THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 598

Session of 2001

INTRODUCED BY KUKOVICH, BELL, BODACK, BOSCOLA, CONTI, COSTA, EARLL, HELFRICK, KASUNIC, LOGAN, MELLOW, MUSTO, O'PAKE, SCHWARTZ, WOZNIAK AND KITCHEN, MARCH 9, 2001

REFERRED TO STATE GOVERNMENT, MARCH 9, 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 5	primary and election expenses and election contests; creating
5 6	and defining membership of county boards of elections;
7	imposing duties upon the Secretary of the Commonwealth,
8	courts, county boards of elections, county commissioners;
9	imposing penalties for violation of the act, and codifying, revising and consolidating the laws relating thereto; and
و 10	repealing certain acts and parts of acts relating to
	elections, providing for public financing for candidates for
11 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
	beceloif 1. The ace of danc 3, 1937 (1.11.1333, No.320), knowin
20	as the Pennsylvania Election Code, is amended by adding an
21	article to read:
22	
22	ARTICLE XVI-A
23	Pennsylvania Gubernatorial Public Financing
24	Section 1601-A. Short TitleThis article shall be known

- 1 and may be cited as the Pennsylvania Gubernatorial Public
- 2 Financing Act.
- 3 <u>Section 1602-A.</u> <u>Definitions.--As used in this article:</u>
- 4 (a) The word "candidate" means any of the following:
- 5 (1) an individual seeking nomination or election to the
- 6 office of Governor or Lieutenant Governor who has filed a
- 7 <u>nomination petition or nomination paper;</u>
- 8 (2) an individual who receives contributions or makes
- 9 <u>expenditures in connection with seeking nomination or election</u>
- 10 to the office of Governor or Lieutenant Governor; or
- 11 (3) an individual on behalf of whom a registration statement
- 12 must be filed in accordance with section 1624.
- (b) The word "commission" shall mean the State Ethics
- 14 Commission.
- 15 (c) The word "contribution" shall mean a contribution as
- 16 <u>defined by section 1621.</u>
- 17 (d) The word "expenditure" shall mean an expenditure as
- 18 defined by section 1621.
- (e) The word "fund" shall mean the Pennsylvania Fair
- 20 <u>Campaign Fund established in section 1605-A.</u>
- 21 (f) The words "independent expenditure" shall mean an
- 22 expenditure by a person made for the purpose of influencing an
- 23 election without cooperation or consultation with any candidate
- 24 or any political committee authorized by that candidate and
- 25 which is not made in concert with or at the request or
- 26 suggestion of any candidate or political committee or agent
- 27 thereof.
- 28 (g) The words "major political party" shall mean a political
- 29 party whose candidate for Governor received either the highest
- 30 or second highest number of votes in the preceding gubernatorial

- 1 <u>election</u>.
- 2 <u>Section 1603-A. Application and Administration of Article.--</u>
- 3 (a) The provisions of this article shall be applicable to
- 4 candidates for the offices of Governor and Lieutenant Governor.
- 5 (b) For the purposes of this article insofar as it relates
- 6 to funding of nominated candidates in the general election, a
- 7 political party's or political body's nominated candidates for
- 8 Governor and Lieutenant Governor shall be considered as one
- 9 candidacy, and the provisions specifically applicable to the
- 10 Governor shall be applicable to the combined candidacy.
- 11 (c) The provisions of this article shall be administered by
- 12 the State Ethics Commission. The commission may adopt rules and
- 13 regulations as may be required to implement the provisions of
- 14 this article and to carry out its purpose.
- 15 <u>Section 1604-A. Campaign Committee Required.--Each candidate</u>
- 16 <u>for Governor or Lieutenant Governor shall form a campaign</u>
- 17 <u>committee through which all campaign contributions shall be</u>
- 18 received and all campaign expenditures shall be disbursed.
- 19 Section 1605-A. Pennsylvania Fair Campaign Fund
- 20 Established.--There is hereby established a special restricted
- 21 receipts fund in the State Treasury to be known as the
- 22 Pennsylvania Fair Campaign Fund. Payments shall be made into
- 23 this fund pursuant to section 1606-A, and disbursements shall be
- 24 made from the fund only upon the warrant of the commission and a
- 25 warrant of the State Treasurer. As much of the moneys in the
- 26 <u>fund as are necessary to make payments to candidates as provided</u>
- 27 in this article are appropriated from the Pennsylvania Fair
- 28 Campaign Fund on a continuing basis for the purpose of such
- 29 payments.
- 30 Section 1606-A. Funding the Pennsylvania Fair Campaign.--

