CAMPAIGN FINANCE OVERVIEW

LOCAL CANDIDATES

March 2016
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REGISTRATION REQUIREMENTS

Who is Required to Register

Under Wisconsin campaign finance law, a candidate for election to public office must register with the appropriate filing officer. A candidate for local office:

- County Executive
- County Supervisor
- County Clerk,
- County Treasurer,
- Clerk of Circuit Court,
- Coroner,
- Register of Deeds,
- Sheriff,
- Mayor,
- Alderperson,
- Town, Village or School District Board Member,
- Municipal Clerk or Municipal Treasurer [if elected],
- Municipal Judge;

must register with the clerk of the county, city, town, village, or school district as soon as any of the following occur:

(a) The individual takes any of the following affirmative actions to seek nomination or election to a state or local office:
   1. Files nomination papers with the appropriate filing officer.
   2. Is nominated as a candidate for state or local office by a caucus under s. 8.05 (1) or by a political party and the nomination is certified to the appropriate filing officer.
   3. Receives a contribution, makes a disbursement, or gives consent for another person to receive a contribution or make a disbursement in order to bring about the individual’s nomination or election to a state or local office.

(b) The individual holds a state or local office and is the subject of a recall petition.

(c) The individual holds a state or local office.

A candidate must file a campaign registration statement (ETHCF-1) as soon as practicable after the individual qualifies as a candidate. Registration statements can be obtained from any filing officer or from the Government Accountability Board website (http://gab.wi.gov/). A candidate who receives no contributions, makes no disbursements, and incurs no obligations need not designate a campaign depository account until the first contribution is received, disbursement is made, or obligation is incurred. The minimum amount of money needed to open an account can be deposited at a financial institution and a post office box can be rented before registration. These receipts and expenses must be reported on the first campaign finance report.

After filing the registration statement, a candidate may begin receiving and disbursing campaign funds. The campaign’s financial activities must be reported to the filing officer on campaign finance reports (ETHCF-2L, 2LE, or 2a), unless the committee has claimed an exemption from filing finance reports. These reports will disclose information on the receipts, expenditures, incurred obligations and loans of the campaign.
Completing a Registration Statement

Registration statements are available from the local filing officer or on the Government Accountability Board website (http://gab.wi.gov). The information below is required on a campaign registration statement (ETHCF-1). When any of this information changes, an amendment to the registration statement must be filed with the appropriate filing officer in a timely manner (within 10 days).

Item 1. Candidate and Candidate Committee Information

This section must be completed by all candidates and candidate committees. It contains the information identifying the candidate and committee, party affiliation (if any), office sought (including branch and district number), date of the primary and date of the election. Political action committees, political party committees, recall committees and political groups (referendum groups) skip this section and begin with Item 2.

A personal campaign committee is organized by the candidate to promote the candidate’s declared candidacy for a specific office. Note: You must register as a personal campaign committee to appear on the ballot.

Item 2. Political Committee Information (Non-Candidates Only)

This section must be completed by political committees other than candidate committees. Candidate committees do not fill in this section.

Item 3. Campaign Treasurer

The treasurer for the candidate or political committee must be listed in Item 3. The candidate can serve as the campaign treasurer. It is important that the treasurer’s name, complete address, e-mail address, and telephone number(s) be provided on the registration statement and be kept current. The local filing officer is not required to mail paper notices concerning campaign finance reports, so please make sure your email address is up to date. Failure to keep this information current may result in the committee being penalized for failure to file necessary reports.

Item 4. Principal Officers of the Committee and Other Custodians of Books and Accounts

If the committee has officers besides the treasurer, they should be listed in Item 4. A nonpartisan candidate for county or municipal office, or an independent candidate, may authorize certain committee members or officers to fill a vacancy in nomination due to the candidate’s death. These individuals should be indicated in Item 4 with an asterisk (*).

Item 5. Depository Information

All registrants must list the name and address of the depository institution in which all contributions are deposited and from which all disbursements are made. Candidates claiming exemption from filing finance reports may use a personal checking account, i.e., they may commingle campaign money with personal funds. A separate (non-personal) account must be opened if the candidate (committee) exceeds the exemption limits. All account information must be provided on the ETHCF-1, regardless of whether the account is a personal or separate
campaign account. An individual who holds a state or local elective office may establish a second candidate committee under this subchapter for the purpose of pursuing a different state or local office.

