

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 600 Session of 2001

INTRODUCED BY VITALI, DeWEESE, M. COHEN, LEVDANSKY, KREBS, STEELMAN, FREEMAN, SURRA, BEBKO-JONES, BLAUM, BROWNE, CALTAGIRONE, CAPPABIANCA, COLAFELLA, FRANKEL, GORDNER, GRUCELA, HANNA, JAMES, JOSEPHS, LAUGHLIN, MANDERINO, MELIO, MICHLOVIC, NAILOR, PETRONE, ROEBUCK, SANTONI, THOMAS, TIGUE, WALKO, WANSACZ, C. WILLIAMS AND YUDICHAK, MARCH 21, 2001

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 21, 2001

AN ACT

1 Amending the act of June 3, 1937 (P.L.1333, No.320), entitled  
 2 "An act concerning elections, including general, municipal,  
 3 special and primary elections, the nomination of candidates,  
 4 primary and election expenses and election contests; creating  
 5 and defining membership of county boards of elections;  
 6 imposing duties upon the Secretary of the Commonwealth,  
 7 courts, county boards of elections, county commissioners;  
 8 imposing penalties for violation of the act, and codifying,  
 9 revising and consolidating the laws relating thereto; and  
 10 repealing certain acts and parts of acts relating to  
 11 elections," providing for public financing for candidates for  
 12 the office of Governor and Lieutenant Governor; establishing  
 13 the Pennsylvania Fair Campaign Fund; providing qualifications  
 14 for funding, for payments, for use of funds, for authorized  
 15 expenditures, for limitation on contributions, for return of  
 16 funds and for penalties; and making an appropriation.

17 The General Assembly of the Commonwealth of Pennsylvania  
 18 hereby enacts as follows:

19 Section 1. The act of June 3, 1937 (P.L.1333, No.320), known  
 20 as the Pennsylvania Election Code, is amended by adding an  
 21 article to read:

22 ARTICLE XVI-A

23 Pennsylvania Gubernatorial Public Financing

1 Section 1601-A. Short Title.--This article shall be known  
2 and may be cited as the Pennsylvania Gubernatorial Public  
3 Financing Act.

4 Section 1602-A. Definitions.--As used in this article:

5 (a) The word "candidate" means any of the following:

6 (1) an individual seeking nomination or election to the  
7 office of Governor or Lieutenant Governor who has filed a  
8 nomination petition or nomination paper;

9 (2) an individual who receives contributions or makes  
10 expenditures in connection with seeking nomination or election  
11 to the office of Governor or Lieutenant Governor; or

12 (3) an individual on behalf of whom a registration statement  
13 must be filed in accordance with section 1624.

14 (b) The word "commission" shall mean the State Ethics  
15 Commission.

16 (c) The word "contribution" shall mean a contribution as  
17 defined by section 1621.

18 (d) The word "expenditure" shall mean an expenditure as  
19 defined by section 1621.

20 (e) The word "fund" shall mean the Pennsylvania Fair  
21 Campaign Fund established in section 1605-A.

22 (f) The words "independent expenditure" shall mean an  
23 expenditure by a person made for the purpose of influencing an  
24 election without cooperation or consultation with any candidate  
25 or any political committee authorized by that candidate and  
26 which is not made in concert with or at the request or  
27 suggestion of any candidate or political committee or agent  
28 thereof.

29 (g) The words "major political party" shall mean a political  
30 party whose candidate for Governor received either the highest

1 or second highest number of votes in the preceding gubernatorial  
2 election.

3 Section 1603-A. Application and Administration of Article.--

4 (a) The provisions of this article shall be applicable to  
5 candidates for the offices of Governor and Lieutenant Governor.

6 (b) For the purposes of this article insofar as it relates  
7 to funding of nominated candidates in the general election, a  
8 political party's or political body's nominated candidates for  
9 Governor and Lieutenant Governor shall be considered as one  
10 candidacy, and the provisions specifically applicable to the  
11 Governor shall be applicable to the combined candidacy.