- 1 (a) Beginning with tax years commencing January 1, 2001, and
- 2 thereafter, each individual subject to the tax imposed by
- 3 Article III of the act of March 4, 1971 (P.L.6, No.2), known as
- 4 the "Tax Reform Code of 1971," whose tax liability for the year
- 5 <u>is five dollars (\$5) or more may designate five dollars (\$5) of</u>
- 6 his personal income taxes to be paid into the fund. In the case
- 7 of married taxpayers filing a joint return, each spouse may
- 8 <u>designate five dollars (\$5) to be paid into the fund if their</u>
- 9 tax liability is ten dollars (\$10) or more. All of these
- 10 designated tax revenues shall be paid into the fund. The check-
- 11 off and instructions shall be prominently displayed on the first
- 12 page of the return form. The instructions shall readily indicate
- 13 that these designations neither increase nor decrease an
- 14 individual's tax liability.
- 15 (b) The General Assembly shall appropriate money to the Fair
- 16 Campaign Fund sufficient to fully fund all requirements of this
- 17 article including the administrative, investigative and
- 18 enforcement responsibilities of the State Ethics Commission.
- 19 Upon notice by the commission, the General Assembly shall
- 20 appropriate to the commission out of the General Fund such
- 21 <u>additional sums as may be required to carry out the purposes of</u>
- 22 this article if the sums first appropriated become inadequate.
- 23 Section 1607-A. Certification of Moneys in Fund.--By June 30
- 24 of each year, the State Treasurer shall certify to the
- 25 <u>commission the current balance available in the fund.</u>
- 26 <u>Section 1608-A. Qualification for Funding.--</u>
- 27 (a) Any candidate for the offices of Governor and Lieutenant
- 28 Governor may apply for funding under this article if the
- 29 candidate meets the contributory thresholds established in
- 30 subsection (b) and otherwise conforms to the requirements of

- 1 this article. No candidate shall be obligated to apply for
- 2 <u>funding under this article and if any candidate elects not to</u>
- 3 apply, the provisions of this article pertaining to limits on
- 4 expenditures or the use of his personal funds shall be
- 5 <u>inapplicable to the person and his candidacy</u>. Any candidate
- 6 <u>electing to receive funding under this article shall declare his</u>
- 7 intention to do so and specify the office for which he is a
- 8 candidate. No candidate for the office of Governor, nominated at
- 9 <u>a primary election, may elect to receive funding under this</u>
- 10 article for a general election unless the candidate elected to
- 11 receive funding under this article for the primary election. Any
- 12 candidate who for any reason has his name withdrawn from the
- 13 ballot, after receipt of funds under this article, shall return
- 14 to the fund all unspent money received from the fund.
- 15 (b) (1) In order to qualify for funding in a general
- 16 election, a candidate for Governor must receive subsequent to
- 17 the date of that candidate's primary election but prior to the
- 18 date of the candidate's general election two hundred thousand
- 19 dollars (\$200,000) in qualifying contributions.
- 20 (2) In order to qualify for funding in a primary election, a
- 21 candidate must receive, prior to the date of the primary
- 22 election but after becoming a candidate, the following amounts:
- 23 Office Qualifying Contributions Required
- 24 (i) Governor \$100,000
- 25 (ii) Lieutenant Governor 50,000
- 26 (3) Definition:
- 27 (i) The term "qualifying contribution" includes any
- 28 contribution which has all of the following characteristics:
- (A) Made by an individual resident of Pennsylvania.
- 30 (B) Made by a written instrument which indicates the

