

Fact sheet

Candidates and groups at the 2023 NSW State election

The following information is for candidates and groups at the 2023 NSW State election. Information in this fact sheet is based on the provisions of the <u>Electoral Funding Act 2018</u> and the <u>Electoral Funding Regulation 2018</u>. Refer to the <u>NSW Legislation website</u> for the full requirements and/or be guided by independent legal advice.

Electoral funding obligations at the 2023 NSW State election

Political parties, candidates, groups and other electoral participants are responsible for complying with electoral funding laws before, during and after the election is held. This includes registering for the election, and the management and disclosure of political donations and electoral expenditure.

An election calendar which includes relevant dates for the election, including dates for registration and disclosure, is published on the NSW Electoral Commission <u>website</u>.

Registration of candidates and groups

Candidates contesting the 2023 NSW State election must not accept <u>political donations</u> or make payments for <u>electoral expenditure</u> before being registered for the election. Candidates who have formed a group for the Legislative Council election must be registered as a group before the group accepts a political donation or makes a payment for electoral expenditure. Candidates and groups who are not registered before being nominated are taken to be registered once the Electoral Commission confirms that they have been validly nominated. Current members of the NSW Parliament who are seeking re-election do not need to be registered.

Registration is a separate process to being nominated. The difference between registration and nomination is explained in a short YouTube <u>video</u>. Whether or not they registered for the election, all candidates and groups must also separately be nominated to have their name included on a ballot paper. The NSW Electoral Commission website has published a <u>step-by-step guide for candidates at the 2023 NSW State election</u>, which includes information about how and when to submit a nomination form to have your name included on the ballot paper. Nominations must be submitted between Monday, 27 February 2023 and 12 noon on Wednesday, 8 March 2023.

How and when to register

Apply to be registered as a candidate or group using <u>Funding and Disclosure Online</u>. PDF forms are available <u>on request</u>. Registrations close on the same day as the close of nominations for the 2023 NSW State election (12 noon, Wednesday 8 March 2023).

A candidate or group is registered once the Electoral Commission has processed the registration application. The candidate or group is not permitted to accept political donations or pay for electoral expenditure until registered, or until they are nominated for the election. Candidates and groups are notified of their registration in writing by the Electoral Commission.

Candidates and groups not already registered before being nominated are taken to be registered once the NSW Electoral Commission confirms that they have been validly nominated, and from that time are lawfully entitled to accept political donations and make payments for electoral expenditure.

Further information on candidate registration is available on the NSW Electoral Commission's YouTube channel and on the NSW Electoral Commission website.

Public registers

The registered details of candidates and groups are included in registers, copies of which are published on the NSW Electoral Commission website and are available for physical inspection at the office of the Electoral Commission. If you are registered for the election and you are, or become a silent elector, contact us to ensure your address is not made publicly available.

Candidates and groups must notify the Electoral Commission of any changes to their details on the Register within 30 days of the change occurring, using <u>Funding and Disclosure Online</u>. PDF forms are still available <u>on request</u>. Registration may be cancelled if the Electoral Commission is not notified of these changes.

Who is responsible for political donations and electoral expenditure?

The <u>person responsible</u> for making disclosures by, or on behalf of, an elected member, candidate, group of candidates, third-party campaigner or associated entity is also responsible for:

- keeping complete and accurate <u>records</u> of political donations and electoral expenditure
- operating a <u>campaign account</u>
- receiving political donations and making payments for electoral expenditure.

The person responsible is shown in the table below.

Election participant	Person responsible
Political party	Party agent
State election candidate	Party agent, if the candidate is a member of a party that is registered for state elections
	State candidate in all other cases
	Where a candidate in a State election is dis-endorsed by a registered party, a party agent may notify the Electoral Commission and from receipt of that notice by the Electoral Commission, the person responsible for making a disclosure for the dis-endorsed candidate, is the candidate and not the party agent.
State election group of candidates	Party agent of a party registered for state elections where all candidates in the group are members of the party
	Party agent of a party registered for state elections where the lead candidate is a member of the party and one or more other candidates in the group are members of another party that is registered for state elections
	Lead candidate of the group in all other cases
Associated entity	Official agent of associated entity

Election participant	Person responsible
Third-party campaigner	Official agent of third-party campaigner
Major political donor	If the donor is an individual, the individual
	If the donor is an entity, the entity

Except in the case of a political party, all political donations must be made to the person responsible and all payments for electoral expenditure must be made by the person responsible. In the case of a political party, any person authorised by the party may accept political donations made to the party and may pay for electoral expenditure incurred by the party from the party's <u>State campaign account</u>.

Political donations

<u>Political donations</u> must be disclosed and only people on the electoral roll, entities with a business number, or those whose identity has been approved by the Electoral Commission can lawfully make political donations. It is an offence to make or accept <u>a political donation that does not comply with the law</u>. This includes anonymous donations and donations from prohibited donors.

Political donations are subject to specific <u>caps</u>. It is an offence to accept a political donation that exceeds the applicable cap. The donation caps are adjusted each financial year. For the 2022-23 financial year the caps are:

- \$7,000 for political donations made to or for the benefit of a registered party or group
- \$3,300 for political donations made to or for the benefit of an unregistered party, a candidate, group, elected member, third-party campaigner or associated entity.

Further information about political donations is available on <u>YouTube</u> and on the NSW Electoral Commission <u>website</u>.