12 (c) The provisions of this article shall be administered by  
13 the State Ethics Commission. The commission may adopt rules and  
14 regulations as may be required to implement the provisions of  
15 this article and to carry out its purpose.

16 Section 1604-A. Campaign Committee Required.--Each candidate  
17 for Governor or Lieutenant Governor shall form a campaign  
18 committee through which all campaign contributions shall be  
19 received and all campaign expenditures shall be disbursed.

20 Section 1605-A. Pennsylvania Fair Campaign Fund  
21 Established.--There is hereby established a special restricted  
22 receipts fund in the State Treasury to be known as the  
23 Pennsylvania Fair Campaign Fund. Payments shall be made into  
24 this fund pursuant to section 1606-A, and disbursements shall be  
25 made from the fund only upon the warrant of the commission and a  
26 warrant of the State Treasurer. As much of the moneys in the  
27 fund as are necessary to make payments to candidates as provided  
28 in this article are appropriated from the Pennsylvania Fair  
29 Campaign Fund on a continuing basis for the purpose of such  
30 payments.

1 Section 1606-A. Funding the Pennsylvania Fair Campaign.--

2 (a) Beginning with tax years commencing January 1, 2001, and  
3 thereafter, each individual subject to the tax imposed by  
4 Article III of the act of March 4, 1971 (P.L.6, No.2), known as  
5 the "Tax Reform Code of 1971," whose tax liability for the year  
6 is five dollars (\$5) or more may designate five dollars (\$5) of  
7 his personal income taxes to be paid into the fund. In the case  
8 of married taxpayers filing a joint return, each spouse may  
9 designate five dollars (\$5) to be paid into the fund if their  
10 tax liability is ten dollars (\$10) or more. All of these  
11 designated tax revenues shall be paid into the fund. The check-  
12 off and instructions shall be prominently displayed on the first  
13 page of the return form. The instructions shall readily indicate  
14 that these designations neither increase nor decrease an  
15 individual's tax liability.

16 (b) The General Assembly shall appropriate money to the Fair  
17 Campaign Fund sufficient to fully fund all requirements of this  
18 article including the administrative, investigative and  
19 enforcement responsibilities of the State Ethics Commission.  
20 Upon notice by the commission, the General Assembly shall  
21 appropriate to the commission out of the General Fund such  
22 additional sums as may be required to carry out the purposes of  
23 this article if the sums first appropriated become inadequate.

24 Section 1607-A. Certification of Moneys in Fund.--By June 30  
25 of each year, the State Treasurer shall certify to the  
26 commission the current balance available in the fund.

27 Section 1608-A. Qualification for Funding.--

28 (a) Any candidate for the offices of Governor and Lieutenant  
29 Governor may apply for funding under this article if the  
30 candidate meets the contributory thresholds established in

1 subsection (b) and otherwise conforms to the requirements of  
2 this article. No candidate shall be obligated to apply for  
3 funding under this article and if any candidate elects not to  
4 apply, the provisions of this article pertaining to limits on  
5 expenditures or the use of his personal funds shall be  
6 inapplicable to the person and his candidacy. Any candidate  
7 electing to receive funding under this article shall declare his  
8 intention to do so and specify the office for which he is a  
9 candidate. No candidate for the office of Governor, nominated at  
10 a primary election, may elect to receive funding under this  
11 article for a general election unless the candidate elected to  
12 receive funding under this article for the primary election. Any  
13 candidate who for any reason has his name withdrawn from the  
14 ballot, after receipt of funds under this article, shall return  
15 to the fund all unspent money received from the fund.

16 (b) (1) In order to qualify for funding in a general  
17 election, a candidate for Governor must receive subsequent to  
18 the date of that candidate's primary election but prior to the  
19 date of the candidate's general election two hundred thousand  
20 dollars (\$200,000) in qualifying contributions.

