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# **Significant changes to political financing in New Brunswick**

**Summary of amendments made on May 5, 2017,  
to the *Political Process Financing Act***

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## **Executive Summary**

On May 5, 2017, Bill 56 and Bill 66 received Royal Assent and made significant changes to the political financing regime in New Brunswick. The following points are the key changes that were made:

- **Effective June 1, 2017**, contributions and financing made by corporations and trade unions are now **prohibited**; with the exception that financing may still be provided by banks, trust companies, credit unions, and commercial lending institutions.
- Contributions and financing by individuals, taken together, are now subject to an annual limit. **Effective January 1, 2018**, the contribution and financing annual limit for individuals will be **reduced** from \$6,000 to **\$3,000**.
- **Unpaid loans**, or payments made on loans, are now considered contributions.
- **Expenditures** incurred from personal funds or credit and **not reimbursed** by an official representative or chief/official agent are **deemed to be contributions** and are subject to the annual limit for individuals.
- The contribution threshold for registration fees at political conventions is **increased** from \$25 to **\$85** and will be indexed to inflation.
- The formula used for calculating the annual allowance payments to registered political parties will weigh the number of votes received by **female candidates at 1.5 times** those of male candidates.
- Annual political advertising limits are increased to **\$200,000** per registered political party and **\$3,000** per registered district association, but subject to a **\$200,000 aggregate limit**, with all limits indexed to inflation.
- When submitting financial returns, the Supervisor may now require **details of contributions** to be submitted in a searchable electronic format.
- The unaudited annual financial return of each registered district association is now due **March 31**.
- The unaudited mid-year financial return of each registered political party is now due **September 30**.
- The audited full-year financial return of each registered political party is now due **May 31**.
- The potential reimbursement of audit fees is **increased** from \$2,000 to **\$7,000** and is indexed to inflation.

*Significant changes to political financing in New Brunswick – May 5, 2017*

- All **contributions and financing for a candidate's election campaign** must be arranged by the candidate's registered district association or registered political party and not by the candidate's official agent.
- A registered district association may only incur and pay for **election expenses if authorized** to do so by an electoral district agent or official agent of a candidate.
- If election expenses need to be incurred prior to a candidate confirming his or her official agent on his or her nomination paper, a political party must appoint an **electoral district agent** to do so.
- An **independent candidate**, spending \$2,000 or less and only from personal funds, may remain **unregistered**, which would result in less administration than for a registered independent candidate.
- **Election expenses incurred personally** must be submitted to the applicable chief agent or official agent within 20 days of polling day.
- The **election expenses reimbursement** will now be paid to the registered district association – not the official agent – of the candidate, allowing campaign bank accounts and centralized party accounts to be closed prior to filing the electoral financial return for the candidate.
- For an offence alleged to have been committed on or after July 1, 2017, a prosecution must now be commenced **within four years** of the offence being committed, rather than two years.

## **1 Policy themes**

Bill 56 and Bill 66 were passed by the 58<sup>th</sup> Legislative Assembly of New Brunswick and received Royal Assent on May 5, 2017. The content of these bills was based on three policy themes:

- Initiatives put forward by Elections New Brunswick to improve the political financing process in New Brunswick;
- A commitment made by the Liberal Party in its 2014 election platform to “eliminating the loophole that allows politicians and political parties to write off loans greater than the donation limit”<sup>1</sup>; and
- The response by the Government to several recommendations of the 2016 Electoral Reform Commission.

## **2 Dates of coming into force**

Amendments made to the *Political Process Financing Act* (the Act) to improve the political financing process came into force on May 5, 2017.

Amendments to eliminate the “loans loophole” came into force on June 1, 2017.

Amendments to prohibit future contributions and financing by corporations and trade unions came into force on June 1, 2017.

Amendments to reduce the annual limit on contributions and financing from \$6,000 to \$3,000 for individuals will come into force on January 1, 2018.

## **3 Contributions and Financing**

This document focuses primarily on the changes that were made to the *Political Process Financing Act*. It is not intended to be a comprehensive summary of all of the provisions of the Act.

### **3.1 Contributions**

Two substantial changes were made to the rules for contributions made to registered political entities in New Brunswick.

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<sup>1</sup> 2014 *New Brunswick Liberal Party Platform*, New Brunswick Liberal Association, p. 36.

### **3.1.1 Registration fees at political conventions**

*(PPFA, para. 2(1)(e), ss. 2(1.1) to 2(1.3))*

The threshold at which payments, made as registration fees at political conventions, become contributions was raised from \$25 to \$85. Further, on January 1<sup>st</sup> of each year, the \$85 will be indexed to inflation<sup>2</sup>.