- 1 contributor's full name and mailing address and is not intended
- 2 to be returned to the contributor or transferred to another
- 3 political committee or candidate.
- 4 (ii) If a contributor receives goods or services of value in
- 5 return for his contribution, the qualifying contribution shall
- 6 be calculated as the original contribution, minus the fair
- 7 market value of the goods or services received.
- 8 (c) Each candidate who elects to apply for funding under
- 9 this article shall provide evidence that the candidate has
- 10 raised the qualifying contributions required by this section
- 11 which evidence shall be verified and certified as correct by the
- 12 <u>auditors of the State Ethics Commission.</u>
- 13 (d) A candidate who has accepted public funding under this
- 14 article may apply to the commission for a waiver of the funding
- 15 limits set forth in section 1610-A and/or the spending limits
- 16 contained in section 1613-A if the amount of independent
- 17 <u>expenditures for communications advocating the defeat of the</u>
- 18 candidate or election of his opponent require the candidate
- 19 applying for the waiver to spend above the limits specified in
- 20 section 1613-A in order to answer the communications paid for by
- 21 the independent expenditures. The commission shall issue
- 22 regulations setting guidelines for granting or denying requests
- 23 for a waiver submitted under this section.
- 24 (e) The commission shall conduct a complete audit of all
- 25 <u>candidates receiving funds under this article. Such audits shall</u>
- 26 be conducted the year following the election for which funds
- 27 were distributed. The Secretary of the Commonwealth shall
- 28 provide the commission at no cost all reports of contributions
- 29 and expenditures filed pursuant to Article XVI by candidates for
- 30 Governor and Lieutenant Governor, their political committees and

- 1 all other political committees who have contributed to such
- 2 candidates.
- 3 (f) The auditors shall conduct their audit in accord with
- 4 sound accounting principles and shall make findings of any
- 5 possible violations of this article. All audited candidates and
- 6 their committees shall furnish any records to the accountants
- 7 which the accountants deem necessary for the completion of their
- 8 work.
- 9 (g) The commission shall make public the report of the
- 10 auditors and shall provide a copy to the Attorney General for
- 11 the institution of such criminal proceedings as he or she shall
- 12 <u>deem necessary</u>.
- 13 <u>Section 1609-A. Funding Formula.--</u>
- 14 (a) Every candidate who qualifies for funding for an
- 15 election pursuant to section 1608-A shall receive matching
- 16 payments from the fund in the amount of two dollars (\$2) for
- 17 each dollar of qualifying contribution.
- 18 (b) The two dollars (\$2) for each dollar of qualifying
- 19 contributions provided by this section shall be provided both
- 20 for qualifying contributions raised which exceed the threshold
- 21 amounts specified in section 1608-A and for those qualifying
- 22 contributions which are attributable to meeting the threshold
- 23 amounts necessary to qualify for funding under this article.
- 24 (c) (1) Only those qualifying contributions made during the
- 25 period between the date of becoming a candidate and the date of
- 26 the primary election shall be eligible for matching payments
- 27 from the fund for the primary election.
- 28 (2) Only those qualifying contributions made during the
- 29 period between the primary election and the general election of
- 30 the year in which that candidate runs for office shall be

- 1 eligible for matching payments from the fund for the general
- 2 election.
- 3 (d) Matching funds shall not be provided for any qualifying
- 4 contributions unless the reporting requirements required by the
- 5 <u>commission are satisfied.</u>
- 6 <u>Section 1610-A. Limitations on Funding.--</u>
- 7 (a) Every candidate who qualifies for and receives funding
- 8 pursuant to the formula established by this article shall be
- 9 entitled to receive no more than the maximum amount specified in
- 10 subsection (b) for the office the candidate is seeking.
- 11 (b) (1) The maximum amount of funding available for each
- 12 <u>candidate for Governor at a general election under this article</u>
- 13 shall be five million two hundred thousand dollars (\$5,200,000).
- 14 (2) The maximum amount of funding available for the primary
- 15 <u>election for each candidate under this article shall be as</u>
- 16 follows:
- 17 Office Maximum Pennsylvania Fair
- 18 Campaign Funding
- 19 (i) Governor \$2,600,000
- 20 <u>(ii) Lieutenant Governor</u> 600,000
- 21 <u>Section 1611-A. Time of Payments.--Beginning ninety (90)</u>
- 22 days prior to the relevant election, the commission shall make
- 23 payments authorized by this article at least every two (2)
- 24 weeks. However, except for the final payment, no payment shall
- 25 <u>be due or paid if the payment does not equal at least five</u>
- 26 thousand dollars (\$5,000).
- 27 <u>Section 1612-A. Use of Funds by Candidates.--</u>
- 28 (a) Funds distributed to candidates pursuant to this article
- 29 may be used only for the election for which they are distributed
- 30 and only for the purposes set forth in this article except that