To open the campaign account, it may be necessary to complete a request for Employer Identification Number (EIN) using form SS4. This form should be available from your financial institution or from an IRS office or website [http://www.irs.gov/charities/political/index.html](http://www.irs.gov/charities/political/index.html).

**Item 6. Certification**

The candidate and committee treasurer must sign the registration statement of a campaign committee certifying that the information is true, correct, and complete, and that the committee is authorized to act on the candidate’s behalf.

**Item 7. Exemption From Filing Campaign Finance Reports**

Registrants who are eligible for an exemption from filing campaign finance reports should complete this section. The exemption requirements are explained below.

**Amending a Registration Statement**

When any of the information reported on the registration statement changes, the statement must be amended by filing a new ETHCF-1. The candidate or treasurer must file the new ETHCF-1 with the appropriate filing officer, checking the “yes” box at the top of the form to indicate that it is an amendment.

**Penalty For Not Filing a Registration Statement**

Failure to file the registration statement by the deadline for filing nomination papers prevents a candidate’s name from appearing on the ballot. If a required statement or amendment is not filed on time, the registrant may be subject to a fine.

**Candidates Seeking More Than One Office**

An individual who holds a state or local elective office may establish a second candidate committee to pursue another office. If a second committee is established, that committee will register and file reports with to the appropriate filing officer.

If the candidate chooses to keep a single committee, copies of the registration and all reports should be filed with both filing officers, and each reported transaction should be labeled with the office to which it applies.

**EXEMPTION FROM FILING CAMPAIGN FINANCE REPORTS**

**Eligibility**

Committees may be eligible for an exemption from filing campaign finance reports if campaign finance activity is low enough to meet the following criteria:

The committee anticipates that it will not accept contributions, OR make disbursements, incur loans and other obligations in an aggregate amount exceeding $2,000 in a calendar year.
The candidate or treasurer must sign and date the request for exemption on the campaign registration statement (ETHCF-1) or exemption reverification (ETHCF-14). An indication of limited activity (exemption) under this section is effective only for the calendar year in which it is granted. The candidate’s contributions do count toward the total receipts of $2,000 or less in a calendar year.

If a candidate committee wishes to renew its exempt status, it should file the ETHCF-14 or a new ETHCF-1. Candidates on the ballot may claim an exemption when they first register, or renew their exemption from the previous calendar year. HOWEVER, a candidate on the ballot in that calendar year, who did not previously claim the exemption, may not amend her/his registration to claim the exemption before the date of her/his election.

Financial Records During Exemption

When a committee is exempt, it is not required to file any campaign finance reports (ETHCF-2L, 2LE or 2a). However, the candidate or treasurer is required to keep financial records adequate to meet the requirements of campaign finance law. Records must be kept of all contributions to the committee and of all expenditures. A candidate who is exempt from filing campaign finance reports may use a personal account as the campaign depository. The name and address of the financial institution must be provided on the ETHCF-1.

Revoking Exemption

If a decision is made at a later date to exceed the $2,000 limit on contributions or disbursements, the committee must amend its campaign registration statement immediately, by checking the box: “This registrant is no longer eligible to claim exemption” on either the ETHCF-1 or ETHCF-14.

The committee is then required to file campaign finance reports beginning with the next regular report. The first report must cover all financial activity from January 1 of the current year, through the cutoff date of the required report.

MAJOR PROVISIONS OF CAMPAIGN FINANCE LAW

Contribution Limits

All candidates running for elected office must abide by contribution limits that vary depending on the office sought and the population of the district. The only contributors not subject to limits are the candidate contributing to his or her own election, and political party committees. To determine the limits for a candidate for local office, see the guidelines below and check with the local clerk to get the current and exact amounts.

Contribution limitations apply cumulatively to the entire primary and election campaign in which the candidate participates, whether or not there is a contested primary election.
### Contribution Limits – Local Office [§11.1101.Wis. stats.]: (per campaign – 2 to 4 years depending on office)