21 (2) In order to qualify for funding in a primary election, a  
22 candidate must receive, prior to the date of the primary  
23 election but after becoming a candidate, the following amounts:

<u>Office</u>	<u>Qualifying Contributions Required</u>
<u>(i) Governor</u>	<u>\$100,000</u>
<u>(ii) Lieutenant Governor</u>	<u>50,000</u>

27 (3) Definition:

28 (i) The term "qualifying contribution" includes any  
29 contribution which has all of the following characteristics:

30 (A) Made by an individual resident of Pennsylvania.

1       (B) Made by a written instrument which indicates the  
2 contributor's full name and mailing address and is not intended  
3 to be returned to the contributor or transferred to another  
4 political committee or candidate.

5       (ii) If a contributor receives goods or services of value in  
6 return for his contribution, the qualifying contribution shall  
7 be calculated as the original contribution, minus the fair  
8 market value of the goods or services received.

9       (c) Each candidate who elects to apply for funding under  
10 this article shall provide evidence that the candidate has  
11 raised the qualifying contributions required by this section  
12 which evidence shall be verified and certified as correct by the  
13 auditors of the State Ethics Commission.

14       (d) A candidate who has accepted public funding under this  
15 article may apply to the commission for a waiver of the funding  
16 limits set forth in section 1610-A and/or the spending limits  
17 contained in section 1613-A if the amount of independent  
18 expenditures for communications advocating the defeat of the  
19 candidate or election of his opponent require the candidate  
20 applying for the waiver to spend above the limits specified in  
21 section 1613-A in order to answer the communications paid for by  
22 the independent expenditures. The commission shall issue  
23 regulations setting guidelines for granting or denying requests  
24 for a waiver submitted under this section.

25       (e) The commission shall conduct a complete audit of all  
26 candidates receiving funds under this article. Such audits shall  
27 be conducted the year following the election for which funds  
28 were distributed. The Secretary of the Commonwealth shall  
29 provide the commission at no cost all reports of contributions  
30 and expenditures filed pursuant to Article XVI by candidates for

1 Governor and Lieutenant Governor, their political committees and  
2 all other political committees who have contributed to such  
3 candidates.

4 (f) The auditors shall conduct their audit in accord with  
5 sound accounting principles and shall make findings of any  
6 possible violations of this article. All audited candidates and  
7 their committees shall furnish any records to the accountants  
8 which the accountants deem necessary for the completion of their  
9 work.

10 (g) The commission shall make public the report of the  
11 auditors and shall provide a copy to the Attorney General for  
12 the institution of such criminal proceedings as he or she shall  
13 deem necessary.

14 Section 1609-A. Funding Formula.--

15 (a) Every candidate who qualifies for funding for an  
16 election pursuant to section 1608-A shall receive matching  
17 payments from the fund in the amount of two dollars (\$2) for  
18 each dollar of qualifying contribution.

19 (b) The two dollars (\$2) for each dollar of qualifying  
20 contributions provided by this section shall be provided both  
21 for qualifying contributions raised which exceed the threshold  
22 amounts specified in section 1608-A and for those qualifying  
23 contributions which are attributable to meeting the threshold  
24 amounts necessary to qualify for funding under this article.

25 (c) (1) Only those qualifying contributions made during the  
26 period between the date of becoming a candidate and the date of  
27 the primary election shall be eligible for matching payments  
28 from the fund for the primary election.

29 (2) Only those qualifying contributions made during the  
30 period between the primary election and the general election of

1 the year in which that candidate runs for office shall be  
2 eligible for matching payments from the fund for the general  
3 election.

4 (d) Matching funds shall not be provided for any qualifying  
5 contributions unless the reporting requirements required by the  
6 commission are satisfied.

7 Section 1610-A. Limitations on Funding.--

8 (a) Every candidate who qualifies for and receives funding  
9 pursuant to the formula established by this article shall be  
10 entitled to receive no more than the maximum amount specified in  
11 subsection (b) for the office the candidate is seeking.

12 (b) (1) The maximum amount of funding available for each  
13 candidate for Governor at a general election under this article  
14 shall be five million two hundred thousand dollars (\$5,200,000).