Electoral expenditure

<u>Electoral expenditure</u> incurred by (or on behalf of) a party, candidate or group must be disclosed to the Electoral Commission.

Electoral expenditure of parties, candidates and groups is <u>capped during the capped expenditure</u> <u>period</u> for the election (Saturday, 1 October 2022 to Saturday, 25 March 2023). It is an offence to incur electoral expenditure in connection with the election that exceeds the applicable expenditure caps. The expenditure caps that apply at the election are:

Election Participant	Expenditure Cap
Party with more than 10 endorsed Legislative Assembly candidates at a general election	\$132,600 multiplied by the number of electoral districts in which a candidate is endorsed by the party
Party that endorses candidates in a group for the Legislative Council but does not endorse any candidates for election to the Legislative Assembly or does not endorse candidates in more than 10 electoral districts	\$1,389,900
Independent Legislative Council group at a general election	\$1,389,900

Election Participant	Expenditure Cap
Endorsed Legislative Assembly candidate at a general election	\$132,600
Independent Legislative Assembly candidate at a general election	\$198,700
Ungrouped Legislative Council candidate at a general election	\$198,700
Electoral district cap for a party	\$66,400 within the party's overall expenditure cap
Third-party campaigner at a general election	\$1,288,500 – if the third-party campaigner was registered before the commencement of the capped State expenditure period for the election (1 October 2022) or \$644,300 – in other cases

Further information about electoral expenditure is available on <u>YouTube</u> and on the NSW Electoral Commission <u>website</u>.

Self-funding and donations made by candidates

A candidate can contribute funds to finance their own election campaign. There is no limit as to the amount a candidate can 'self-fund'. A candidate can use their own personal funds to make contributions to finance their own campaign. These contributions are not political donations but must be paid into the candidate's campaign account, or to the party's State campaign account where a party agent is responsible for the candidate.

A candidate for the Legislative Assembly election can donate up to \$66,400 to the party of which they are a member. A candidate for the Legislative Council can donate up to \$55,800 to the party of which they are a member, or to the group of which they are a member, in the case of an independent candidate. The party or group (as applicable) can use these funds to pay for its electoral expenditure. These are political donations but are not subject to the donation caps. If the candidate wishes to make further donations to the party or group, the donations will be subject to the donation caps (except party membership fees paid to a party of up to \$2,000).

Campaign accounts

A candidate, or lead candidate of a group, who is responsible for their own campaign account and disclosures, or the group's political donations and electoral expenditure, must open a campaign account. The campaign account must be opened before the candidate or group accepts \$1,000 or more in political donations or incurs \$1,000 or more in electoral expenditure. The campaign account must be used to make payments for the candidate or group's electoral expenditure and for depositing political donations made to the candidate or group.

Where a <u>party agent</u> is responsible for a candidate or group, the candidate or group is not permitted to open a campaign account. All political donations made to or for the benefit of the candidate or group must be paid into, and all electoral expenditure of the candidate or group must be paid from, the party's State campaign account.

Detailed information about campaign accounts is on the NSW Electoral Commission website.

Making disclosures to the NSW Electoral Commission

Political donations and electoral expenditure must be <u>disclosed</u> to the Electoral Commission. Disclosures are made in a declaration form which must be signed and submitted by the deadline by the person responsible. Disclosures are published on the NSW Electoral Commission website.

There are three types of disclosures that apply to the election:

- 1. Reportable political donations made and received of \$1,000 or more in the lead-up to the election, must be disclosed within 21 days in a pre-election disclosure.
- 2. All other political donations made and received must be disclosed within 6 weeks of the end of the half-year period ending 31 December and 30 June (that is, by 11 February and 11 August).
- 3. Electoral expenditure incurred must be disclosed within 12 weeks of the end of the annual period ending 30 June (that is by 22 September).

Complete and accurate <u>records</u> of political donations and electoral expenditure must be retained for three years. The Electoral Commission conducts compliance audits of parties, candidates, groups and other electoral participants.

Further information is available in the Electoral Commission's YouTube videos on <u>disclosures</u> and NSWEC pre-election period disclosures video and on the NSW Electoral Commission website.

Public funding for registered parties and candidates

Candidates and registered parties may be eligible to be <u>reimbursed for certain electoral expenditure</u> incurred in connection with the election. Certain criteria must be met to be eligible for public funding.

The Electoral Commission writes to all eligible candidates and parties after the election to inform them when and how to make a claim for payment.

Detailed information on the public funding of election campaigns is available on the <u>NSW Electoral</u> <u>Commission website</u>.

Offences under the Electoral Funding Act 2018 and Regulations

It is an offence for a candidate, elected member, group or party agent to contravene the requirements of the *Electoral Funding Act 2018* in relation to the registration requirements, managing, recording and disclosing political donations and electoral expenditure and operating a campaign account.

The Electoral Commission can issue warnings, penalties or prosecute offences including for the unlawful use of a campaign account, failing to comply with the registration requirements, failing to record or disclose political donations and electoral expenditure and accepting political donations or making payments for electoral expenditure unlawfully.

More information

Rules that apply to political participants at the 2023 NSW State election are determined in the *Electoral Funding Act 2018*, available in full at www.legislation.nsw.gov.au. Penalties apply for non-compliance.

More information for political participants can be found on the NSW Electoral Commission website.

For further information, contact us on 1300 022 011 or at fdc@elections.nsw.gov.au