

Law no. 334/2006
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ROMANIAN PARLIAMENT

CHAMBER OF DEPUTIES

THE SENATE

LAW **on the financing of electoral campaigns** **and the activity of political parties**

The Romanian Parliament hereby adopts this law.

CHAPTER I

General provisions

Art. 1. – (1) This law is aimed at ensuring equal opportunities in the political competition and transparency in the financing of electoral campaigns and the activity of political parties.

(2) Public or private financing can not be aimed at limiting the independence of political parties.

(3) The financing of the political party activity shall be made only according to the lawful provisions.

Art. 2 – Political parties can have, according to the lawful provisions, movable and immovable assets necessary for the performance of their specific activity.

Art. 3 - (1) The financing sources supporting the activity of a political party are:

- a) membership fees;
- b) donations, legacies and other liberalities;
- c) income from the party's own activity according to art. 12;
- d) subsidies from the state budget.

(2) Political parties can not have or use other financing sources than those stipulated under paragraph 1.

(3) Political parties shall organize their own accounting operations, according to the accountancy regulations in force.

(4) The collection and payment operations of a political party shall be carried out through bank accounts in RON and in foreign currency opened with banks seated in Romania, according to the lawful provisions.

(5) The income obtained from the activities stipulated under paragraph 1, point c is exempted from taxes and duties.

CHAPTER II

Private financing

SECTION 1

Membership fees

Art. 4 – (1) The amount of the membership fees, the distribution and use of the same shall be established by decisions of the political party in case, according to its articles of association.

(2) The total income from membership fees is not capped.

(3) The total amount of the membership fees paid during one year by a party member can not exceed 48 minimum gross salaries at the country level. The minimum gross base salary at the country level taken as reference shall be the salary applicable on 1 January of the year in case.

(4) Political parties shall publish in the Official Journal of Romania, Part I, the total amount of the income from membership fees by 31 March of the following year, as well as the list of party members that paid in one year membership fees whose cumulated value exceeds 10 minimum gross salaries at the country level.

(5) The list indicated under paragraph 4 shall include the following elements: the last name and first name of the party member, citizenship, personal identification number, amount and date when the membership fee was paid.

SECTION 2

Donations

Art. 5 – (1) The donations received by a political party during a financial year can not exceed 0.025% of the income stipulated in the state budget for the year in case.

(2) During the financial year when local general elections, parliamentary elections, elections for the European Parliament or elections of the Romanian president are organized, the cap will be 0.050% of the income stipulated in the state budget for the year in case.

(3) The donations received from a natural person during one year can amount up to 200 minimum gross base salaries at the country level, as of 1 January of the year in case.

(4) The donations received from a legal person during one year can amount up to 500 minimum gross base salaries at the country level, as of 1 January of the year in case.

(5) The total amount of the donations made by legal persons directly or indirectly controlled by another person or group of natural or legal persons can not exceed the limitations stipulated under paragraphs 3 and 4.

(6) The fair value of the movable and immovable assets donated to the party, as well as of the services provided to the same free of charge shall be included in the value of the donations, according to the limitations stipulated under paragraphs 1-4.

(7) Legal entities who, on the donation date have outstanding debts older than 60 days to the state budget, the social security budget or the local budgets are forbidden to make donations to political parties, unless they have to recover an amount larger than their own debt.

(8) Upon making the donation, the political party shall request the legal person donor to make a statement under its own responsibility regarding the compliance with the terms stipulated under paragraph 7.

(9) Political parties are forbidden to accept in any way, either directly or indirectly, any donations of material goods or amounts of money or the provision of free of charge services for the obvious purpose of obtaining an economic or political advantage or in breach of the provisions stipulated under paragraph 8.

Art. 6 – Price discounts exceeding 20% of the value of the goods or services offered to political parties and independent candidates shall be deemed as donations and shall be registered separately in the accounting records of the party or independent candidate in case, according to the standards issued by the Ministry of Public Finances.

Art. 7 – (1) Upon receiving a donation, the identity of the donor shall be mandatorily checked and registered, irrespective of the public or confidential character of the same.

(2) Upon the donor's written request, its identity remains confidential if the donation does not exceed annually 10 minimum gross salaries at the country level.