15 (2) The maximum amount of funding available for the primary  
16 election for each candidate under this article shall be as  
17 follows:

<u>Office</u>	<u>Maximum Pennsylvania Fair</u>
	<u>Campaign Funding</u>
<u>(i) Governor</u>	<u>\$2,600,000</u>
<u>(ii) Lieutenant Governor</u>	<u>600,000</u>

22 Section 1611-A. Time of Payments.--A candidate for Governor  
23 and Lieutenant Governor in the case of a primary election may  
24 begin to receive public funding payments after he or she has  
25 received the qualifying contribution amounts required by section  
26 1608-A(b)(2) in the case of a primary election and section 1608-  
27 A(b)(1) in the case of a general election. The commission shall  
28 make payments authorized by this article at least every two (2)  
29 weeks. However, except for the final payment, no payment shall  
30 be due or paid if the payment does not equal at least five



1 thousand dollars (\$5,000).

2 Section 1612-A. Use of Funds by Candidates.--

3 (a) Funds distributed to candidates pursuant to this article  
4 may be used only for the election for which they are distributed  
5 and only for the purposes set forth in this article except that  
6 no fund moneys may be used:

7 (1) To transfer to other candidates or to committees of  
8 other candidates or to political committees.

9 (2) To pay for expenditures incurred as follows:

10 (i) after the date of the primary election in the case of an  
11 unsuccessful primary candidate; or

12 (ii) after the date of the general election in the case of  
13 all other candidates.

14 (b) Funds distributed to a candidate pursuant to this  
15 article shall be placed in a single bank account. Expenditures  
16 from this account shall be made only for campaign expenses  
17 listed in subsection (a).

18 Section 1613-A. Expenditures.--

19 (a) Expenditures made by a candidate for Governor, for all  
20 purposes and from all sources, including but not limited to  
21 amounts of funds distributed under this article, proceeds of  
22 loans, gifts, contributions from any source or personal funds,  
23 subsequent to the date of the primary election but prior to the  
24 date of the general election, may not exceed eight million  
25 dollars (\$8,000,000).

26 (b) Expenditures made by a candidate prior to the date of  
27 the primary election may not exceed the following unless  
28 otherwise provided:

<u>Office</u>	<u>Total Expenditure Limits</u>
<u>(1) Governor</u>	<u>\$4,000,000</u>

1 (2) Lieutenant Governor 1,000,000

2 (c) The expenditure limits of this section apply only to  
3 candidates who receive public funding pursuant to this article,  
4 except that a candidate who accepts public funding but whose  
5 political party opponent in a general election elects not to  
6 apply for the public funding shall not be bound by the  
7 expenditure limits of this section. A candidate who accepts  
8 public funding shall be eligible to qualify for those fair  
9 campaign funds which would have otherwise been available to the  
10 opponent who has chosen not to apply for funding from the fund.

11 (d) Notwithstanding any other provision of this article, a  
12 candidate who accepts public funding pursuant to the formula  
13 established, but whose major political party opponents in a  
14 primary election elect to not apply for the public funding,  
15 shall not be bound by the expenditure limits specified in this  
16 section. If there is more than one candidate in a political  
17 party in a primary election, the fair campaign funds which would  
18 have otherwise been available to each opponent who has elected  
19 to not apply for the public funding shall be divided equally  
20 among the candidates who accept public financing.

21 Section 1614-A. Annual Report.--The commission shall report  
22 annually to the Governor and the General Assembly on the  
23 operations of funding as provided by this article. This report  
24 shall include, but not be limited to, the revenues and  
25 expenditures in the fund, the amounts distributed to candidates,  
26 the results of any audits performed on candidates in compliance  
27 with this article and any prosecutions brought for violations of  
28 this article.