- 1 no fund moneys may be used:
- 2 (1) To transfer to other candidates or to committees of
- 3 <u>other candidates or to political committees.</u>
- 4 (2) To pay for expenditures incurred as follows:
- 5 (i) after the date of the primary election in the case of an
- 6 <u>unsuccessful primary candidate; or</u>
- 7 (ii) after the date of the general election in the case of
- 8 all other candidates.
- 9 (b) Funds distributed to a candidate pursuant to this
- 10 article shall be placed in a single bank account. Expenditures
- 11 from this account shall be made only for campaign expenses
- 12 <u>listed in subsection (a).</u>
- 13 <u>Section 1613-A. Expenditures.--</u>
- 14 (a) Expenditures made by a candidate for Governor, for all
- 15 purposes and from all sources, including but not limited to
- 16 amounts of funds distributed under this article, proceeds of
- 17 loans, gifts, contributions from any source or personal funds,
- 18 subsequent to the date of the primary election but prior to the
- 19 date of the general election, may not exceed eight million
- 20 dollars (\$8,000,000).
- 21 (b) Expenditures made by a candidate prior to the date of
- 22 the primary election may not exceed the following unless
- 23 otherwise provided:
- 24 Office Total Expenditure Limits
- 25 <u>(1) Governor \$4,000,000</u>
- 26 (2) Lieutenant Governor 1,000,000
- 27 (c) The expenditure limits of this section apply only to
- 28 candidates who receive public funding pursuant to this article,
- 29 except that a candidate who accepts public funding but whose
- 30 political party opponent in a general election elects not to

- 1 apply for the public funding shall not be bound by the
- 2 <u>expenditure limits of this section. A candidate who accepts</u>
- 3 public funding shall be eligible to qualify for those fair
- 4 campaign funds which would have otherwise been available to the
- 5 opponent who has chosen not to apply for funding from the fund.
- 6 (d) Notwithstanding any other provision of this article, a
- 7 candidate who accepts public funding pursuant to the formula
- 8 <u>established</u>, but whose major political party opponents in a
- 9 primary election elect to not apply for the public funding,
- 10 shall not be bound by the expenditure limits specified in this
- 11 <u>section</u>. If there is more than one candidate in a political
- 12 party in a primary election, the fair campaign funds which would
- 13 have otherwise been available to each opponent who has elected
- 14 to not apply for the public funding shall be divided equally
- 15 among the candidates who accept public financing.
- 16 <u>Section 1614-A. Annual Report.--The commission shall report</u>
- 17 annually to the Governor and the General Assembly on the
- 18 operations of funding as provided by this article. This report
- 19 shall include, but not be limited to, the revenues and
- 20 expenditures in the fund, the amounts distributed to candidates,
- 21 the results of any audits performed on candidates in compliance
- 22 with this article and any prosecutions brought for violations of
- 23 this article.
- 24 <u>Section 1615-A. Return of Excess Funds.--</u>
- 25 <u>(a) All unexpended campaign funds in a candidate's and his</u>
- 26 <u>authorized committees' possession sixty (60) days after a</u>
- 27 primary election shall be returned to the State board for
- 28 deposit in the fund, up to the amount of the funds which were
- 29 <u>distributed to the candidate under this article for the primary</u>
- 30 <u>election.</u>

