1	S.243
2	Introduced by Senator Galbraith
3	Referred to Committee on
4	Date:
5	Subject: Elections; campaign finance; limitations of contributions; single
6	sources, businesses, and partnerships
7	Statement of purpose of bill as introduced: This bill proposes to require that a
8	campaign contribution made by a business or partnership be attributed pro rata
9	between the business or partnership and a single source that owns more than 50
10	percent of that business or partnership or between the business or partnership
11	and a single source with any ownership interest that also had the exclusive
12	signature authority to make the contribution on behalf of the business
13	or partnership.
14 15	An act relating to limiting the campaign contributions of businesses and partnerships
16	It is hereby enacted by the General Assembly of the State of Vermont:
17	Sec. 1. FINDINGS
18	The General Assembly finds that:
19	(1) Statutory limits on the amount of money that may be contributed to a
20	candidate for public office are intended to prevent the improper influence that

1	any individual, corporation, or other entity might have on a candidate or
2	elected official in order to preserve the integrity of elections in Vermont.
3	(2) Vermont law currently allows individuals and corporations to evade
4	statutory limits on campaign contributions by making such contributions
5	themselves and from corporations, partnerships, single proprietorships, and
6	other entities that are owned or controlled by the individual or corporation. A
7	review of campaign finance reports filed with the Secretary of State indicates
8	that some individuals do contribute to preferred candidates both individually
9	and from the businesses that they control so that the sum of the contributions
10	from assets owned by the individual exceeds the statutory limits
11	on contributions.
12	(3) The definition of "single source" in Vermont's campaign finance
13	law and the lack of restrictions on what entities may make a political
14	contribution makes it easy for individuals and corporations to establish
15	businesses or other entities that can make political contributions in their
16	own right.
17	(4) In order to have meaningful limits on campaign contributions,
18	Vermont must prohibit individuals and corporations from contributing amounts
19	in excess of statutory limits to candidates, political committees, and parties
20	both from themselves and from corporations, partnerships, and businesses and
21	other entities that they control.

1	Sec. 2. 17 V.S.A. § 2805 is amended to read:
2	§ 2805. LIMITATIONS OF CONTRIBUTIONS
3	* * *
4	(b)(1) 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	subsection (a) of this section.
8	(2)(A) For the purpose of calculating the limits on contributions from a
9	single source under this section, if a single source owns more than 50 percent
10	of a business or owns more than 50 percent of the assets of a partnership, or if
11	a single source has any ownership interest in a business or in the assets of a
12	partnership and has the exclusive signature authority to make a contribution on
13	behalf of that business or partnership, a contribution from the business or
14	partnership shall be attributed pro rata between the single source and the
15	business or partnership so that the single source shall be considered to have
16	made a percentage of that contribution equal to the percentage of his or her
17	ownership of the business or of the assets of the partnership and the remaining
18	percentage of that contribution shall be considered to have been made by the
19	business or partnership or other single source subject to the provisions of
20	this subdivision.

1	(B) A candidate, political committee, or political party that accepts a
2	contribution from a business, partnership, or a single source described in
3	subdivision (A) of this subdivision (2) shall not be required to confirm whether
4	the single source owns the business or the assets of the partnership or whether
5	the single source, business, or partnership has violated the contribution limits
6	of this section as provided by the terms of subdivision (A), and shall not be
7	liable for any such violation by that single source, business, or partnership.
8	* * *
9	Sec. 3. EFFECTIVE DATE
10	This act shall take effect on November 5, 2014.