29 Section 1615-A. Return of Excess Funds.--

30 (a) All unexpended campaign funds in a candidate's and his

1 authorized committees' possession sixty (60) days after a  
2 primary election shall be returned to the State board for  
3 deposit in the fund, up to the amount of the funds which were  
4 distributed to the candidate under this article for the primary  
5 election.

6 (b) All unexpended campaign funds in a candidate's and his  
7 authorized committees' possession sixty (60) days after a  
8 general election shall be returned to the State board for  
9 deposit in the fund, up to the amount of the funds which were  
10 distributed to the candidate under this article for the general  
11 election.

12 Section 1616-A. Limitations on Certain Contributions.--

13 (a) The provisions of this section apply to any contribution  
14 made for the purpose of influencing any election to the office  
15 of Governor or Lieutenant Governor regardless of whether the  
16 candidate for that office has applied for or received funding  
17 under this article.

18 (b) Aggregate contributions, including in-kind  
19 contributions, from any person or political committee to any  
20 candidate for Governor or Lieutenant Governor, his authorized  
21 committee or agent shall not exceed two thousand dollars  
22 (\$2,000) for the candidate's primary election and two thousand  
23 dollars (\$2,000) for the candidate's general election.  
24 Furthermore, for each election, no candidate, his authorized  
25 committee or agent shall accept or receive more than two  
26 thousand dollars (\$2,000) for the candidate's primary election  
27 and two thousand dollars (\$2,000) for the candidate's general  
28 election in aggregate contributions, including in-kind  
29 contributions, from any person.

30 (c) A gift, subscription, loan, advance or deposit of money

1 or anything of value to a candidate shall be considered a  
2 contribution both by the original source of the contribution and  
3 by any intermediary or conduit if the intermediary or conduit:

4 (1) exercises any direction over the making of the  
5 contribution; or

6 (2) solicits the contribution or arranges for the  
7 contribution made and directly or indirectly makes the candidate  
8 aware of such intermediary or conduit's role in soliciting or  
9 arranging the contribution for the candidate.

10 (d) For purposes of subsection (c), a contribution shall not  
11 be considered to be a contribution by an intermediary or conduit  
12 to the candidate if:

13 (1) the intermediary or conduit has been retained by the  
14 candidate's committee for the purpose of fundraising and is  
15 reimbursed for expenses incurred in soliciting contributions;

16 (2) in the case of an individual, the candidate has  
17 expressly authorized the intermediary or conduit to engage in  
18 fundraising, or the individual occupies a significant position  
19 within the candidate's campaign organization; or

20 (3) in the case of a political committee, the intermediary  
21 or conduit is the authorized committee of the candidate.

22 (e) No candidate for Governor or Lieutenant Governor who  
23 accepts public funding in accordance with this article may  
24 contribute from personal funds more than an aggregate of twenty-  
25 five thousand dollars (\$25,000) in connection with his or her  
26 primary and general election campaigns.

27 Section 1617-A. Interactive Gubernatorial Primary and  
28 General Election Debates; Participation by Candidates.--

29 (a) In any year in which a primary election is to be held to  
30 nominate candidates for the offices of Governor and Lieutenant

1 Governor, there shall be held among the several candidates for  
2 each nomination a series of interactive primary debates in which  
3 all candidates who have filed nomination petitions in accordance  
4 with this act for these offices and have applied or intend to  
5 apply to receive money for election campaign expenses from the  
6 fund shall participate and in which any other candidate who  
7 would have otherwise qualified for public funding under section  
8 1608-A(b)(2) twenty (20) days before the date of the debate,  
9 provided that the other candidate notifies the commission of the  
10 candidate's intent to participate no later than twenty (20) days  
11 before the date of the debate. In any year in which no candidate  
12 or only one candidate for a nomination is required or elects to  
13 participate, no primary debate shall be required to be held  
14 under this subsection.