<table>
<thead>
<tr>
<th>Receiving Committee</th>
<th>From an Individual</th>
<th>From a Candidate Committee</th>
<th>From a PAC</th>
<th>From a Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referendum</td>
<td>No limits</td>
<td>No limits</td>
<td>No limits</td>
<td>No limits</td>
</tr>
<tr>
<td>Recall Committee</td>
<td>No limits</td>
<td>Greater of $500 or 2¢ times the population in the district</td>
<td>Greater of $400 or 2¢ times the population in the district</td>
<td>$0; Illegal</td>
</tr>
<tr>
<td>Local Candidate</td>
<td>Greater of $500 or 2¢ times the population in the district</td>
<td>Greater of $500 or 2¢ times the population in the district</td>
<td>Greater of $400 or 2¢ times the population in the district</td>
<td>$0; Illegal</td>
</tr>
<tr>
<td></td>
<td>Not to exceed $6,000</td>
<td>Not to exceed $6,000</td>
<td>Not to exceed $5,000</td>
<td>No aggregate limit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No aggregate limit</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### In-Kind Contributions

An in-kind contribution is any good, service or property offered to the candidate’s campaign free of charge or at less than the usual cost for such goods, services or property. For example, if a campaign worker purchases stamps that are used for a mailing and is not reimbursed for the cost of the stamps, the value of the stamps is an in-kind contribution to the candidate’s campaign from that campaign worker. When an individual is paid to work on behalf of a candidate by a political committee or some other person, the payment for those services is an in-kind contribution to the candidate’s campaign. If a political committee or individual offers to provide food and beverages for a fundraiser at less than the ordinary market price, the difference between the ordinary market price and the cost to the campaign is an in-kind contribution from the political committee or individual.

The candidate or campaign treasurer must agree to accept an in-kind contribution before it is given. Before making an in-kind contribution to a candidate, the contributor is required to notify an authorized person from the candidate’s campaign and obtain either oral or written consent to the contribution. If the contributor does not know the actual value of the contribution, a good faith and reasonable estimate of the fair market value should be provided.

An in-kind contribution received by the campaign committee is reported by the committee as both a receipt and expenditure. This procedure allows the campaign to disclose the receipt of the contribution on its campaign finance report along with cash contributions received and track year to date and campaign period totals. Then, in order to keep the committee’s cash balance accurate, the amount of the in-kind is reported as an expenditure. The two entries offset each other and do not affect the cash balance.

If an estimate of the value of an in-kind contribution is the only value available at the time the candidate is required to file a report, the committee must report the estimated value of the contribution. When the actual value of the estimated in-kind contribution is known, the actual amount is reported as a contribution and an expenditure on the campaign finance report.

In-kind contributions are subject to the same itemization thresholds and the same contribution limits as cash contributions. Cash contributions and in-kind contributions from a single contributor are added together for the purposes of determining compliance with contribution
limits and the year-to-date amount for a specific contributor. When a political communication is provided as an in-kind contribution, the disclaimer must identify the committee receiving the contribution.

**Contributions and Other Income from Businesses**

Businesses may make contributions under some circumstances, but the rules vary by the type of business.

1. Corporations **may not contribute** to local or state candidates in the State of Wisconsin.
2. Sole-proprietorships may contribute. The contribution must be reported under the name of the individual owner. This contribution counts toward the contribution limits from that individual to the candidate.
3. Partnerships may contribute. The contribution must be reported under the names of the individual partners. The partnership may agree beforehand on how to allocate a portion of the contribution to each partner. If the partnership does not inform the candidate how the contribution should be allocated between the partners, then the contribution should be divided up according to each partner’s share of the partnership’s profits.
4. LLCs that are taxed as corporations **may not contribute** to local or state candidates in the State of Wisconsin.
5. LLCs taxed as a sole-proprietorship or partnership may contribute. The contribution must be reported under the name(s) of the individual owner(s). If there is more than one owner, contributions should be allocated as described in the partnership section above.

Occasionally, a candidate committee may receive other income, like interest on a savings or checking account, or a refund of a security deposit, from a business. This other income is not a contribution, and may be accepted from any type of business. The income should be reported on Schedule 1-C (Other Income), rather than Schedule 1-A, where contributions are reported.

**Prohibited Contributions**

Certain contributions are prohibited by Wisconsin law. A candidate’s campaign may not accept the following types of contributions:

1. Anonymous contributions of more than $10;
2. Contributions in cash of more than $100;
3. Contributions given in the name of someone other than the contributor (these are laundered contributions);
4. Contributions from corporations, labor organizations or federally recognized American Indian Tribes;
5. Contributions in excess of the limits set by law.

A candidate should monitor contributions from organizations that have not registered. If the candidate’s campaign is notified that a contribution was received from an unregistered organization, the candidate should ensure that the contribution is lawful, and not accept any additional contributions from that organization if the committee cannot determine whether the contribution is lawful.
Returned Contributions

Any contribution you return to the donor after depositing it in the campaign account must be reported as a returned contribution to the contributor. Any contribution returned to the donor uncashed within 15 days of receipt has not been accepted and does not get reported.

