:

20 (1) For Governor, \$75,000.00 in a primary election period and  
21 \$225,000.00 in a general election period, provided that the grant for a primary

1 election period shall be reduced by an amount equal to the candidate's  
2 qualifying contributions.

3 (2) For Lieutenant Governor, \$25,000.00 in a primary election period  
4 and \$75,000.00 in a general election period, provided that the grant for a  
5 primary election period shall be reduced by an amount equal to the candidate's  
6 qualifying contributions;

7 (3) A candidate who is an incumbent of the office being sought shall be  
8 entitled to receive a grant in an amount equal to 85 percent of the amount listed  
9 in subdivision (1) or (2) of this subsection.

10 (c) In an uncontested general election and in the case of a candidate who  
11 enters a primary election and is unsuccessful in that election, an otherwise  
12 eligible candidate shall not be eligible for a general election period grant.  
13 However, such candidate may solicit and accept contributions and make  
14 expenditures as follows: contributions shall be subject to the limitations set  
15 forth in subchapter 3 of this chapter, and expenditures shall be limited to an  
16 amount equal to the amount of the grant set forth in subsection (b) of this  
17 section for the general election for that office.

18 (d) Grants awarded in a primary election period but not expended by the  
19 candidate in the primary election period may be expended by the candidate in  
20 the general election period.

1       (e) If the Vermont Campaign Fund contains insufficient revenues to  
2       provide Vermont campaign finance grants to all candidates under this section,  
3       the available funds shall be distributed proportionately among all qualifying  
4       candidates. If grants are reduced under this subsection, a candidate may solicit  
5       and accept additional contributions equal to the amount of the difference  
6       between the amount of the Vermont campaign finance grants authorized and  
7       the amount received under this section. Additional contributions authorized  
8       under this subsection shall be governed by the provisions of subchapter 3 of  
9       this chapter and section 2953 of this chapter.

10       (f) Vermont campaign finance grants for a primary election period shall be  
11       paid to qualifying candidates within the first 10 business days of the primary  
12       election period. Vermont campaign finance grants for a general election  
13       period shall be paid to qualifying candidates during the first 10 business days  
14       of the general election period.

15       § 2956. VERMONT CAMPAIGN FUND

16       (a) A Vermont Campaign Fund is created for distribution of Vermont  
17       campaign finance grants to candidates for the offices of Governor and  
18       Lieutenant Governor. The fund shall be administered by the State Treasurer  
19       and payments shall be made under warrants issued by the Secretary of State.

20       (b) The fund shall consist of revenues from the following sources:

1           (1) any amounts required to be deposited in the fund under section 2953  
2 of this subchapter;

3           (2) all penalties and fines levied for violations of this chapter;

4           (3) forty percent of the amounts paid as annual report fees by domestic  
5 corporations under 11A V.S.A. § 1.22(a)(17) and 33 percent of the amounts  
6 paid as annual report fees by foreign corporations under 11A V.S.A.  
7 § 1.22(a)(16);

8           (4) any gifts received by the fund; and

9           (5) any amounts appropriated to the Vermont campaign fund by act of  
10 the General Assembly.

11           (c) All principal and interest remaining in the fund at the close of any fiscal  
12 year shall not revert but shall remain in the fund for use in succeeding fiscal  
13 years.

14           § 2957. MONETARY AMOUNTS ADJUSTED FOR INFLATION

15           The monetary amounts contained in sections 2953–2955 of this subchapter  
16 shall be adjusted for inflation pursuant to the Consumer Price Index as  
17 provided in section 2905 of this chapter.

18           Sec. 3. APPROPRIATION

19           The amount of \$XXX,XXX.xx is appropriated to the Office of the Secretary  
20 of State for the purpose of establishing the digital filing of campaign finance

1 reports and direct machine-readable electronic access to the individual data  
2 elements in each report as required by Sec. 3, 17 V.S.A. § 2931 of this act.

3 Sec. 4. EVALUATION OF 2014 PRIMARY AND GENERAL

4 ELECTIONS

5 The House and Senate Committees on Government Operations shall  
6 evaluate the 2014 primary and general elections to determine whether the  
7 major provisions of this act are accomplishing their intended purposes.

8 Sec. 5. EFFECTIVE DATE

9 This act shall take effect on passage.