### **3.1.2 Only individuals may make contributions**

*(PPFA, ss. 37(1))*

Effective June 1, 2017, only individuals may make contributions to registered political entities.

As a result, corporations and trade unions may no longer make such contributions.<sup>3</sup> This prohibition applies to all incorporated entities; e.g. incorporated business enterprises, financial institutions, municipalities, not-for-profit organizations, etc.

## **3.2 Financing**

Rules that have been in place since 2015 for the financing of leadership and nomination contestants have, in general, been expanded to include registered political parties, registered district associations, and candidates.

### **3.2.1 Definition of “financing”**

*(PPFA, ss. 1(1))*

The definition of the term “financing” was amended to read as follows:

*“financing” means, subject to section 2,*

*(a) a loan or other credit granted at a fair market rate of interest for the political purposes of a political party, association, leadership contestant, nomination contestant or candidate, or*

*(b) any guarantee of a loan or other credit referred to in paragraph (a);*

The amendment added political parties, associations, and candidates to the list of entities to whom the rules concerning financing apply.

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<sup>2</sup> Based on the Consumer Price Index (Canada) for the 12-month period ending on the preceding 30<sup>th</sup> day of September.

<sup>3</sup> The exception to this rule applies in the case of registered third parties, to whom corporations and trade unions may continue to make “election advertising contributions”.

### **3.2.2 Exceptions from financing**

*(PPFA, ss. 2(2.1))*

Despite the expanded definition described above, several types of transactions are not considered financing under the Act:

- Commercial credit extended by a business in connection with the sale of goods or services;
- Non-election expenditures, incurred by a person using their own money or credit, that are authorized and reimbursed by an official representative;
- Election expenses, incurred by a person using their own money or credit, that are authorized and reimbursed by a chief agent or by an official agent;
- Election expenses incurred personally by candidate and reimbursed by the candidate's official agent; and
- Election expenses incurred by designated publicity agency and reimbursed by a chief agent or an official agent.

Since these transactions are not subject to the definition of financing, they are not subject to the annual limit placed on contributions and financing. They will allow for short-term commercial purchases and subsequent payments or reimbursements needed for acquiring goods and services during the heat of an election campaign. For example, a campaign team member would be permitted to pay for advertising mail-outs in excess of \$3,000, as long as he or she was reimbursed on a timely basis by the official agent of the candidate.

### **3.2.3 Loans between parties, associations, and candidates**

*(PPFA, ss. 2(2.2))*

Loans and other credit, and guarantees of these, between registered political parties, registered district associations, and their official candidates are not considered financing under the Act and are not subject to any limit. They must simply be recorded and reported by the appropriate official representative, chief agent, or official agent, as the case may be.

### **3.2.4 Eligible financiers**

*(PPFA, ss. 37(2))*

Only individuals, chartered banks, trust companies, credit unions and other commercial lending institutions may provide financing to provincial political entities. Effective June 1, 2017, all other corporations and trade unions are no longer eligible to provide such financing.

Federal political parties and electoral district associations, which are registered under the *Canada Elections Act*, are not eligible to provide financing to provincial political entities. Similarly, these

federally-registered parties and associations are prohibited under section 373 of the *Canada Elections Act* from receiving financing from provincially-registered entities.

### **3.3 Eligible recipients of contributions and financing**

*(PPFA, s. 28, ss. 37(3), ss. 41(1), s. 42))*

Only a registered political party, registered district association, registered independent candidate, leadership contestant, or nomination contestant may solicit, collect or accept contributions or financing. Further, such contributions or financing shall be solicited only under the direction of an official representative by persons authorized in writing by the official representative.

Contributions may only be made, and financing may only be provided, to a registered political party, registered district association, registered independent candidate, leadership contestant, or nomination contestant. No such contribution or financing shall be made except to the official representative of the entity for whom or for which it is intended, or to a person authorized in writing by the official representative.

As a result of these provisions, no contributions or financing may be made or provided to a candidate or to his or her official agent.

This prohibition also applies to any contributions or financing that a candidate may wish to supply to his or her campaign. Rather than provide financial support directly to his or her official agent (as was common in the past), the candidate must provide any financial support to his or her registered district association (or registered political party), which may then transfer the funds to the official agent of the candidate.

### **3.4 Financial support only from own property**

*(PPFA, ss. 38(1), 38(2))*

An individual may make a contribution only out of his or her own property.