(3) The total amount received by a political party as confidential donations can not exceed the equivalent of 0.0006% of the income stipulated by the state budget for the year in case.

Art. 8 – (1) All donations shall be adequately registered in accounting records, specifying the date when they were made and other information which should allow the identification of the financing sources.

(2) Any donation in goods or services provided free of charge shall be reflected in the accounting records at their fair value established according to the lawful provisions.

(3) The activities performed voluntarily according to the lawful provisions shall not be deemed as donations.

Art. 9 – (1) Political parties shall publish in the Official Journal of Romania, Part I the list of natural and legal persons who during a financial year made donations whose cumulated value exceeds 10 minimum gross base salaries at the country level, as well as the total amount of the confidential donations received by 31 March of the following year.

(2) The list indicated under paragraph 1 shall include the following elements:

a) for natural persons: last name and first name of the party member, personal identification number, citizenship, amount, type of donation and date when it was made;

b) for legal persons: name, registered office, nationality, unique registration code, amount, type of donation and the date when it was made.

Art. 10 – (1) The use of financial, human or technical resources belonging to public institutions, autonomous administrations, national companies, trading companies or banking companies in which the state or a local administrative unit is the majority shareholder to support the activity of political parties or of the electoral campaigns of the same is forbidden, except according to the conditions established by the electoral laws.

(2) Political parties can not accept donations or services provided free of charge from a public authority or institution, autonomous administration, national company, trading company or banking company whose entire or majority capital is owned by the state.

(3) Donations made by a trade union or any religious cult, irrespective of their nature, are strictly forbidden.

(4) The amounts received in breach of the provisions stipulated under paragraphs 2 and 3 shall be confiscated and included in the state budget.

(5) The provisions of paragraphs 1-4 shall apply accordingly for political alliances, electoral alliances, as well as for independent candidates.

Art. 11 – (1) Donations from other states or foreign organizations, as well as from foreign natural or legal persons are forbidden.

(2) Notwithstanding the provisions of paragraph 1, donations consisting of material goods necessary for the political activity but which are not electoral propaganda materials, received from international political organizations to which the respective party is affiliated or from political parties or political organizations collaborating with the party in case are permitted. Propaganda materials that are to be used only during the electoral campaign for the election of the Romania's representatives to the European Parliament are also permitted.

(3) The donations stipulated under paragraph 2 shall be published in the Official Journal of Romania, Part I by 31 March of the following year.

(4) The donations stipulated under paragraph 2 are exempted from the payment of customs duties, except for means of transport.

(5) The amounts received in breach of the provisions stipulated under paragraph 1 shall be confiscated and included in the state budget.

SECTION 3

Other income sources

Art. 12 – (1) Political parties can not pursue activities specific to trading companies. The following activities from which political parties can obtain income, are excepted:

a) editing, publishing and distributing publications and other propaganda and political culture materials specific to the party in case;

b) organizing meetings and seminars on political, economic or social topics;

c) cultural, sport and entertainment events;

d) internal services;

e) renting the premises included in the party patrimony in order to organize conferences or social and cultural activities or to organize parliamentary offices;

f) alienating plots of land and buildings included in the party patrimony, but only after at least 10 years after the registration of the same in the said patrimony, except for political parties that are dissolving. The 10 year period shall not apply for inherited real estates;

g) alienating movable assets included in the patrimony only if they do not represent commercial properties.

(2) Political parties can obtain income from bank interests.

(3) Political parties shall publish in the Official Journal of Romania, Part I, the total value of the income obtained from other sources, by 31 March of the following year.

Art. 13 – (1) If a party is associated, according to the lawful provisions, to an apolitical organization, the financial contribution of the latter to the respective form of association can not exceed during one financial year the value of 500 minimum gross base salaries at the country level, as of 1 January of the year in case.

(2) The total financial contribution for forms of association with apolitical organizations can not exceed during one year the equivalent of 0.006% of the income stipulated in the state budget for the year in case.

(3) The amounts received in breach of the provisions stipulated under paragraphs 1 and 2 shall be confiscated and included in the state budget.

(4) Political parties shall publish in the Official Journal of Romania, Part I, the total value of the amounts that represent the object of paragraph 1, by 31 March of the following year.

