



STATE OF CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

NOTICE OF AND REQUEST FOR PUBLIC COMMENT FOR PROPOSED DECLARATORY RULING 2025-XX: *Acceptance of Digital Wallet Contributions*

Pursuant to General Statutes § 4-176, on its own motion, the State Elections Enforcement Commission (the “Commission”) hereby determines that a declaratory ruling is necessary regarding whether payments made through digital wallets¹ may be accepted as contributions as defined by General Statutes §§ 9-601a and used as a qualifying contribution as defined by General Statute § 9-704. Specifically, the Commission proposes to treat digital wallet contributions in the same manner as check and credit card contributions.

At its regular meeting on August 20, 2025, the Commission voted to initiate this declaratory ruling proceeding. Public comments are invited for the next thirty (30) days, with written submissions due no later than five o’clock pm. on **Monday, September 22, 2025**. A public hearing will be conducted after the close of the public comment period, if requested, by no later than **Monday, September 22, 2025**.

If adopted, the Commission intends to permit digital wallet contributions for the 2026 election cycle on a provisional basis. If successful, the Commission will then consider what further action is appropriate to make the change permanent. The Commission provides the following discussion for consideration of the issues and as a starting point for the public consideration of the four questions posed at the end of this Notice.

INTRODUCTION

Currently contributions from individuals may only be made in the following forms: cash (up to \$100), money order (up to \$100), personal check, personal debit card, or personal credit card. General Statutes § 9-611 (d). With the advent of new technologies, more contributors now have the ability to make contributions with digital wallets.

Digital wallets, also known as electronic wallets or e-wallets, are software-based systems that store payment information and passwords for various payment methods. Digital wallets allow users to store credit, debit or bank account information into the application, permitting the users to make purchases and contributions by using their mobile devices or accounts. Digital wallets also can store gift cards, cryptocurrency and coupons. The Commission’s proposal currently is limited to credit cards, bank accounts and application

¹ As defined by General Statutes § 53a-128a (d) “Digital wallet” means a software application that is used on a computer or other device, including, but not limited to, a mobile device, to store digital forms of one or more payment cards that may be used to obtain money, goods, services or anything else of value.

State Elections Enforcement Commission
Proposed Declaratory Ruling 2025-xx
Acceptance of Digital Wallet Contributions

account balances, that are accessible via a digital wallet. Common examples of digital wallets are Apple Pay, Google Pay, Samsung Pay, and Amazon Pay.

Assuming campaign certifications can be captured and sufficient fraud detection and prevention measures can be utilized, the Commission proposes, on a provisional basis, to permit digital wallet financial transactions for campaign contributions.

APPLICABLE LAW

Campaign contributions to any candidate or committee must be made in a permissible form. General Statutes § 9-611 (d) provides as follows:

No individual shall make a contribution to any candidate or committee, other than a contribution in kind, in excess of one hundred dollars except by *personal check or credit card* of that individual.
(Emphasis added.)

Campaign contributions of one hundred dollars (\$100) or less may be made by cash or cashier's check. Campaign contributions of greater amounts are acceptable by personal check or credit card.²

When evaluating any campaign contribution, the Commission is required to ensure that the contribution is from a permissible source and is not a "straw contribution." General Statutes § 9-622 provides, in pertinent part:

(7) Any person who, directly or indirectly, individually or through another person, makes a payment or promise of payment to a treasurer in a name other than the person's own, and any treasurer who knowingly receives a payment or promise of payment, or enters or causes the same to be entered in the person's accounts in any other name than that of the person by whom such payment or promise of payment is made...

The Commission typically relies upon a copy of the physical check to ensure that check contributions are not straw contributions and are from a permissible source. With respect to credit cards, the Commission typically relies upon industry standard fraud detection and prevention tools to ensure that the payment is from the indicated contributor.³

² General Statutes §9-611(d). See *Understanding Connecticut Campaign Finance Laws: A 2024 Guide for General Assembly Candidates Participating in the Citizens' Election Program* (SEEC, Hartford, Connecticut), Jan. 2024; *Understanding Connecticut Campaign Finance Laws: A Guide for Party (Town and State Central) Committees* (SEEC, Hartford, Connecticut), Jan. 2025.

³ In Public Act No. 25-26, Section 8, the legislature amended General Statutes § 9-706 (d) (2) to direct the Commission not to disqualify any contribution from being deemed a qualifying contribution for purposes of the Citizens' Election Program if the residential address associated with the contribution did not match the billing address. The residential address is still required for purposes of determining the number of in-district contributions. The legislature did not amend or

PROPOSAL TO PERMIT CAMPAIGN CONTRIBUTIONS VIA DIGITAL WALLETS

Digital wallet transactions shall be deemed to be included in the definition of checks and credit cards for purposes of General Statutes § 9-611 (d) as long as the merchant account processor collects and provides the information sufficient to detect fraud and straw contributions. If such information is collected and provided, then the Commission proposes to include digital wallet transactions for purposes of General Statutes § 9-611 (d), § 9-601a and § 9-704.

The merchant account processor must be able to ask all of the committee specific questions for the treasurer, including residential address and questions or certifications regarding employer and occupation, source of donation, status such as contractor, lobbyist or foreign national. Questions must appear before the answer and the contributor must have the opportunity to respond to the question.

The merchant account processor should prevent the contributor from proceeding unless they affirmatively answer certain questions. The merchant account processor must collect responses to committee specific questions and certification statements and store them in such a manner that the committee cannot edit or modify the reported information. The information submitted by the contributor must also be stored in a way that it can be submitted to the committee treasurer and, when needed, the Commission. Transactional receipts must be sent contemporaneously to the contributor.

For each contribution, the Commission proposes that the merchant account processor would need to provide industry standard fraud detection and prevention tools, including, but not necessarily limited to, a system for matching the card to the contributor's name and/or residential address, credit card account type, the last four credit card account numbers, credit card expiration date, card verification code check.

Information regarding processing including fees and whether they were charged to the committee or contributor, indicators showing that the contribution was charged to the contributor's account and processed, and whether the contribution was deposited to the committee's account or refunded are also important information to capture.

The merchant account processor would need to use industry standard fraud detection and prevention tools and provide to the committee the response of any fraud detection and prevention check for each contribution. Committee treasurers should verify contributions have the required information and refund them if the contributions do not.

remove the prohibition against fraud or straw contributions, nor change the sources of permissible contributions.

State Elections Enforcement Commission
Proposed Declaratory Ruling 2025-xx
Acceptance of Digital Wallet Contributions

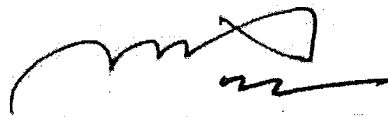
REQUEST FOR PUBLIC COMMENTS

Public comments are invited for the next 30 days, with written submissions due no later than 5:00 p.m. on **Monday, September 22, 2025**. The public is asked to provide commentary and information regarding:

- 1) The feasibility of using digital wallet transactions for campaign contributions;
- 2) The feasibility of using credit cards, bank accounts and application account balances by digital wallet transactions for campaign contributions, excluding use of gift cards, cryptocurrency and coupons;
- 3) The feasibility and possible mechanisms for collecting the requisite campaign certifications when accepting a digital wallet transaction for campaign contributions; and
- 4) The feasibility and possible mechanisms for detecting fraud and straw contributions when using digital wallet transactions for campaign contributions; and

A public hearing will be conducted after the close of the public comment period if a public hearing is requested by no later than **Monday, September 22, 2025**.

Adopted this ~~14th~~ day of August, 2025 at Hartford, Connecticut by a vote of the Commission.



Stephen Penny, Chairman