An individual, chartered bank, trust company, credit union or other commercial lending institution may provide financing only out of his or her or its own property.

### **3.5 Financial support must be unconditional**

*(PPFA, ss. 38(3), 38(4))*

The Act now includes financing in the following provisions:

*No individual shall solicit or accept services, money or other property from any source*

*(a) as consideration or reward for having made a contribution or provided financing, or*

*(b) on the condition, agreement or understanding, express or implied, that the individual will, as a result, make a contribution or provide financing.*

*No chartered bank, trust company, credit union or other commercial lending institution shall solicit or accept services, money or other property from any source*

*(a) as consideration or reward for having provided financing, or*

*(b) on the condition, agreement or understanding, express or implied, that the chartered bank, trust company, credit union or commercial lending institution will, as a result, provide financing.*

### **3.6 Limits on financial support**

There are several points to note regarding the limits placed on contributions and financing provided in support of political entities in New Brunswick.

#### **3.6.1 By individuals to political parties and district associations**

*(PPFA, ss. 39(1) to 39(3))*

Effective January 1, 2018, an individual may, during a calendar year, make contributions or provide financing that, when totalled together, do not exceed \$3,000 to *each* registered political party and/or any combination of its registered district associations. Prior to January 1, 2018, the annual limit is \$6,000.

An individual may also provide contributions or financing to *one* registered independent candidate, subject to the same annual limit of \$3,000 effective on January 1, 2018.

It is an offence of category E to violate this limit. Upon conviction, a category E offence bears a fine of between \$240 and \$5,200.

#### **3.6.2 By individuals to leadership or nomination contestants**

*(PPFA, ss. 39.1(1) to 39.1(3))*

The reduction in an individual's contribution and financing limit from \$6,000 to \$3,000 on January 1, 2018, also applies to financial support given by an individual to a leadership contestant or a nomination contestant. In turn, the reduced limit applies to the restriction on the sum of outstanding liabilities plus personal contributions calculated at the time of filing the final financial return of the contestant.

#### **3.6.3 By financial institutions to parties, associations, and independent candidates**

*(PPFA, ss. 39.1(4))*

A chartered bank, trust company, credit union or other commercial lending institution may provide financing to a registered political party, a registered district association or a registered independent candidate. There is no limit on the amount that may be loaned and there is no requirement to have guarantees supplied along with the loan.

### **3.6.4 By financial institutions to leadership or nomination contestants**

*(PPFA, ss. 39(5), ss. 39.1(5))*

If the full amount of financing is secured by sureties or guarantors, a chartered bank, trust company, credit union or other commercial lending institution may provide financing to a leadership contestant or to a nomination contestant in excess of the \$3,000 limit (\$6,000 in 2017). If the amount of financing is less than or equal to the annual limit, no guarantees of the financing are required.

Since guarantees are included in the definition of financing, an individual serving as a surety or as a guarantor shall comply with the annual limit of \$3,000 (\$6,000 in 2017).

### **3.7 Prohibition on accepting contravening funds**

*(PPFA, ss. 39.3)*

The Act now includes a candidate in the following provision and now extends coverage of financing to all of the entities listed:

*No registered political party, registered district association, registered independent candidate, candidate, leadership contestant or nomination contestant, and no person acting on its or his or her behalf, shall knowingly accept any contribution made or financing provided in contravention of this Act.*

To do so is an offence of category H. Upon conviction, a category H offence bears a fine of between \$500 and \$20,500.

With the inclusion of a candidate, this now means that the official agent of a candidate may not accept contributions or financing in the course of an election. Rather, the official agent may only accept transfers from a registered district association or a registered political party.

### **3.8 Unpaid loans and deemed contributions**

*(PPFA, s. 42.01)*

Several provisions have been added to address possible situations where loans to political entities are not repaid by the entity (commonly referred to as the “loans loophole”):

- If an individual waives the right to recover a loan provided to a political entity, the principal and interest outstanding on the loan are deemed to be a contribution on the date of the waiver and are subject to the applicable annual limit.
- A payment made by a surety or guarantor in respect of a loan is deemed to be a contribution and is subject to the applicable limit.
- A payment made by an individual in respect of a loan is deemed to be a contribution and is subject to the applicable limit.

- A contribution under the second or third points shall be deemed to have been made on the date when the payment is received by the official representative of the registered political party, registered district association, registered independent candidate, leadership contestant or nomination contestant for whom or for which it is intended or, if the payment is made directly on the loan, on the date of payment.