15 (b) In any year in which a general election is to be held  
16 for the offices of Governor and Lieutenant Governor, there shall  
17 be held a series of interactive debates in which all candidates  
18 who have received nominations for these offices at the primary  
19 or through the filing of nomination papers in accordance with  
20 this act and have applied or intend to apply to receive money  
21 for election campaign expenses from the fund shall participate  
22 and in which any other candidate, who would have otherwise  
23 qualified for public funding under section 1608-A(b)(1) twenty  
24 (20) days before the date of the debate, may participate,  
25 provided that the other candidate notifies the commission of the  
26 candidate's intent to participate no later than twenty (20) days  
27 before the date of the debate.

28 Section 1618-A. Time and Contents; Sponsors.--

29 (a) There shall be two gubernatorial and two lieutenant  
30 gubernatorial primary debates. Each of the debates shall be at

1 least one hour in duration. The first debate shall occur not  
2 earlier than the date on which the names of candidates to appear  
3 on the primary ballot are certified by the Secretary of the  
4 Commonwealth in accordance with section 916 and the second  
5 debate shall occur not later than the Tuesday preceding the  
6 primary election.

7 (b) There shall be three gubernatorial and three lieutenant  
8 gubernatorial debates. Each of the debates shall be at least one  
9 (1) hour. The first debate shall occur not earlier than fifty  
10 (50) days before the date of the general election, and the  
11 second debate shall occur not later than the Tuesday preceding  
12 the election.

13 (c) Private organizations which are not affiliated with any  
14 political party or with any holder of or candidate for public  
15 office and which have not endorsed any candidate in the pending  
16 primary or general election for the office of Governor shall be  
17 eligible to sponsor one or more interactive gubernatorial  
18 primary debates or interactive gubernatorial election debates  
19 under subsection (a) or (b), respectively.

20 (d) The commission shall accept applications from eligible  
21 private organizations to sponsor one or more of the interactive  
22 debates. Applications to sponsor debates under subsection (a)  
23 shall be submitted to the commission no later than March 15 of  
24 any year in which a primary election is to be held to nominate  
25 candidates for the office of Governor and Lieutenant Governor,  
26 and applications to sponsor debates under subsection (b) shall  
27 be submitted to the commission no later than July 1 of any year  
28 in which a general election is to be held to fill the office of  
29 Governor.

30 (e) Where the number of eligible applicants to sponsor

1 primary debates or election debates exceed the number prescribed  
2 under subsections (a) and (b), respectively, the commission  
3 shall select the private organizations from among the applicants  
4 within thirty (30) days of the last day for submitting those  
5 applications, as provided under this subsection. To the maximum  
6 extent practicable and feasible, the commission shall select a  
7 different private organization to sponsor each of the  
8 interactive gubernatorial debates, but shall not be precluded  
9 from selecting the same private organization to sponsor more  
10 than one debate.

11 (f) The private organizations selected by the commission  
12 shall be responsible for selecting the date, time and location  
13 of the debates, subject to the limitations set forth in this  
14 section. The rules for conducting each debate shall be solely  
15 the responsibility of the private organizations so selected, but  
16 shall not be made final without consultation with both the  
17 chairman of the State committee of each political party in the  
18 case of primary debates, and with a representative designated by  
19 each of the participating candidates in the case of general  
20 election debates.

21 Section 1619-A. Failure of Candidate to Participate in  
22 Debates; Complaint; Hearing; Determination; Penalties.

23 (a) The commission shall have the power and duty, upon  
24 receipt of a complaint against a candidate for nomination for  
25 election or for election for the office of Governor or  
26 Lieutenant Governor who is required to participate in primary  
27 debates or election debates, respectively, to hold a hearing to  
28 determine whether that candidate has failed to participate in  
29 debates. If, at the conclusion of a hearing under this section,  
30 the commission determines by majority vote that a candidate

1 required to participate under this act has failed to do so, the  
2 chairman shall immediately inform the candidate in writing of  
3 that determination, identifying in that writing the date and  
4 circumstances of the failure. If, after having found that a  
5 candidate required to participate in a primary or election  
6 debate has failed to do so, the commission further finds that  
7 the failure occurred under circumstances which were beyond the  
8 control of the candidate and were of such a nature that a  
9 reasonable person, taking into account the purposes of this act  
10 and the relevant facts of the case, would find the failure  
11 justifiable or excusable, then the candidate shall not be  
12 subject to any penalty or liability for failing to participate.  
13 The candidate charged with failure to participate shall have the  
14 burden of showing justification or excuse.