- 1 (b) All unexpended campaign funds in a candidate's and his
- 2 <u>authorized committees' possession sixty (60) days after a</u>
- 3 general election shall be returned to the State board for
- 4 deposit in the fund, up to the amount of the funds which were
- 5 <u>distributed to the candidate under this article for the general</u>
- 6 <u>election</u>.
- 7 <u>Section 1616-A. Limitations on Certain Contributions.--</u>
- 8 (a) The provisions of this section apply to any contribution
- 9 made for the purpose of influencing any election to the office
- 10 of Governor or Lieutenant Governor regardless of whether the
- 11 candidate for that office has applied for or received funding
- 12 <u>under this article</u>.
- (b) Aggregate contributions, including in-kind
- 14 contributions, from any person or political committee to any
- 15 candidate for Governor or Lieutenant Governor, his authorized
- 16 committee or agent shall not exceed two thousand dollars
- 17 (\$2,000) for the candidate's primary election and two thousand
- 18 dollars (\$2,000) for the candidate's general election.
- 19 Furthermore, for each election, no candidate, his authorized
- 20 committee or agent shall accept or receive more than two
- 21 thousand dollars (\$2,000) for the candidate's primary election
- 22 and two thousand dollars (\$2,000) for the candidate's general
- 23 election in aggregate contributions, including in-kind
- 24 contributions, from any person.
- 25 (c) A gift, subscription, loan, advance or deposit of money
- 26 or anything of value to a candidate shall be considered a
- 27 contribution both by the original source of the contribution and
- 28 by any intermediary or conduit if the intermediary or conduit:
- 29 (1) exercises any direction over the making of the
- 30 contribution; or

- 1 (2) solicits the contribution or arranges for the
- 2 contribution made and directly or indirectly makes the candidate
- 3 aware of such intermediary or conduit's role in soliciting or
- 4 <u>arranging the contribution for the candidate.</u>
- 5 (d) For purposes of subsection (c), a contribution shall not
- 6 be considered to be a contribution by an intermediary or conduit
- 7 to the candidate if:
- 8 (1) the intermediary or conduit has been retained by the
- 9 <u>candidate's committee for the purpose of fundraising and is</u>
- 10 reimbursed for expenses incurred in soliciting contributions;
- 11 (2) in the case of an individual, the candidate has
- 12 <u>expressly authorized the intermediary or conduit to engage in</u>
- 13 <u>fundraising</u>, or the individual occupies a significant position
- 14 <u>within the candidate's campaign organization; or</u>
- 15 (3) in the case of a political committee, the intermediary
- 16 or conduit is the authorized committee of the candidate.
- 17 (e) No candidate for Governor or Lieutenant Governor who
- 18 accepts public funding in accordance with this article may
- 19 contribute from personal funds more than an aggregate of twenty-
- 20 five thousand dollars (\$25,000) in connection with his or her
- 21 primary and general election campaigns.
- 22 Section 1617-A. Interactive Gubernatorial Primary and
- 23 General Election Debates; Participation by Candidates .--
- 24 (a) In any year in which a primary election is to be held to
- 25 nominate candidates for the offices of Governor and Lieutenant
- 26 Governor, there shall be held among the several candidates for
- 27 each nomination a series of interactive primary debates in which
- 28 <u>all candidates who have filed nomination petitions in accordance</u>
- 29 with this act for these offices and have applied or intend to
- 30 apply to receive money for election campaign expenses from the

- 1 fund shall participate and in which any other candidate for that
- 2 <u>nomination may elect to participate, provided that the other</u>
- 3 <u>candidate notifies the commission of the candidate's intent to</u>
- 4 participate no later than twenty (20) days before the date of
- 5 the debate. In any year in which no candidate or only one
- 6 candidate for a nomination is required or elects to participate,
- 7 no primary debate shall be required to be held under this
- 8 subsection.
- 9 (b) In any year in which a general election is to be held
- 10 for the offices of Governor and Lieutenant Governor, there shall
- 11 be held a series of interactive debates in which all candidates
- 12 who have received nominations for these offices at the primary
- 13 or through the filing of nomination papers in accordance with
- 14 this act and have applied or intend to apply to receive money
- 15 for election campaign expenses from the fund shall participate
- 16 and in which any other candidate for election may participate,
- 17 provided that the other candidate notifies the commission of the
- 18 candidate's intent to participate no later than twenty (20) days
- 19 before the date of the debate.
- 20 <u>Section 1618-A. Time and Contents; Sponsors.--</u>
- 21 <u>(a) There shall be two gubernatorial and two lieutenant</u>
- 22 qubernatorial primary debates. Each of the debates shall be at
- 23 least one hour in duration. The first debate shall occur not
- 24 <u>earlier than the date on which the names of candidates to appear</u>
- 25 on the primary ballot are certified by the Secretary of the
- 26 Commonwealth in accordance with section 916 and the second
- 27 debate shall occur not later than the Tuesday preceding the
- 28 primary election.
- 29 (b) There shall be three gubernatorial and three lieutenant
- 30 gubernatorial debates. Each of the debates shall be at least one

