

S.158

Introduced by Senator Lyons

Referred to Committee on

Date:

Subject: Elections; campaign finance; contribution limitations

Statement of purpose of bill as introduced: This bill proposes to limit contributions accepted by independent expenditure-only political committees to \$5,000.00 per single source, political committee, or political party.

An act relating to independent expenditure-only political committee contribution limits

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

Sec. 1. FINDINGS AND PURPOSE

(a) It was the stated intention of the framers of the Constitution of the United States of America that Congress should be “dependent on the people alone” (James Madison or Alexander Hamilton, Federalist 52). That dependency has evolved from a dependency on the people alone to a dependency on those who spend excessively in elections through campaigns or third-party groups—the result of the U.S. Supreme Court ruling in *Citizens United v. Federal Election Commission*, 130 S.Ct. 876 (2010). *Citizens United* removed restrictions on independent political spending, resulting in a legally

1 permissible, but undue, influence of powerful economic forces on our elections
2 that has supplanted the will of the people by undermining our ability to choose
3 our political leadership, write our own laws, and determine the fate of our
4 State.

5 (b) Accompanying this spending is the equally problematic acceptance of
6 contributions by these independent entities that, funneled through a now-
7 sanctioned process, nevertheless results in the impairment of a candidate—and
8 eventual officer—in the candidate’s duty to not advantage the contributor in a
9 manner inconsistent with that duty and the rights of Vermonters. The guise of
10 uncoordinated activities between a candidate and a monied interest fails to
11 prevent this corruption.

12 (c) While the U.S. Supreme Court ruling in *Citizens United* invalidates
13 restrictions on independent expenditures, the issue of whether limitations may
14 be placed on contributions to independent expenditure-only political
15 committees remains unsettled law so long as the Second Circuit Court or the
16 United States Supreme Court have not directly decided on the matter.

17 (d) It is indeed the purpose of this act to amend the State’s campaign
18 finance laws to place limitations on contributions accepted by independent
19 expenditure-only political committees.

20 (e) The State has a sufficiently important interest in limiting corruption in
21 our political system and asserts a substantial relation between the limitation of

1 contributions to independent expenditure-only political committees and the
2 anticorruption efforts of the State.

3 Sec. 2. 17 V.S.A. § 2901 is amended to read:

4 § 2901. DEFINITIONS

5 As used in this chapter:

6 * * *

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

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

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

17 (C) unreimbursed travel expenses paid for by an individual for
18 ~~himself or herself~~ themselves who volunteers personal services to a candidate;

19 (D) unreimbursed campaign-related travel expenses paid for by the
20 candidate or the candidate’s spouse;

1 (E) the use by a candidate or volunteer of ~~his or her~~ the candidate's or
2 volunteer's own personal property, including offices, telephones, computers,
3 and similar equipment;

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

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

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

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

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

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

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

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§ 2941. LIMITATIONS OF CONTRIBUTIONS

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

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

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

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

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

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

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

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

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

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

15 (B) \$10,000.00 from a political committee; or

16 (C) \$60,000.00 from a political party.

17 (6) An independent expenditure-only political committee shall not
18 accept contributions totaling more than:

19 (A) \$5,000.00 from a single source;

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

21 (C) \$5,000.00 from a political party.

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7 This act shall take effect on January 1, 2026.