

S.32

An act relating to the public financing of campaigns

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

Sec. 1. 17 V.S.A. chapter 61, subchapter 5 is amended to read:

Subchapter 5. Public Financing Option

§ 2981. DEFINITIONS

As used in this subchapter:

(1) “Affidavit” means the Vermont campaign finance affidavit required under section 2982 of this ~~chapter~~ subchapter.

(2) “General election period” means the period beginning the day after the primary election and ending the day of the general election.

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

(4) “Vermont campaign finance qualification period” means the period beginning ~~February 15 of each even-numbered year~~ at the start of the two-year general election cycle and ending on the date on which primary petitions must be filed under section 2356 of this title.

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§ 2983. VERMONT CAMPAIGN FINANCE GRANTS; CONDITIONS

(a) A person shall not be eligible for Vermont campaign finance grants if, prior to ~~February 15 of the general election year~~ during any two-year general

~~election cycle~~ the Vermont campaign finance qualification period, he or she becomes a candidate ~~by announcing that he or she seeks an elected position as~~ for Governor or Lieutenant Governor ~~or~~ by accepting contributions totaling \$2,000.00 or more or by making expenditures totaling \$2,000.00 or more.

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

(1) not solicit, accept, or expend any contributions except qualifying contributions, Vermont campaign finance grants, and contributions authorized under section 2985 of this ~~chapter~~ subchapter, which contributions may be solicited, accepted, or expended only in accordance with the provisions of this subchapter;

(2) deposit all qualifying contributions, Vermont campaign finance grants, and any contributions accepted in accordance with the provisions of section 2985 of this ~~chapter~~ subchapter in a federally insured noninterest-bearing checking account; and

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

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§ 2985. VERMONT CAMPAIGN FINANCE GRANTS; AMOUNTS;

TIMING

(a)(1) The Secretary of State shall make grants from the Secretary of State Services Fund in separate grants for the primary and general election periods to candidates who have qualified for Vermont campaign finance grants under this subchapter.

(2)(A) To cover any campaign finance grants to candidates who have qualified under this subchapter, the Secretary of State shall report to the Commissioner of Finance and Management, who shall anticipate receipts to the Services Fund and issue warrants to pay for those grants.

(B) The Commissioner shall report any such anticipated receipts and warrants issued under this subdivision to the Joint Fiscal Committee on or before December 1 of the year in which the warrants were issued.

(b)(1) ~~Whether~~ Except as provided in subdivision (2) of this subsection and subsection (c) of this section, whether a candidate has entered a primary or is an independent candidate, Vermont campaign finance grants shall be in the following amounts:

(4)(A) For Governor, \$150,000.00 in a primary election period and \$450,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions.

~~(2)~~(B) For Lieutenant Governor, \$50,000.00 in a primary election period and \$150,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions;

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

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

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

(e)(1) Vermont campaign finance grants for a primary election period shall be paid to qualifying candidates within the first 10 business days of the primary election period.

(2) Vermont campaign finance grants for a general election period shall be paid to qualifying candidates during the first 10 business days of the general election period.

§ 2985a. PRIMARY ELECTION PERIOD; PERMITTED ADVANCED

GENERAL ELECTION GRANT

(a) Notwithstanding the timing of grants set forth in subsection 2985(e) of this subchapter, a candidate who has received a campaign finance grant in a primary election period may also obtain and expend during the primary election period up to 25 percent of his or her general election period grant.

(b) The permitted general election period grant amount shall be distributed to the publicly financed primary candidate within three business days of the candidate's written request for such amount.

(c)(1) A publicly financed primary candidate who obtains a portion of his or her general election period grant under this section and who wins the primary shall be limited to the remaining balance of the general election grant amount during the general election period.

(2) A publicly financed candidate who obtains a portion of his or her general election period grant under this section and who is unsuccessful in the primary shall be required to deposit in the Secretary of State Services Fund an amount equal to that portion of the general election period grant not later than 40 days after the end of the two-year general election cycle.

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Sec. 2. PUBLIC CAMPAIGN FINANCE STUDY COMMITTEE; REPORT

(a) Creation. There is created the Public Campaign Finance Study Committee to study and make recommendations regarding Vermont's current public campaign finance option.

(b) Membership. The Committee shall be composed of the following members:

(1) one current member of the Senate, who shall be appointed by the Committee on Committees and who shall be Co-Chair;

(2) one current member of the House of Representatives, who shall be appointed by the Speaker of the House and who shall be Co-Chair;

(3) the Secretary of State or designee;

(4) the Attorney General or designee; and

(5) the Executive Director of the State Ethics Commission or designee.

(c) Powers and duties. The Committee shall consult with interested stakeholders to study and make recommendations on Vermont's current public campaign finance option (Option), including the following issues:

(1) whether the structure of the Option is appropriate or whether Vermont should instead enact a different public campaign finance system, such as one based on vouchers as in the Seattle Democracy Voucher Program, or one that provides supplemental payments based on the amount of qualifying

contributions as in the Maine Clean Election Act;

(2) if Vermont should retain the Option:

(A) whether the current qualifying contributions and grant amounts for candidates for Governor and Lieutenant Governor are appropriate;

(B) whether the Option should be extended to other offices and, if so, which offices and what the qualifying contributions and grant amounts should be for each office; and

(C) how it may be improved; and

(3) what the funding source should be for either the Option or any recommended substitute.

(d) Assistance. The Committee shall have the assistance of the Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 1, 2019, the Committee shall report to the Senate and House Committees on Government Operations with its findings and any recommendations for legislative action. The report may be in the form of legislation.

(f) Meetings.

(1) The Co-Chairs shall call the first meeting of the Committee to occur on or before August 15, 2019.

(2) A majority of the membership shall constitute a quorum.

(3) The Committee shall cease to exist on December 1, 2019.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the member's appointing authority.

Sec. 3. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 1 shall take effect on December 11, 2020.