- 1 (1) hour. The first debate shall occur not earlier than fifty
- 2 (50) days before the date of the general election, and the
- 3 second debate shall occur not later than the Tuesday preceding
- 4 the election.
- 5 (c) Private organizations which are not affiliated with any
- 6 political party or with any holder of or candidate for public
- 7 office and which have not endorsed any candidate in the pending
- 8 primary or general election for the office of Governor shall be
- 9 <u>eligible to sponsor one or more interactive gubernatorial</u>
- 10 primary debates or interactive gubernatorial election debates
- 11 under subsection (a) or (b), respectively.
- 12 (d) The commission shall accept applications from eliqible
- 13 private organizations to sponsor one or more of the interactive
- 14 debates. Applications to sponsor debates under subsection (a)
- 15 <u>shall be submitted to the commission no later than March 15 of</u>
- 16 any year in which a primary election is to be held to nominate
- 17 candidates for the office of Governor and Lieutenant Governor,
- 18 and applications to sponsor debates under subsection (b) shall
- 19 be submitted to the commission no later than July 1 of any year
- 20 <u>in which a general election is to be held to fill the office of</u>
- 21 Governor.
- 22 (e) Where the number of eligible applicants to sponsor
- 23 primary debates or election debates exceed the number prescribed
- 24 under subsections (a) and (b), respectively, the commission
- 25 <u>shall select the private organizations from among the applicants</u>
- 26 within thirty (30) days of the last day for submitting those
- 27 applications, as provided under this subsection. To the maximum
- 28 extent practicable and feasible, the commission shall select a
- 29 <u>different private organization to sponsor each of the</u>
- 30 <u>interactive gubernatorial debates, but shall not be precluded</u>

- 1 from selecting the same private organization to sponsor more
- 2 than one debate.
- 3 (f) The private organizations selected by the commission
- 4 shall be responsible for selecting the date, time and location
- 5 of the debates, subject to the limitations set forth in this
- 6 section. The rules for conducting each debate shall be solely
- 7 the responsibility of the private organizations so selected, but
- 8 shall not be made final without consultation with both the
- 9 <u>chairman of the State committee of each political party in the</u>
- 10 case of primary debates, and with a representative designated by
- 11 <u>each of the participating candidates in the case of general</u>
- 12 <u>election debates</u>.
- 13 <u>Section 1619-A. Failure of Candidate to Participate in</u>
- 14 <u>Debates; Complaint; Hearing; Determination; Penalties.</u>
- 15 (a) The commission shall have the power and duty, upon
- 16 receipt of a complaint against a candidate for nomination for
- 17 <u>election or for election for the office of Governor or</u>
- 18 Lieutenant Governor who is required to participate in primary
- 19 debates or election debates, respectively, to hold a hearing to
- 20 <u>determine whether that candidate has failed to participate in</u>
- 21 debates. If, at the conclusion of a hearing under this section,
- 22 the commission determines by majority vote that a candidate
- 23 required to participate under this act has failed to do so, the
- 24 chairman shall immediately inform the candidate in writing of
- 25 that determination, identifying in that writing the date and
- 26 circumstances of the failure. If, after having found that a
- 27 candidate required to participate in a primary or election
- 28 debate has failed to do so, the commission further finds that
- 29 the failure occurred under circumstances which were beyond the
- 30 control of the candidate and were of such a nature that a