Contributions Transferred through Conduits

A conduit is any individual, committee or group that receives contributions from individuals, deposits those contributions in a financial institution, and then transfers the contributions to a committee selected by the original contributor. The conduit may not exercise any discretion over the amount or ultimate recipient of the contributions. A conduit is required to register with the Government Accountability Board.

When a conduit transfers contributions, it writes a single check for the total amount of all individual contributions designated for that committee. It is required to provide a transmittal letter with the check. This letter must identify the organization as a conduit, and list the individual contributors, the amount of each individual’s contribution, and the date the individual authorized their contribution (see Wis. Admin. Code GAB § 1.855).

Contributions transferred through conduits are reported as contributions received from the individuals listed in the transmittal letter. These contributions are reported under the individual’s name. They are subject to itemization on the same basis as other individual contributions.

Obligations

“Obligation” means any express agreement to make a disbursement, including all of the following:

(a) A loan or loan guarantee.

(b) A promise or a payment to purchase, rent, or lease tangible personal property.

(c) A promise or a payment for a service that has been or will be performed.

Attribution Statements on Political Literature (Disclaimers)

Disclaimers

No disbursement by candidate committees may be made anonymously, and no contribution or disbursement may be made in a fictitious name or by one person or organization in the name of another.

(a) Every printed advertisement, billboard, handbill, sample ballot, television or radio advertisement, or other communication containing express advocacy which is paid for by any contribution or disbursement shall clearly identify its source.

(b) Every communication described under par. (a) the cost of which is paid for or reimbursed by a committee, or for which a committee assumes responsibility, whether by accepting a contribution or making a disbursement, shall identify its source by the words "Paid for by" followed by the name of the committee making the payment or reimbursement or assuming responsibility for the communication and may include the name of the treasurer or other authorized agent of the committee.
Attribution statements do not apply to communications containing express advocacy printed on small items, which would normally require a disclaimer, but cannot be conveniently printed, including text messages, social media communications, and certain small advertisements on mobile phones.

**Formats for Disclaimers**

When a communication is paid for by a candidate committee, the disclaimer must include the words “Paid for by”, followed by the name of the committee:

“Paid for by Friends of Mary Smith.”

The disclaimer may also include the name of the treasurer or other authorized agent:

“Paid for by Friends of Mary Smith, James Jones, Treasurer.”

**CAMPAIGN FINANCE REPORTS (GAB-2L, 2LE, or 2a)**

All registrants that are not exempt from filing must file campaign finance reports. Committees must continue to file periodic reports until termination of their registration. These reports must be filed with the appropriate local filing officer when due. The reports may be submitted electronically via email, fax, mail or other authorized format. The reports must be received by the filing officer by the day the report is due.

**Types of Reports**

Candidates on the ballot must file a pre-primary and a pre-election report due 8 days before the primary or general election.  **Candidates for local office whose names do not appear on the primary ballot are not required to file a pre-primary report.** Candidates who lose in the primary or general election must continue to file reports until they are eligible for, and request, termination of their committee. Candidates must also file continuing reports in January and July of each year until they terminate their registration, whether or not they are on the ballot.

- **Itemization of Reporting Periods and Elections:**

  **Spring Primary:** A committee that engages in activity concerning a spring primary must file: (1) a pre-primary report; (2) a pre-election report; and (3) annually in each year of an election cycle, a report on January 15 and July 15.

  **Spring Election:** A committee that engages in activity concerning a spring election must file: (1) a pre-election report; and (2) annually in each year of an election cycle, a report on January 15 and July 15.

  **Partisan Primary:** A committee that engages in activity concerning a partisan primary must file: (1) a pre-primary report; (2) a pre-election report; (3) in an odd-numbered year, a report on January 15 and July 15; and (4) in an even-numbered year, a report on January 15 and July 15 and on the 4th Tuesday in September.

  **General Election:** A committee that engages in activity concerning a general election must file: (1) a pre-
election report; (2) in an odd-numbered year, a report on January 15 and July 15; and (3) in an even-numbered year, a report on January 15 and July 15 and on the 4th Tuesday in September.