### 3.9 Depositing funds

(PPFA, s. 45)

All funds received from contributions and financing must be deposited with a chartered bank, trust company or credit union.

## 4 Annual allowance payable to qualifying registered political parties

(PPFA, ss. 32(2))

The formula to calculate the annual allowance payable to qualifying registered political parties<sup>4</sup> has been amended to weigh the votes received by female candidates at the previous general election at 1.5 times those received by male candidates. The provision now reads as follows:

*... the amount of an annual allowance that is payable for a fiscal year to a qualifying political party shall be determined by using the following formula:*

$$(A - B) \times (C + D \times 1.5) / (E + F \times 1.5)$$

*where*

*A is the amount of the appropriation authorized by the Legislature for making all of the payments which are required under this Act to be made to all of the registered political parties during the fiscal year;*

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<sup>4</sup> Political Process Financing Act, s.31:

*An annual allowance shall be payable for each fiscal year to the following registered political parties:*

*(a) every registered political party represented in the Legislative Assembly on April 1 of that fiscal year;*  
*and*

*(b) every registered political party which, although not represented in the Legislative Assembly, had at least 10 official candidates at the preceding general election.*

*B is the total amount to be paid under section 57 [reimbursement of audit fees] to all registered political parties during the fiscal year;*

*C is the total number of valid votes cast for all of the male official candidates of that qualifying political party at the preceding general election;*

*D is the total number of valid votes cast for all of the female official candidates of that qualifying political party at the preceding general election;*

*E is the total number of valid votes cast for all of the male official candidates of all the qualifying political parties at the preceding general election; and*

*F is the total number of valid votes cast for all of the female official candidates of all the qualifying political parties at the preceding general election.*

With the increase in audit fee reimbursements payable under changes to section 57 of the Act (discussed below in section 6 *Financial returns, auditors, and public inspection*), the funds available for paying the annual allowances, calculated as “A - B” above, will be less than what they were in prior years.

## **5 Expenditures other than election expenses**

Some significant changes have been made in relation to “expenditures other than election expenses”, more commonly referred to as “non-election expenditures”.

### **5.1 Deemed contributions**

*(PPFA, ss. 49(3) to (5))*

Expenditures other than election expenses of registered political parties, registered district associations, registered independent candidates, leadership contestants or nomination contestants shall be incurred only under the direction of the official representative of the entity by persons authorized by the official representative. There is no change here.

What is new, however, is that any person so authorized by an official representative to make such expenditures shall, without delay, submit to the official representative all expenditures incurred by the person.

Further, any person authorized by an official representative to make expenditures who, out of his or her own money or credit, incurs expenditures that are not reimbursed to the person by the official representative shall be deemed to have made a contribution to the official representative of the applicable entity equal in value to the amount of the expenditures.

## **5.2 Advertising annual limits**

(PPFA, ss. 50(1), (4), (5) and (6))

Expenditures other than election expenses incurred by registered political parties, registered district associations or registered independent candidates for advertising on radio or television broadcastings or in newspapers, periodicals or other printed matter are limited in amount each calendar year. Such expenditures are often incurred prior to a general election and are commonly referred to as “pre-writ advertising”.

In the case of registered political parties, the annual limit increased from \$35,000 to **\$200,000**. In the case of registered district associations and registered independent candidates, it increased from \$2,000 to **\$3,000**. **For each registered political party and its district associations, however, the limit of \$200,000 is also an aggregate limit for the group.**

On January 1<sup>st</sup> of each year, the \$200,000 and \$3,000 limits will be indexed to inflation.

## **5.3 Advertising exempt from limits**

(PPFA, ss. 50(2) and (3))

The Act has always exempted certain advertising from the advertising annual limits described above if such advertising is limited in its content. The acceptable content for such exempt advertising has been expanded, however, from the date, time, place, and subject matter of a public meeting to now include a photo of a guest speaker, the short-form name of the political party or district association, and an abbreviation or logo of the party. For greater clarity, the Act also now says that the meeting must be organized by a registered political party, registered district association, or registered independent candidate (as opposed to being organized by some other entity).

Also for greater clarity, the Act now says that the cost of postage for the mailing of letters, printed material and cards, including Christmas cards, is exempt from the limits described above. (The cost of the production and distribution of (i) newsletters distributed solely to members of a registered political party, and (ii) Christmas cards, and the cost of a publication in a newspaper of season’s greetings, congratulatory messages or best wishes for community events continue to also be exempt from the advertising limits.)