- 1 reasonable person, taking into account the purposes of this act
- 2 and the relevant facts of the case, would find the failure
- 3 justifiable or excusable, then the candidate shall not be
- 4 <u>subject to any penalty or liability for failing to participate.</u>
- 5 The candidate charged with failure to participate shall have the
- 6 <u>burden of showing justification or excuse.</u>
- 7 (b) The campaign of any candidate or former candidate who
- 8 shall have been required to participate in a primary debate or
- 9 <u>election debate under this article</u>, but who has been found to
- 10 have failed to do so without reasonable justification or excuse,
- 11 shall be liable for return of moneys previously received for use
- 12 by the candidate to pay primary election campaign expenses or
- 13 general election campaign expenses, respectively. The commission
- 14 shall determine the total amount of moneys for election campaign
- 15 expenses in that year by the commission to the candidate under
- 16 this article, as appropriate, and shall notify the campaign
- 17 treasurer of the candidate of the liability as of the date of
- 18 the notice, for the repayment of those moneys plus interest on
- 19 the unpaid amount of that liability from that date at the rate
- 20 of one (1) per cent for each month or fractional a part of a
- 21 month during which that amount remains unpaid.
- 22 Section 1620-A. Penalties.--
- 23 (a) A person who violates the provisions of this article and
- 24 who, as a result, obtains funds under this article to which he
- 25 is not entitled commits a misdemeanor of the first degree and
- 26 shall, upon conviction, be subject to a fine not to exceed the
- 27 greater of ten thousand dollars (\$10,000), or three (3) times
- 28 the amount of funds wrongfully obtained or to imprisonment for
- 29 <u>up to five (5) years, or both.</u>
- 30 (b) A person who violates section 1612-A or 1613-A commits a

- 1 misdemeanor of the first degree and shall, upon conviction, be
- 2 subject to a fine not to exceed the greater of ten thousand
- 3 dollars (\$10,000), or three (3) times the amount of funds that
- 4 were wrongfully used or expended or to imprisonment for up to
- 5 five (5) years, or both.
- 6 (c) Except as provided in subsections (a) and (b), a person
- 7 who violates any provision of this article commits a misdemeanor
- 8 of the third degree and shall, upon conviction, be subject to a
- 9 fine of not more than one thousand dollars (\$1,000), or to
- 10 imprisonment for up to one (1) year, or both.
- 11 (d) All fines and penalties assessed pursuant to this
- 12 <u>article shall be deposited in the Pennsylvania Fair Campaign</u>
- 13 Fund.
- 14 Section 1621-A. Severability. -- The provisions of this
- 15 <u>article are severable. If any provision of this article or its</u>
- 16 application to any person or circumstance is held invalid, the
- 17 <u>invalidity shall not affect other provisions or applications of</u>
- 18 this article which can be given effect without the invalid
- 19 provision or application.
- 20 <u>Section 1622-A. Applicability.--Funding from the</u>
- 21 Pennsylvania Fair Campaign Fund shall be provided to candidates
- 22 for Statewide office beginning with the primary election of 2002
- 23 and in each gubernatorial primary and election thereafter.
- 24 Section 2. (a) The sum of \$750,000 is hereby appropriated
- 25 to the State Ethics Commission for fiscal year 2000-2001 to
- 26 implement the requirements of Article XVI-A of the act of June
- 27 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election
- 28 Code.
- 29 (b) The dollar figures contained in this act shall be
- 30 adjusted annually at a rate equal to the average percentage

- 1 change in the All-Urban Consumer Price Index for the Pittsburgh,
- 2 Philadelphia and Scranton standard metropolitan statistical
- 3 areas as published by the Bureau of Labor Statistics of the
- 4 United States Department of Labor, or any successor agency,
- 5 occurring in the prior calendar year. The base year shall be
- 6 2001. The average shall be calculated and certified annually by
- 7 the commission by adding the percentage increase in each of the
- 8 three areas and dividing by three. The calculation and resulting
- 9 new dollar figures shall be published in March in the
- 10 Pennsylvania Bulletin. The checkoff referred to in section 1606-
- 11 A of the Pennsylvania Election Code shall be rounded to the
- 12 nearest dollar.
- 13 Section 3. This act shall be retroactive to January 1, 2001.
- 14 Section 4. This act shall take effect immediately.