

S.47

An act relating to the persons authorized to make contributions to candidates and political parties and to political committee names

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

Sec. 1. 17 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(13) “Political committee” or “political action committee” means any formal or informal committee of two or more individuals or a corporation, labor organization, public interest group, or other entity, not including a political party, that accepts contributions of \$1,000.00 or more and makes expenditures of \$1,000.00 or more in any two-year general election cycle for the purpose of supporting or opposing one or more candidates, influencing an election, or advocating a position on a public question in any election, or any such entity that registers as a political committee pursuant to section 2922 of this chapter prior to reaching those \$1,000.00 thresholds, and includes an independent expenditure-only political committee and a legislative leadership political committee.

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Sec. 2. 17 V.S.A. § 2922 is amended to read:

§ 2922. POLITICAL COMMITTEES; REGISTRATION; CHECKING
ACCOUNT; TREASURER

(a)(1)(A) Each political committee shall register with the Secretary of State within 10 days of making expenditures of \$1,000.00 or more and accepting contributions of \$1,000.00 or more ~~stating~~, and any other political committee may register with the Secretary of State prior to reaching those \$1,000.00 thresholds.

(B) A political committee's name shall include the full name of its connected organization, if applicable, or any clearly recognized abbreviation or acronym by which the connected organization is commonly known.

(C) In its registration, a political committee shall state:

(i) its full name and address;

(ii) the name and address of the bank in which it maintains its campaign checking account; and

(iii) the name and address of the treasurer responsible for maintaining the checking account; and

(iv) if applicable, the full name of its connected organization and any clearly recognized abbreviation or acronym by which the connected organization is commonly known.

(2)(A) In addition to the requirements of subdivision (1) of this subsection, a legislative leadership political committee shall designate in its registration that it is established as a legislative leadership political committee.

(B) The Secretary of State shall provide on his or her website a list of all legislative leadership political committees that have been designated as provided in this subdivision (2).

(b)(1) All expenditures by a political committee shall be paid by either a credit card or a debit card, check, or other electronic transfer from the single campaign checking account in the bank designated by the political committee under subsection (a) of this section, or, if under \$250.00, the political committee may make the expenditure from cash from that campaign checking account if accompanied by a receipt, a copy of which shall be maintained by the political committee for at least two years from the end of the two-year general election cycle in which the expenditure was made.

(2) Nothing in this subsection shall be construed to prohibit the payment of fees required to be made from a separately held online account designated solely to collect campaign contributions made to the political committee.

(c) A political committee whose principal place of business or whose treasurer is not located in this State shall file a statement with the Secretary of State designating a person who resides in this State upon whom may be served any process, notice, or demand required or permitted by law to be served upon

the political committee. This statement shall be filed at the same time as the registration required in subsection (a) of this section.

(d) As used in this section, “connected organization” means the formal or informal committee of two or more individuals, corporation, labor organization, public interest group, or other entity that directly or indirectly establishes, administers, or financially supports a political committee. For purposes of this subsection:

(1) “Financially supports” does not include contributions to the political committee, but does include the payment of establishment, administration, and solicitation costs of the political committee; and

(2) Members of a connected organization, such as organizations that or individuals who are members of a trade association, labor organization, or public interest group that is a connected organization, shall not be considered to have directly or indirectly established, administered, or financially supported the connected organization’s political committee.

Sec. 3. 17 V.S.A. § 2941 is amended to read:

§ 2941. LIMITATIONS OF CONTRIBUTIONS

(a) In any election cycle:

(1)(A) A candidate for State Representative or for local office shall not accept contributions totaling more than:

(i) \$1,000.00 from a single source; or

(ii) \$1,000.00 from a political committee.

(B) Such a candidate may accept unlimited contributions from a political party.

(2)(A) A candidate for State Senator or for county office shall not accept contributions totaling more than:

(i) \$1,500.00 from a single source; or

(ii) \$1,500.00 from a political committee.

(B) Such a candidate may accept unlimited contributions from a political party.

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

(i) \$4,000.00 from a single source; or

(ii) \$4,000.00 from a political committee.

(B) Such a candidate may accept unlimited contributions from a political party.

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

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

(B) \$4,000.00 from a political committee; or

(C) \$4,000.00 from a political party.

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

- (A) \$10,000.00 from a single source;
- (B) \$10,000.00 from a political committee; or
- (C) \$60,000.00 from a political party.

(6) [Repealed.]

(b) A single source, political committee, or political party shall not contribute more to a candidate, political committee, or political party than the candidate, political committee, or political party is permitted to accept under this section.

(c)(1)(A) Notwithstanding any provision of law to the contrary, only an individual, a political committee, or a political party may make a contribution to a candidate or to a political party.

(B) In accordance with the provisions of subdivision (A) of this subdivision (1), an individual may make a contribution as follows, which in either case shall be considered a contribution from the individual:

(i) in the individual's capacity as an unincorporated sole proprietorship; or

(ii) from his or her revocable trust, if the individual is a named trustee.

(2) A candidate or a political party shall not accept a contribution from any person other than those permitted to make such a contribution under subdivision (1) of this subsection.

(d) As used in this section:

(1) For a candidate described in subdivisions (a)(1)-(3) of this section, an “election cycle” means:

(A) in the case of a general or local election, the period that begins 38 days after the previous general or local election for the office and ends 38 days after the general or local election for the office for which that person is a candidate, and includes any primary or ~~run-off~~ runoff election related to that general or local election; or

(B) in the case of a special election, the period that begins on the date the special election for the office was ordered and ends 38 days after that special election, and includes any special primary or ~~run-off~~ runoff election related to that special election.

(2) For a political committee, political party, or single source described in subdivisions (4)–(6) of subsection (a), an “election cycle” means a two-year general election cycle.

Sec. 4. EFFECTIVE DATE

This act shall take effect on December 11, 2020.