15 (b) The campaign of any candidate or former candidate who  
16 shall have been required to participate in a primary debate or  
17 election debate under this article, but who has been found to  
18 have failed to do so without reasonable justification or excuse,  
19 shall be liable for return of moneys previously received for use  
20 by the candidate to pay primary election campaign expenses or  
21 general election campaign expenses, respectively. The commission  
22 shall determine the total amount of moneys for election campaign  
23 expenses in that year by the commission to the candidate under  
24 this article, as appropriate, and shall notify the campaign  
25 treasurer of the candidate of the liability as of the date of  
26 the notice, for the repayment of those moneys plus interest on  
27 the unpaid amount of that liability from that date at the rate  
28 of one (1) per cent for each month or fractional a part of a  
29 month during which that amount remains unpaid.

30 Section 1620-A. Penalties.--



1       (a) A person who violates the provisions of this article and  
2 who, as a result, obtains funds under this article to which he  
3 is not entitled commits a misdemeanor of the first degree and  
4 shall, upon conviction, be subject to a fine not to exceed the  
5 greater of ten thousand dollars (\$10,000), or three (3) times  
6 the amount of funds wrongfully obtained or to imprisonment for  
7 up to five (5) years, or both.

8       (b) A person who violates section 1612-A or 1613-A commits a  
9 misdemeanor of the first degree and shall, upon conviction, be  
10 subject to a fine not to exceed the greater of ten thousand  
11 dollars (\$10,000), or three (3) times the amount of funds that  
12 were wrongfully used or expended or to imprisonment for up to  
13 five (5) years, or both.

14       (c) Except as provided in subsections (a) and (b), a person  
15 who violates any provision of this article commits a misdemeanor  
16 of the third degree and shall, upon conviction, be subject to a  
17 fine of not more than one thousand dollars (\$1,000), or to  
18 imprisonment for up to one (1) year, or both.

19       (d) All fines and penalties assessed pursuant to this  
20 article shall be deposited in the Pennsylvania Fair Campaign  
21 Fund.

22       Section 1621-A. Severability.--The provisions of this  
23 article are severable. If any provision of this article or its  
24 application to any person or circumstance is held invalid, the  
25 invalidity shall not affect other provisions or applications of  
26 this article which can be given effect without the invalid  
27 provision or application.

28       Section 1622-A. Applicability.--Funding from the  
29 Pennsylvania Fair Campaign Fund shall be provided to candidates  
30 for Statewide office beginning with the primary election of 2002

1 and in each gubernatorial primary and election thereafter.

2 Section 2. (a) The sum of \$750,000 is hereby appropriated  
3 to the State Ethics Commission for fiscal year 2000-2001 to  
4 implement the requirements of Article XVI-A of the act of June  
5 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election  
6 Code.

7 (b) The dollar figures contained in this act shall be  
8 adjusted annually at a rate equal to the average percentage  
9 change in the All-Urban Consumer Price Index for the Pittsburgh,  
10 Philadelphia and Scranton standard metropolitan statistical  
11 areas as published by the Bureau of Labor Statistics of the  
12 United States Department of Labor, or any successor agency,  
13 occurring in the prior calendar year. The base year shall be  
14 2001. The average shall be calculated and certified annually by  
15 the commission by adding the percentage increase in each of the  
16 three areas and dividing by three. The calculation and resulting  
17 new dollar figures shall be published in March in the  
18 Pennsylvania Bulletin. The checkoff referred to in section 1606-  
19 A of the Pennsylvania Election Code shall be rounded to the  
20 nearest dollar.

21 Section 3. This act shall be retroactive to January 1, 2001.

22 Section 4. This act shall take effect immediately.