## **6 Financial returns, auditors, and public inspection**

*(PPFA, sections 55 to 64.1)*

The Act has always required the official representative of every registered political party to annually submit two financial returns to the Supervisor. The nature of these filings, however, has been changed, as follows:

- The first financial return covers the six-month period from January 1 to June 30 of the calendar year. This return is not to be audited. It must now be submitted no later than September 30 of that year.
- The second financial return covers the twelve-month period of the entire calendar year and must be audited by an independent accountant appointed by the official representative of the party. This return and its covering auditor's report must now be submitted no later than May 31 of the following calendar year.
- Starting in 2017, the Supervisor intends to introduce a requirement for each return such that details of contributions are also reported in a supplementary electronic file. This searchable data will be posted on the Elections N.B. website for inspection by the public.

The filing deadline of the audited financial return was extended from April 1 to May 31 in order to provide a more reasonable period of time for the party to conclude its transactions with its district associations and to allow its auditors more time to “get through income tax season” and conclude the financial audit. The Act clarifies that the auditors shall have access to all records pertaining to assets, liabilities, contributions and other revenues, and expenditures of the political party.

The maximum reimbursement of annual audit fees incurred by a registered political party has been increased from \$2,000 to \$7,000. On January 1st of each year, this amount will be indexed to inflation.

The annual financial return of a registered district association must now be filed by March 31 of the subsequent calendar year. This filing deadline was moved back by one day (from the previous deadline of April 1) to more clearly reflect the three-month preparation period provided to the official representative of the association.

The official representative of a registered independent candidate must now file a financial return by March 31 of each year. A return must be filed covering each preceding calendar year, or portion thereof, that the independent candidate is registered with Elections New Brunswick.

The Act now states that the forms provided by the Supervisor shall contain the information that the Supervisor considers necessary for the period covered by the returns. The completed returns shall also be accompanied by whatever supporting financial documents are required by the Supervisor.

Financial returns and supporting financial documents are to be available for inspection and copying within 30 days of being received – down from 90 days – at the offices of the Supervisor during ordinary

office hours. Further, financial returns and any financial documents the Supervisor considers appropriate shall be available on the Elections N.B. website no later than 30 days after receipt of them.

The Act has clarified that details of contributions by individuals totaling \$100 or less in the reporting period are not available for public inspection.

The Supervisor may now require any form or document to be submitted in an electronic format that has been approved by the Supervisor, using the technology put in place by the Supervisor. Such forms may also be signed electronically, in accordance with the Electronic Transactions Act.

## **7 Election expenses**

*(PPFA, ss. 69(2), ss. 69(6), sections 70 to 74; Elections Act, s. 138)*

Although not a change to the Act, the Supervisor wishes to stress that no person other than the official agent of a candidate (or the chief agent of a registered political party) shall authorize election expenses of a candidate (or party) and no election expenses shall be incurred except by an official agent (or chief agent) or a person authorized by such agent.

For the pending general election in 2018, the implications of these longstanding provisions being enforced are the following:

- Although they have often done so in the past, official representatives of registered district associations may not legally order or pay for electoral advertising packages in the months prior to the general election *unless* they are authorized to do so;
- In order for such authorization to be given, chief agents of political parties must appoint an “electoral district agent” for each such electoral district in advance of any election expenses being incurred<sup>5</sup>;

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<sup>5</sup> *Elections Act:*

*138(1) The Chief Electoral Officer shall maintain a registry in which shall be recorded the names and addresses of*

- (a) the chief agent and electoral district agents of each registered political party filed under this section;*
- (b) the official agent of each registered independent candidate filed under this section; and*
- (c) an official agent appointed under section 69 of the Political Process Financing Act and filed under this section.*

*138(7) ... the chief agent of a registered political party may, on the written authorization of the leader of that party, appoint at any time not more than one electoral district agent for that party for each electoral district and file the name and address of such appointment with the Chief Electoral Officer.*

- An electoral district agent automatically becomes the official agent of a candidate. The candidate may replace the official agent, however, upon filing his or her nomination paper with the returning officer; and
- Easier bookkeeping and reporting for both registered district associations and official agents would occur with all election expenses being paid from one campaign bank account or centralized party account set up by each electoral district agent/official agent.

The Act now requires that an authorized person incurring election expenses using his or her own money or credit shall submit a detailed statement of these election expenses to the applicable chief/official agent not later than 20 days after polling day. If not reimbursed by the chief/official agent, the person is deemed to have made a contribution equal in value to amount of election expenses. The contribution is deemed to have been made to the official representative of the registered political party, registered district association, or registered independent candidate, as the case may be.

