OLR Bill Analysis sHB 7128

#### AN ACT CONCERNING ONLINE POLITICAL DONATION PLATFORMS AND LIMITING AUTOMATICALLY RECURRING CONTRIBUTIONS.

#### SUMMARY

Under existing practice, certain online platforms collect and transmit contributions from individuals to candidate, party, and political committees. This bill amends certain state campaign finance definitions to allow or exempt certain activities of these online platforms.

The bill also requires these platforms to receive affirmative consent from an individual before enrolling him or her in automatically recurring contributions. The bill specifies that passive action or inaction, such as failing to uncheck a prechecked box, does not satisfy the bill's requirement.

EFFECTIVE DATE: Upon passage

# **ONLINE PLATFORM CONTRIBUTIONS**

The bill adds a new exemption to the state's campaign finance law's definitions of "contribution" and "expenditure." Generally, the definitions include, with specified exceptions, anything of value that promotes either the success or defeat of a candidate, referendum, or political party.

The bill exempts from the definition of "contribution" voluntary payments to an online platform by the contributor that are (1) in addition to the contribution and (2) used by the platform to conduct its operations. The bill adds a parallel exemption to the definition of "expenditure" for using the platform to request these voluntary payments.

Generally, state law subjects contributions to, and expenditures by,

candidate committees, party committees, and political committees to campaign finance reporting requirements. It also places limits on contributions made to benefit these committees. Exempted items or services do not need to be reported as contributions or expenditures.

## BACKGROUND

### **Related Bills**

sSB 1168, reported favorably by the Government Administration and Elections Committee, contains identical language.

SB 1406, reported favorably by the Government Oversight Committee, includes these provisions, as well as an additional provision allowing these platforms to suggest other candidates or committees to which a contributor may donate.

## **COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 13 Nay 6 (03/19/2025)