Reporting deadlines can be found at: [http://www.gab.wi.gov/campaign-finance/limits-deadlines](http://www.gab.wi.gov/campaign-finance/limits-deadlines)

**Information Required**

The information listed on the campaign finance report discloses the financial activity of the candidate’s campaign. The law requires disclosure of income, disbursements, and incurred obligations. In addition, disclosure is required for obligations, including loan guarantees, and for estimated in-kind contributions. Committee treasurers must exercise diligence in acquiring and furnishing the contributor information required on the receipts schedules. Under current state law, treasurers and candidates are required to make a “good faith effort” to obtain all information required on the reports. For all contributors, you must disclose the individual’s name and address. If the individual’s year-to-date total exceeds $200, you must also provide the individual’s occupation.

Each of the report schedules has detailed instructions for completing it on the back. These instructions should be reviewed each time a campaign finance report is prepared. A candidate is only required to file schedules that show activity. **You do not need to include blank schedules when filing reports.**

All contributions received by the committee must be reported in Schedule 1 (Receipts) of the campaign finance report. Contributions and loans from individuals are listed in Schedule 1A (Contributions Including Loans From Individuals). Contributions from other committees, such as political action committees, political party committees, and other candidate committees, are reported in Schedule 1B (Contributions from Committees). All other income such as loans from financial institutions, contributions returned from other registrants, refunds, returns of deposits or interest on investments are reported in Schedule 1C (Other Income and Commercial Loans). The date which must be provided for all contributions is the date the committee received the contribution, that is, the date it acquired possession and control of the contribution, **not** the date of deposit or date on the check (unless all dates are the same).

All money spent by the committee is reported in Schedule 2 (Disbursements) of the campaign finance report. General operating expenditures are listed in Schedule 2A (Gross Expenditures). Contributions to other political committees are listed in Schedule 2B (Contributions to Committees).

Additional information required to be disclosed is reported in Schedule 3 (Additional Disclosure) of the campaign finance report. All obligations of the committee such as unpaid bills are listed in Schedule 3A (Incurred Obligations Excluding Loans). Loans and the individuals who guarantee loans for the committee are listed in Schedule 3B (Loans).

Schedule 4 (Termination Request) of the campaign finance report or the ETHCF-13 form (termination request) is used for requests to terminate a committee.
No-Activity Report (Postcard Report)

If a candidate receives no contributions, makes no disbursements and incurs no obligations during a reporting period, the registrant may file a postcard report form, ETHCF-2a. This postcard form should be used only when there has been no financial activity and the cash balance remains unchanged during the reporting period. If there is any financial activity, a registrant is required to use the regular campaign finance report form, ETHCF-2L or 2LE.

How to Complete Campaign Finance Reports

Reporting Receipts

In preparing to report receipts on a campaign finance report, please remember the following:

1. Anonymous contributions of $10 or less can be accepted from individuals only. Under this threshold, the individual donor’s name and address do not have to be tracked. If any anonymous receipts of more than $10 are received, the excess donations must be donated to the common school fund or to charity.
2. Any non-anonymous contribution must be itemized, and include the person’s name and address.
3. Contributions of $100 or less may be accepted in cash. Contributions over $100 must be made by check, or by other negotiable instrument.
4. If a single contribution is over $200 (or if one person’s total contributions for the calendar year go over $200) the committee must report not only the contributor’s name and address, but also the contributor’s occupation.
5. Contributions from individuals received through a conduit are reported as receipts. They are treated in the same manner as other individual contributions.
6. A contribution given from a joint checking account should be reported as a contribution from the individual that signed the check. If any part of the amount on the check is intended to be contributed by the other owner of the account, that amount should be clearly indicated on the check or in some other writing which accompanies the check.
7. Receipts from raffles, auctions, garage sale, and other similar fundraising events are individual contributions (unless anonymous under $10) and must be entered as a receipt.
8. All contributions from political committees, regardless of the amount, must be itemized and entered as a receipt from the contributing committee. The full name and address of the registrant, the date and the amount of the contribution are required.
9. In-kind contributions such as political posters, lawn signs, and other items are reported at their fair market value at the time of contribution. These contributions are reported as both a receipt and an expenditure. As a receipt, they are entered as a contribution type of “in-kind”, with the appropriate information about the contributor. An offsetting expenditure entry is necessary because an in-kind contribution is treated as if cash was given, and then used to buy the item contributed.
10. A loan from an individual is considered a contribution. It must be reported as a contribution and as a loan. Payments on the loan should be reported as expenditures and the cumulative amount paid in a reporting period is also reported. THE LOAN ADDED TO OTHER CONTRIBUTIONS FROM THE SAME INDIVIDUAL CANNOT EXCEED THE APPLICABLE INDIVIDUAL CONTRIBUTION LIMIT. Loans from political committees are considered contributions and are reported.
11. Returned contributions received from other registrants, refunds, interest income and loans from commercial lenders are also reported as money received by the campaign. They are listed as “other income” rather than contributions.
**Reporting Disbursements - Gross Expenditures**

