

General Assembly

January Session, 2025

Committee Bill No. 603

LCO No. **5557**

Referred to Committee on GOVERNMENT ADMINISTRATION AND ELECTIONS

Introduced by: (GAE)

AN ACT CONCERNING DISTRIBUTION OF SURPLUS FUNDS FROM A CANDIDATE COMMITTEE THAT PARTICIPATED IN THE CITIZENS' ELECTION PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (e) of section 9-608 of the general statutes is
 repealed and the following is substituted in lieu thereof (*Effective October* 1, 2025):

4 (e) (1) Notwithstanding any provisions of this chapter, in the event of 5 a surplus the treasurer of a candidate committee or of a political 6 committee, other than a political committee formed for ongoing political 7 activities or an exploratory committee, shall distribute or expend such 8 surplus not later than ninety days, or for the purposes of subparagraph 9 (H) of this subdivision, one hundred twenty days after a primary which 10 results in the defeat of the candidate, an election or referendum not held 11 in November or by March thirty-first following an election or 12 referendum held in November, or for the purposes of subparagraph (H) 13 of this subdivision, June thirtieth following an election or referendum 14 held in November, in the following manner:

15 (A) Such committees may distribute their surplus to a party

16 committee, or a political committee organized for ongoing political 17 activities, return such surplus to all contributors to the committee on a 18 prorated basis of contribution, distribute all or any part of such surplus 19 to the Citizens' Election Fund established in section 9-701, distribute 20 such surplus to any charitable organization which is a tax-exempt 21 organization under Section 501(c)(3) of the Internal Revenue Code of 22 1986, or any subsequent corresponding internal revenue code of the 23 United States, as from time to time amended, or, in the case of a 24 candidate committee for any candidate, other than a participating 25 candidate, distribute such surplus to an organization under Section 26 501(c)(19) of said code, as from time to time amended, provided (i) no 27 candidate committee may distribute such surplus to a committee which 28 has been established to finance future political campaigns of the 29 candidate, (ii) a candidate committee for a participating candidate, 30 which received moneys from the Citizens' Election Fund, [shall 31 distribute such surplus to such fund] may distribute up to five thousand 32 dollars of such surplus to a charitable organization that provides 33 services to the area represented by the office for which such candidate ran, and any remainder of such surplus shall be distributed to the 34 35 Citizens' Election Fund, and (iii) a candidate committee for a 36 nonparticipating candidate, as described in subsection (b) of section 9-37 703, may only distribute any such surplus to the Citizens' Election Fund 38 or to a charitable organization;

(B) Each such political committee established by an organization
which received its funds from the organization's treasury shall return its
surplus to its sponsoring organization;

42 (C) (i) Each political committee formed solely to aid or promote the 43 success or defeat of any referendum question, which does not receive 44 contributions from a business entity or an organization, shall distribute 45 its surplus to a party committee, to a political committee organized for 46 ongoing political activities, to a national committee of a political party, 47 to all contributors to the committee on a prorated basis of contribution, 48 to state or municipal governments or agencies or to any organization 49 which is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding 50 51 internal revenue code of the United States, as from time to time 52 amended. (ii) Each political committee formed solely to aid or promote 53 the success or defeat of any referendum question, which receives 54 contributions from a business entity or an organization, shall distribute 55 its surplus to all contributors to the committee on a prorated basis of 56 contribution, to state or municipal governments or agencies, or to any 57 organization which is tax-exempt under said provisions of the Internal 58 Revenue Code. Notwithstanding the provisions of this subsection, a 59 committee formed for a single referendum shall not be required to 60 expend its surplus not later than ninety days after the referendum and 61 may continue in existence if a substantially similar referendum question 62 on the same issue will be submitted to the electorate within six months 63 after the first referendum. If two or more substantially similar referenda 64 on the same issue are submitted to the electorate, each no more than six 65 months apart, the committee shall expend such surplus within ninety 66 days following the date of the last such referendum;

