

1 TO THE HONORABLE SENATE:

2 The Committee on Government Operations to which was referred House
3 Bill No. 828 entitled “An act relating to disclosures in campaign finance law”
4 respectfully reports that it has considered the same and recommends that the
5 Senate propose to the House that the bill be amended by striking out all after
6 the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 17 V.S.A. chapter 61 is amended to read:

8 CHAPTER 61. CAMPAIGN FINANCE

9 Subchapter 1. General Provisions

10 § 2901. DEFINITIONS

11 As used in this chapter:

12 * * *

13 (6) “Electioneering communication” means any communication that
14 refers to a clearly identified candidate for office and that promotes or supports
15 a candidate for that office or attacks or opposes a candidate for that office,
16 regardless of whether the communication expressly advocates a vote for or
17 against a candidate, including communications published in any newspaper or
18 periodical or broadcast on radio or television or over the Internet or any public
19 address system; placed on any billboards, outdoor facilities, buttons, or printed
20 material attached to motor vehicles, window displays, posters, cards,
21 pamphlets, leaflets, flyers, or other circulars; or contained in any direct

1 mailing, robotic phone calls, or mass ~~e-mails~~ electronic or digital
2 communications.

3 * * *

4 (11) “Mass media activity” means a television commercial, radio
5 commercial, mass mailing, mass electronic or digital communication, literature
6 drop, newspaper or periodical advertisement, robotic phone call, or telephone
7 bank, that includes the name or likeness of a clearly identified candidate for
8 office.

9 * * *

10 § 2903. PENALTIES

11 (a) A person who knowingly and intentionally violates a provision of
12 subchapter 2, 3, or 4 of this chapter shall be fined not more than \$1,000.00 or
13 imprisoned not more than six months, or both.

14 (b) A person who violates any provision of this chapter shall be subject to a
15 civil penalty of up to \$10,000.00 for each violation and shall refund to the
16 Secretary of State an amount equivalent to any contributions or expenditures
17 that violate subdivision 2983(b)(1) of this chapter.

18 (c) In addition to the other penalties provided in this section, a State’s
19 Attorney or the Attorney General may institute any appropriate action,
20 injunction, or other proceeding to prevent, restrain, correct, or abate any
21 violation of this chapter.

1 (d)(1)(A) After any necessary investigation but prior to the Attorney
2 General's or a State's Attorney's pursuing a civil penalty under subsection (b)
3 of this section for a violation of this chapter, the Attorney General or State's
4 Attorney shall provide written notice to the person alleged to have committed
5 the violation. The notice shall describe the violation and what the person
6 would need to do to come into compliance with this chapter in order to cure the
7 violation, including any deadline by which the ability to cure expires, as
8 determined by the Attorney General or State's Attorney in accordance with the
9 provisions of this chapter.

10 (B) The provisions of subdivision (A) of this subdivision (1) shall not
11 apply if the Attorney General or State's Attorney determines that the person
12 knowingly and intentionally committed the violation or that the violation
13 cannot be cured.

14 (2)(A) A person who receives the written notice described in
15 subdivision (1) of this subsection shall have seven calendar days from the date
16 of the notice or the notice's described deadline to cure, whichever occurs first,
17 in order to cure the violation.

18 (B) If the person cures the violation within the required time frame,
19 the Attorney General or State's Attorney shall not pursue the penalty.

20 (3) Nothing in this subsection shall prevent the Attorney General or
21 State's Attorney from instituting any of the proceedings described in

1 subsection (c) of this section regarding a violation of this chapter prior to either
2 providing written notice of the violation or the curing of a violation under
3 subdivision (1) or (2) of this subsection.

4 * * *

5 Subchapter 4. Reporting Requirements; Disclosures

6 * * *

7 § 2968. CAMPAIGN REPORTS; LOCAL CANDIDATES

8 (a) Each candidate for local office who has rolled over any amount of
9 surplus into his or her new campaign or who has made expenditures or
10 accepted contributions of \$500.00 or more since the last local election for that
11 office shall file with the Secretary of State campaign finance reports 30 days
12 before, 10 days before, four days before, and two weeks after the local
13 election.

14 * * *

15 § 2972. IDENTIFICATION IN ELECTIONEERING COMMUNICATIONS

16 (a) An electioneering communication shall contain the name and mailing
17 address of the person, candidate, political committee, or political party that
18 paid for the communication. The name and address shall appear prominently
19 and in a manner such that a reasonable person would clearly understand by
20 whom the expenditure has been made, except that:

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

3 (2) An electioneering communication paid for by a person acting as an
4 agent or consultant on behalf of another person, candidate, political committee,
5 or political party shall clearly designate the name and mailing address of the
6 person, candidate, political committee, or political party on whose behalf the
7 communication is published or broadcast.

8 (b) If an electioneering communication is a related campaign expenditure
9 made on a candidate's behalf as provided in section 2944 of this chapter, then
10 in addition to other requirements of this section, the communication shall also
11 clearly designate the candidate on whose behalf it was made by including
12 language such as "on behalf of" such candidate.

13 (c)(1) In addition to the identification requirements in subsections (a) and
14 (b) of this section, an electioneering communication paid for by or on behalf of
15 a political committee or political party shall contain the name of any
16 contributor who contributed more than 25 percent of all contributions and more
17 than \$2,000.00 to that committee or party since the beginning of the two-year
18 general election cycle in which the electioneering communication was made to
19 the date on which the expenditure for the electioneering communication
20 was made.

1 (2) For the purposes of this subsection, a political committee or political
2 party shall be treated as having made an expenditure if the committee or party
3 or person acting on behalf of the committee or party has executed a contract to
4 make the expenditure.

5 (d) If it is not possible to meet the identification requirements of this
6 section within an electioneering communication that is broadcast over the
7 Internet, such an electioneering communication shall contain a link that shall
8 be clear and conspicuous and that, if clicked, takes the reader directly to a
9 webpage or social media page that provides all of the identification
10 information as required by this section.

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

17 § 2973. SPECIFIC IDENTIFICATION REQUIREMENTS FOR RADIO,
18 TELEVISION, OR INTERNET COMMUNICATIONS

19 (a) In addition to the identification requirements set forth in section 2972 of
20 this subchapter, a person, candidate, political committee, or political party that
21 makes an expenditure for an electioneering communication shall include in any

1 communication that is transmitted through radio, television, or online video, in
2 a clearly spoken manner, an audio statement of the name and title of the person
3 who paid for the communication and that the person paid for the
4 communication.

5 (b) If the person who paid for the communication is not a ~~natural person~~ an
6 individual, the audio statement required by this section shall include the name
7 of that ~~non-natural~~ person and the name and title of the treasurer; in the case of
8 a ~~candidate's committee~~, political committee, or political party, or the principal
9 officer; in the case of any other ~~non-natural~~ person that is not an individual.

10 * * * Effective Dates * * *

11 Sec. 2. EFFECTIVE DATES

12 This act shall take effect on passage, except that in Sec. 1, 17 V.S.A. § 2968
13 (campaign reports; local candidates) shall take effect on December 14, 2018.

14 and that after passage the title of the bill be amended to read: “An act
15 relating to disclosures in campaign finance law and to the ability to cure
16 campaign finance violations”

17

18

19 (Committee vote: _____)

20

21

Senator _____

1

FOR THE COMMITTEE