In preparing Schedule 2 of the campaign finance report, the treasurer should remember the following:

1. An expenditure that exceeds $20 in amount or value is an itemized expenditure requiring the name and address of the person or business to whom it was made and the date and amount of the payment.
2. The specific spending purpose of an expenditure must be reported. Please remember that the purpose of campaign finance reports is to inform the public. The descriptions should provide a person, perhaps unfamiliar with the intricacies of campaigning, with information on the nature of the expenditure and how it relates to the political process. For example, if food has been purchased for a fundraiser or for a party for workers, give the purpose as “food for fundraiser” or “food for party for campaign workers.” Do not write “food” only. If T-shirts are purchased for resale by the committee, give the purpose as “campaign T-shirts for resale,” not “T-shirts” only.
3. An in-kind contribution of goods or services to another committee must be itemized, regardless of the amount. The itemization must include the name and address of the registrant on whose behalf the disbursement (in-kind contribution) is made, the name and address of the original vendor of the goods or services, and the date and amount of the disbursement.
4. The receipt of an in-kind contribution is also reported as an in-kind expenditure. If the candidate or other person makes an in-kind contribution to the committee, the in-kind expenditure must include the name of the original vendor of the goods or services, and the political purpose of the expenditure.
5. Payments made on loans and incurred obligations are reported as expenditures. The cumulative amount paid to each creditor is reported.
6. All financial institution service charges should be listed as itemized expenditures depending on the amount.
7. Contributions to other political registrants should be reported and must be itemized regardless of the amount transferred. The itemization must list the name and address of the registrant receiving the contribution, the date and amount of the contribution.
8. A letter should be sent to the filing officer within 5 days of donating money to a charitable organization, the Common School Fund, or any government entity. The letter should include the date of the donation, the name of the organization, and shall provide an explanation to the filing officer of why the funds were not retained by the committee. See 11.1302 Wis. Stats.

**Reporting Incurred Obligations**

1. Incurred obligations are to be reported when an enforceable agreement has been reached. If the exact amount of the obligation has not yet been defined, the amount of the obligation must be estimated. Although the committee may not have received a bill, the amount recorded should be a good faith estimate of the amount owed.
2. Each obligation must be carried forward on subsequent reports until the obligation has been reduced to zero.
**Reporting Loans**

It is important to remember the following information concerning the recording and reporting of loans:

1. A loan from an individual or a political committee is reported as a contribution in Schedule 1A (individual) or in Schedule 1B (political committee) and is listed in Schedule 3B.
2. A loan from a financial institution is reported in Schedule 1C as other income and in Schedule 3B as a loan.
3. Each payment on a loan must be reported as an expenditure in Schedule 2A. The cumulative amount of the payments made on a loan is reported in Schedule 3B.

**TERMINATION OF REGISTRATION AND REPORTING REQUIREMENTS**

A candidate may terminate its registration if it meets the following requirements:

1. Determines that all financial activity will stop, and that she or he will no longer receive contributions, make disbursements, or incur obligations; and
2. Files a termination campaign finance report showing that all incurred obligations have been paid or satisfied, and that the cash balance has been reduced to zero; and,
3. Completes a request for termination in Schedule 4 (Termination Request) or form ETHCF-13.

A candidate may not terminate his or her registration before a primary or election in which he or she is a candidate. If a candidate loses a primary, he or she may terminate before the general election.

**Disposal of Residual Funds**

Residual funds may be used for any purpose not prohibited by law and not for an individual’s strictly personal use, including:

1. Returning money to contributors in amounts that are not more than the contributor’s original contribution (note: the candidate or treasurer may choose which contributors to refund. You are not required to pro-rate and return a portion to all contributors); or
2. Donating money to any tax-exempt charitable organization or the Common School Fund; or
3. Transferring money to another registrant within the permitted contribution limit; or
4. Using any combination of the above.

Prior to making these disbursements, make sure the committee does not have any pending fees or settlement offers.