Public Financing: Vermont Public Finance Grants

(Effective November 4, 1998, the Vermont General Assembly created a public finance system for candidate for GOVERNOR and LIEUTENANT GOVERNOR ONLY. Vermont’s campaign finance law can be found in Chapter 59 of Title 17 of the Vermont Statutes Annotated. Public finance statutes begin with section 2851 of Chapter 59.)

History of Use Since 2000: the 2000 Election was the first year that public financing took effect for the races for governor and lieutenant governor.

Eligibility (17 V.S.A. § 2853)

Candidates for governor and lieutenant governor can seek public financing for their campaigns. In order to qualify for public funding the candidate must meet certain qualifications as described below:

• No Early Raising or Spending Money. Before February 15 of the general election year, a candidate for governor or lieutenant governor CANNOT accept contributions totaling $2,000.00 or more, or spend a total of $2,000.00 or more. (17 V.S.A. §2853)

• No Announcement of Candidacy. Any candidate who has announced that he or she seeks an elected position as governor or lieutenant governor prior to February 15 of the general election year is INELIGIBLE for public financing.

• No Fundraising Except Qualifying Contributions.* A candidate who seeks public funding may not solicit, accept or expend any contributions except qualifying contributions and Vermont campaign finance grants unless there is a shortfall in the Vermont campaign fund.

* A qualified individual contributor must be an individual who is registered to vote in Vermont. No candidate may accept more than one qualifying contribution from the same contributor in any Vermont campaign finance qualification period. No contributor may make more than one qualifying contribution to the same candidate in any Vermont campaign finance qualification period. No more than 25 percent of the total number of qualified individual contributors may be residents of the same county. Each qualifying contribution must indicate the name and town of residence of the contributor, the date received, and the signature of the contributor must acknowledge the contribution. A candidate may retain and expend qualifying contributions. A candidate may expend the qualifying contributions for the purpose of obtaining additional qualifying contributions and may expend the remaining qualifying contributions during the primary and general election periods. Amounts expended to obtain qualifying contributions are expenditures of the candidate and will count toward the candidate’s spending limits. (17 V.S.A. §2854)

Amount of Qualifying Contributions Required (17 V.S.A. § 2854)

The candidate must collect qualifying contributions during the qualification period* in the following amount and number:

1. For governor, a total amount of no less than $35,000.00 collected from no fewer than 1,500 qualified individual contributors making a contribution of no more than $50.00 each.

2. For lieutenant governor, a total amount of no less than $17,500.00 collected from no fewer than 750 qualified individual contributors making a contribution of no more than $50.00 each.
*qualification period—begins February 15 of each even-numbered year and ends on the third Monday of July (date that primary petitions must be filed).

- **Deadline for Application by filing the Vermont Campaign finance affidavit (17 V.S.A. § 2852):** A candidate seeking Vermont campaign finance grants from the Vermont campaign fund must file a Vermont campaign finance affidavit on the third Monday of July of the election year. “Affidavit” means the Vermont campaign finance affidavit prepared by the Secretary of State. This form is available from the Elections Division.

**Dollar Amounts of VT Campaign Finance Grants for Governor and Lt. Governor (17 V.S.A. § 2855)**

To the extent funds are available, the Secretary of State shall make grants from the Vermont campaign fund in separate grants for the primary election period* and the general election period** to candidates who have qualified for Vermont campaign finance grants. (17 V.S.A. §2855)

*Primary election period begins the day after primary petitions must be filed and ends the day of the primary election.

**General election period begins the day after the primary election and ends the day of the general election.

- Whether a candidate has entered a primary or is an independent or minor party candidate, Vermont campaign finance grants shall be in the following amounts, except to incumbents, who shall be entitled to receive a grant in an amount equal to 85 percent of the amount listed below:

1. **Governor:** $75,000.00, primary election period*; and $225,000.00, general election period
2. **Lt. Governor:** $25,000.00, primary election period*; and $75,000.00 general election period

*The primary election period grant to all candidates shall be reduced by the amount of qualifying contributions received.

- The candidate may use grants awarded in a primary election period, but not spent, in the general election period.

- If the Vermont campaign fund does not have enough money in it to provide Vermont campaign finance grants to all candidates who qualify, the available funds shall be distributed proportionately among qualifying candidates. If grants are reduced, a candidate may solicit and accept additional contributions equal to the amount of the difference between the amount of the Vermont campaign finance grants authorized and the amount received under this section.

- Vermont campaign finance grants for a primary election period shall be paid to qualifying candidates within the first ten business days of the primary election period. Vermont campaign finance grants for a general election period shall be paid to qualifying candidates during the first ten business days of the general election period.

**Depositing Qualifying Contributions and Campaign Finance Grants (17 V.S.A. § 2853)**

A candidate who accepts Vermont campaign finance grants must:
• Deposit all qualifying contributions, Vermont campaign finance grants and any other permissible contributions in a federally insured non-interest-bearing checking account.

• Not later than 40 days after the general election, and after all permissible expenditures have been paid, deposit the balance in the campaign account in the Vermont campaign fund.

**Disqualification from Public Financing (17 V.S.A. § 2855):**

• A candidate in an uncontested general election is not qualified to receive public funding.

• A candidate who loses a primary election but who remains eligible to run for office will not be eligible for a general election period grant.

• Candidates disqualified as described above may solicit and accept contributions subject to the normal limitations and expenditures shall be limited to an amount equal to the amount of the grant for the general election for the office being pursued.