CHAPTER III

Public financing

Subsidies from the state budget

Art. 14 - (1) Political parties shall receive an annual subsidy from the state budget, according to the lawful provisions.

(2) The amount allotted annually for political parties can not exceed 0.04% of the income stipulated in the state budget. For the political parties that promote women on their electoral lists on eligible positions, the amount allotted from the state budget shall be increased in direct proportion with the number of the mandates obtained during election by the female candidates.

(3) The subvention from the state budget shall be granted based on the following criteria:

a) the number of votes obtained at the parliamentary elections;

b) the number of votes obtained at the local elections;

(4) In the case of political or electoral alliances, the subsidy shall be divided, as agreed, between the alliance members, or, in the absence of any agreement, according to the number of mandates obtained.

Art. 15 – 75% of the annual budget allotted to political parties shall be divided to the same, in direct proportion with the number of votes obtained at the parliamentary elections, that is based on the average number of validly expressed votes for the Chamber of Deputies and the Senate, if they made the electoral threshold.

Art. 16 – 25% of the annual budget allotted to political parties shall be divided to the same, in direct proportion with the number of validly expressed votes, obtained at the local election for county counselors and the counselors for Bucharest municipality, if they obtained at least 50 mandates of county counselor and counselor for Bucharest municipality.

Art. 17 - Political organizations and political alliances shall receive an annual subsidy from the state budget, according to the lawful provisions.

Art. 18 – (1) The subsidy from the state budget shall be paid monthly in the account of every political party through the budget of the Permanent Electoral Authority and it shall be reflected distinctly in the accounting records of the political parties.

(2) A specialized compartment shall be established at the level of the Permanent Electoral Authority for the allotment of the subsidy from the state budget.

Art. 19 - (1) The subsidy from the state budget can be suspended temporarily by decision of the Permanent Electoral Authority in case of any breach of the provisions stipulated under art. 3, paragraph 3, art. 4, paragraph 4, art. 9, art. 11, paragraph 3, art. 12, paragraph 1, art. 13, paragraph 4, art. 39 and art. 40, paragraph 2, until the compliance with the lawful provisions.

(2) The Permanent Electoral Authority shall previously notify to the political party the non-conformities established and the remedy term for the same.

(3) The term granted to political parties for the remediation of the established non-conformities can not exceed 15 days.

(4) The decision to temporarily suspend the monthly installments from the state budget can be appealed against within 15 days from its delivery to the competent administrative court, which shall take a decision within 15 days from such appeal. The court decision shall be final and irrevocable.

(5) Within 10 days from the written notification of the political party with reference to the remediation of the established non-conformities, the Permanent Electoral Authority shall take a decision on the cessation of the monthly installment suspension.

Art. 20 – (1) The income from subsidies from the state budget can be used for the following purposes:

a) material expenses for the maintenance and operation of the premises;

- b) personnel expenses;
- c) media and propaganda expenses;
- d) expenses for the organization of political activities;
- e) expenses for travelling in Romania and abroad;
- f) expenses for telecommunications;
- g) expenses for delegations abroad;
- h) expenses for the membership fees due to the international political organizations to which the party is affiliated;

- i) investments in movable and immovable assets necessary for the activity of the respective party;
- j) protocol expenses;
- k) office supplies expenses;
- l) electoral campaign expenses.

(2) The use of income from subsidies from the state budget for any other purposes than those stipulated under paragraph 1 is forbidden.

(3) The efficiency and necessity of such expenses shall be determined by the management bodies of the political parties, according to their articles of association and the lawful provisions.

Art. 21 – (1) The authorities of the central and local public administration shall provide with priority within 90 days from receiving an application to this purpose, premises for the head and local offices of the political parties, as well as the associated land, based on a justified request.

(2) Political parties can receive one head office at the most for each local administrative unit.

(3) The renting by the local authorities of the premises to be used as head offices of political parties shall comply with the same legal status as those stipulated for the renting of residential areas.

(4) Political parties that cease their activity as a result of reorganization, self-dissolution or dissolution ordered by a final decision of a court shall hand over to the authorities of the local public administration within 30 days, the premises they occupied based on a lease contract concluded with the same. The premises owned by the party shall be conveyed according to the lawful provisions.

