

April 21, 2021

# Election Finances Newsletter Bill 254, *Protecting Ontario's Elections Act, 2021*Information for Third Party Political Advertisers 2022 General Election in Ontario

### Introduction

The *Election Finances Act* has recently been amended by the Legislative Assembly of Ontario. Bill 254, *Protecting Ontario Elections Act, 2021* received Royal Assent on April 19, 2021. Many of the changes included in Bill 254 relate to third party political advertising in Ontario. The Bill can be found on the Legislative Assembly's website <a href="here">here</a>.

Please be advised that some material in the current Elections Ontario handbooks and guidelines for chief financial officers is no longer up to date. Elections Ontario will be issuing updated handbooks and guidelines.

Our staff in the Compliance Division will also be able to answer specific inquiries. If you have any questions, please contact us at: <u>electfin@elections.on.ca</u>.

# Amendments to the third party political advertising rules in Ontario

### Extended non-election period

The non-election period prior to a fixed date general election has increased to 12 months (previously 6 months). For the 2022 General Election, this period begins May 4, 2021.

### Registration Requirements for Third Parties

Every person or entity spending \$500 or more on political advertising in either the twelve months before a fixed date general election (the non-election period) or during an election period; and who is not a registered candidate, political party, or constituency association, must register with Elections Ontario.

# **Spending Limits**

The spending limit during the non-election period for third party political advertising has not changed. The spending limit during this period for the 2022 General Election is \$637,200. This amount will increase in 2022 due to annual indexation.

A third party must not spend more than \$25,488 in any electoral district.

# **Interim Advertising Reporting**

Third Parties are now required to disclose funds incurred for political advertising through interim reports.

These interim reports are required when a third party has paid or committed to any person or entity to spend funds on political advertising. The amount spent or committed is required to be reported, with a separate report being required each time its aggregate spending increases by an amount of at least \$1,000. Elections Ontario will prescribe this report and provide it to registered third parties.

Third Parties must report to Elections Ontario when they have reached the applicable spending limit.

Elections Ontario must publish this information on our website within two business days of receiving the reports. Based on the interim reports, Elections Ontario must also publish the percentage of the maximum spending limit each third party has spent.

## No Combination to Exceed Spending Limit

Adjustments have been made to the rules respecting collusion with third parties.

No third party shall circumvent, or attempt to circumvent, the spending limits in any manner, including by:

- acting in collusion with another third party so that their combined political advertising expenses exceed the applicable limit;
- splitting itself into two or more third parties:
- colluding with, including sharing information with, a registered party, registered constituency association, registered candidate, registered leadership contestant, or registered nomination contestant or any of their agents or employees for the purpose of circumventing the limit;
- sharing a common vendor with one or more third parties that share a common advocacy, cause or goal;
- sharing a common set of political contributors or donors with one or more third parties that share a common advocacy, cause or goal;
- sharing information with one or more third parties that share a common advocacy, cause or goal; or
- using funds obtained from a foreign source prior to the issue of a writ for an election.
- Any contribution from one third party to another third party for the purposes of political advertising shall be deemed as part of the expenses of the contributing third party.

# Administrative Penalties

Elections Ontario now has the authority to issue administrative monetary penalties for certain political advertising contraventions.

Where the Chief Electoral Officer believes on reasonable grounds that a person or entity has contravened one of the following provisions of this Act, the Chief Electoral Officer may make an order requiring the person or entity to pay an administrative penalty:

Political advertising appearing during the blackout period (section 37);

Failure to register as a third party (section 37.5);

Exceeding the spending limits (section 37.10.1);

Certification regarding no coordination (section 37.12)

Election survey results that have not previously been made available to the public (section 36.1)

Failure to file interim reports (section 37.10.2); and

Failure to file Third party political advertising final report (section 37.12).

# **Contact Us**

If you plan to conduct political advertising, the Compliance Division is your contact for information about your obligations under the *Election Finances Act*.

Elections Ontario Compliance Division 51 Rolark Drive Toronto ON M1R 3B1

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Please note our office hours are Monday to Friday from 8:30 A.M. to 4:30 P.M. EST.