The Act now states that a candidate may personally incur election expenses of up to \$2,000, giving the candidate some purchasing flexibility during the election period.<sup>6</sup>

If such election expenses, incurred by a candidate out of his or her own money or credit, are not reimbursed by the official agent, the candidate is deemed to have made a contribution equal in value to the amount of the expenses. The reference to credit was added because such expenses are often made with a credit card or on a personal line of credit. The contribution is deemed to have been made to the official representative of the registered political party, registered district association, or registered independent candidate, or to the unregistered independent candidate, as the case may be.

The Act now brings clarity to the status of an “unregistered independent candidate”. An independent candidate who will not be receiving contributions, who will not be incurring non-election expenditures, and who will only incur \$2,000 or less in election expenses during the election period and only from his or her own money or credit is not required to register with the Chief Electoral Officer. By not registering, the unregistered independent candidate does not have to appoint an official representative. He or she must still, however, appoint an official agent upon filing his or her nomination paper. The official agent must file an electoral financial return on behalf of the candidate.

A designated publicity agency, appointed by a registered political party or a candidate and authorizing or incurring election expenses using its own money or credit, shall submit a detailed statement of these election expenses to the chief or official agent no later than 20 days after polling day. If not reimbursed

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*138(8) An electoral district agent of a registered political party may be the same person as the official representative of a registered district association of that party if he is registered with the Chief Electoral Officer both as an official representative and as an electoral district agent.*

<sup>6</sup> Although this was the original intention of the legislation, the previous wording was confusing in referring to a candidate’s “personal expenses which constitute election expenses”.

by the chief/official agent, the designated publicity agency is deemed to have made a contribution equal in value to amount of election expenses. The contribution is deemed to have been made to the official representative of the registered political party, registered district association, or registered independent candidate, as the case may be. Of course, this scenario would constitute a violation of the Act since a corporation is no longer permitted to make a contribution; hence, a designated publicity agency must be reimbursed for any election expenses that it incurs using its own money or credit.

Electoral financial returns, which must be submitted to the Supervisor by official agents of candidates and by chief agents of registered political parties, shall be accompanied by supporting documentation. The list of supporting documentation has been changed from "invoices, receipts, and other vouchers" to "any financial documents that may be required by the Supervisor". The Supervisor will ask that bank statements, deposit slips, credit card statements, lines-of-credit statements, financing agreements, invoices, etc. be submitted with the returns. These financial returns and documents shall be available for public examination and copying by any person.

## **8 Reimbursement of election expenses**

*(PPFA, s.78)*

For a candidate who is eligible to receive a reimbursement of his or her election expenses<sup>7</sup>, the reimbursement will now be payable as follows:

*(a) if the candidate is an official candidate of a registered political party,*

*(i) to the registered district association associated with that party in the electoral district in which that person is a candidate, or*

*(ii) to the registered political party if there is no registered district association associated with that party in the electoral district in which that person is a candidate;*

*(b) if the candidate is a registered independent candidate, to the official representative of that candidate; and*

*(c) if the candidate is an unregistered independent candidate, to that candidate.*

These changes to the Act were made so that:

- The election expenses reimbursement will no longer be paid to the official agent of the candidate;

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<sup>7</sup> PPFA, 78(1): *If a candidate is declared elected in an election under the Elections Act or has obtained, according to the final addition of the votes cast at the election, 15% or more of the valid votes cast in the electoral district in which the person was a candidate, an election expenses reimbursement shall ... be payable....*

- The election expenses reimbursement may now be properly considered by a registered district association in its financing plans for an election campaign; and
- Campaign bank accounts and centralized party accounts, opened by an electoral district agent/official agent of a candidate, should be able to be closed prior to submitting the electoral financial return of the candidate to Elections New Brunswick. This will make for easier reporting by the official agent and much less follow-up work by staff of Elections New Brunswick.

In keeping with the practice followed by the Supervisor in the 2014 general election, any advertising material that was used in a previous election is **not** eligible for the current election expenses reimbursement. This treatment is also consistent with the treatment given to contributions of property and services that must be included with election expenses.

## **9 Prosecution of offences**

*(PPFA, ss. 90(3))*

For offences alleged to have been committed on or after July 1, 2017, a prosecution under the Act shall be commenced not later than four years after the day the alleged offence was committed. Offences alleged to have been committed prior to this date must be commenced within the previous deadline of two years.