67 (D) The treasurer of the candidate committee of a candidate who is 68 elected to office may, upon the authorization of such candidate, expend 69 surplus campaign funds to pay for the cost of clerical, secretarial or other 70 office expenses necessarily incurred by such candidate in preparation 71 for taking office; except such surplus shall not be distributed for the 72 personal benefit of any individual or to any organization;

73 (E) The treasurer of a candidate committee, or of a political 74 committee, other than a political committee formed for ongoing political 75 activities or an exploratory committee, shall, prior to the dissolution of 76 such committee, either (i) distribute any equipment purchased, 77 including, but not limited to, computer equipment, to any recipient as 78 set forth in subparagraph (A) of this subdivision, or (ii) sell any 79 equipment purchased, including but not limited to computer 80 equipment, to any person for fair market value and then distribute the 81 proceeds of such sale to any recipient as set forth in said subparagraph

82 (A);

(F) The treasurer of a qualified candidate committee may, following an election or unsuccessful primary, provide a post-primary thank you meal or a post-election thank you meal for committee workers, provided such meal (i) occurs not later than fourteen days after the applicable election or primary day, and (ii) the cost for such meal does not exceed thirty dollars per worker;

(G) The treasurer of a qualified candidate committee may, following
an election or unsuccessful primary, exclusive of any payments that
have been rendered pursuant to a written service agreement, make
payment to a treasurer for services rendered to the candidate committee,
provided such payment does not exceed one thousand dollars; and

(H) The treasurer of a candidate committee may, following an
election or unsuccessful primary, utilize funds for the purpose of
complying with any audit conducted by the State Elections Enforcement
Commission pursuant to subdivision (5) of subsection (a) of section 97b.

99 (2) Notwithstanding any provision of this chapter, the treasurer of the 100 candidate committee of a candidate who has withdrawn from a primary 101 or election may, prior to the primary or election, distribute its surplus to 102 any organization which is tax-exempt under Section 501(c)(3) of the 103 Internal Revenue Code of 1986, or any subsequent corresponding 104 internal revenue code of the United States, as from time to time 105 amended, or return such surplus to all contributors to the committee on 106 a prorated basis of contribution.

107 (3) Not later than seven days after [such] <u>a</u> distribution <u>under this</u> 108 <u>subsection</u> or not later than seven days after all funds have been 109 expended in accordance with subparagraph (D) of subdivision (1) of this 110 subsection, the treasurer shall file a supplemental statement, sworn 111 under penalty of false statement, with the proper authority, identifying 112 all further contributions received since the previous statement and explaining how any surplus has been distributed or expended in
accordance with this section. No surplus may be distributed or
expended until after the election, primary or referendum.

116 (4) In the event of a deficit, the treasurer shall file a supplemental 117 statement ninety days after an election, primary or referendum not held in November or on the seventh calendar day in February, or the next 118 119 business day if such day is a Saturday, Sunday or legal holiday, after an 120 election or referendum held in November, with the proper authority 121 and, thereafter, on the seventh day of each month following if on the last 122 day of the previous month there was an increase or decrease in the 123 deficit in excess of five hundred dollars from that reported on the last 124 statement filed. The treasurer shall file such supplemental statements as 125 required until the deficit is eliminated. If any such committee does not 126 have a surplus or a deficit, the statement required to be filed not later 127 than forty-five days following any election or referendum not held in 128 November or on the seventh calendar day in January, or the next 129 business day if such day is a Saturday, Sunday or legal holiday, 130 following an election or referendum held in November, or not later than 131 thirty days following any primary shall be the last required statement.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2025</i>	9-608(e)

Statement of Purpose:

To allow candidate committees that participated in the Citizens' Election Program to distribute up to five thousand dollars of surplus funds to a local charity.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. BERTHEL, 32nd Dist.

<u>S.B. 603</u>