(5) Within 30 days, Bucharest Court House shall communicate to the Ministry of Administration and Internal Affairs the cessation of activity of any political party.

(6) Within 15 days from receiving such communication, the Ministry of Administration and Internal Affairs shall notify the prefect's offices of all counties and of Bucharest municipality about the respective decisions so that the rented premises could be taken over by the public authorities through officers of the court, if they were not handed over within the due term.

Art. 22 – The payment of all expenses for telecommunications, electricity, thermal energy, gas, water, sewerage etc incurred by a party shall be exclusively covered by the same and it shall be made at the same tariffs as those charged for residential areas.

CHAPTER IV

Financing during electoral campaigns

SECTION 1

Electoral campaign contributions

Art. 23 – (1) Any donation or legacy received after the initiation of an electoral campaign from natural or legal persons shall be notified to the Permanent Electoral Authority by the financial agent within 5 working days from receiving the same.

(2) Any donation or legacy received after the initiation of an electoral campaign can be used for the electoral campaign of a party only after it is notified to the Permanent Electoral Authority.

Art.24 – (1) The financing of the electoral campaign – either directly or indirectly by foreign natural or legal persons is forbidden.

(2) Any such amounts received shall be confiscated and included in the state budget.

Art. 25 – (1) The financing by any means of the electoral campaign of a party, alliance of a party or independent candidate by a public authority, public institution, autonomous administration, national company, trading company or banking company in which the state or local administrative units are the majority shareholder, or by trading companies pursuing activities financed from public funds is forbidden. The interdiction also applies for trading companies which, 12 months before the initiation of the electoral campaign pursued activities financed from public funds.

(2) The financing by any means of the electoral campaign of a party, alliance of the same or of an independent candidate by trade unions, religious cults, foreign associations and foundations is forbidden.

(3) The amounts received in breach of the provisions stipulated under paragraphs 1 and 2 shall be confiscated and included in the state budget.

SECTION 2 **Financial agent**

Art. 26 – (1) All donations and legacies from natural or legal persons shall be received through a financial agent appointed to this purpose by the party management.

(2) The financial agent shall keep a record of all financial operations, as follows:

a) at the national level, in case of presidential elections and of the election of Romania's representatives in the European Parliament;

b) for each individual constituency, in case of elections for the Chamber of Deputies and the Senate, respectively;

c) for each county constituency, in case of elections for the position of county counselor;

d) for each local constituency in case of candidates for the position of mayor and local counselors.

(3) The financial agent shall have the following prerogatives:

a) to keep a record of the income received for the electoral campaign, of the transfers of other funds from the income obtained outside the electoral period and of the expenses made for the electoral campaign;

b) to check the lawfulness of the financial operations executed during the electoral campaign and the compliance with the provisions regarding the donations received during the electoral campaign;

c) to submit to the Permanent Electoral Authority a report on the compliance with the lawful terms regarding the financing of political parties during an electoral campaign.

(4) The financial agent shall be held jointly responsible with the party appointing the same for the lawfulness of the financial operations executed during an electoral campaign and for the compliance with the provisions of art. 23-25.

(5) The financial agent can be a natural or legal person.

(6) A party can have several financial agents, at the central level, for its subsidiaries or for its candidates; in this case the prerogatives of the same shall be clearly indicated and a coordinating financial agent shall be appointed.

(7) Several parties can not employ the services of the same agent, except in case they are part of the same political or electoral alliance.

(8) The status of financial agent can be acquired only after its official registration with the Permanent Electoral Authority and it shall be brought to the public attention by announcements in the media or by publication on the party web site.

Art. 27 – The provisions of art. 26 shall also apply accordingly to independent candidates.

Art. 28 – Any expenses related to the organization and development of electoral campaigns shall be covered from the state budget or, if case be, from the local or county budgets, according to the provisions of the electoral legislation.

Art. 29 – (1) Access to the public radio and television services, as well as to the special electoral display boards is guaranteed during the electoral campaigns and it is provided according to the provisions of the electoral legislation.

(2) Political parties and alliances, as well as the independent candidates shall print the following information on all electoral propaganda materials:

a) name of the independent candidate, name of the political party or of the political or electoral alliance ordering the materials, if case be;

b) name of the manufacturer.

(3) Any expenses related to the manufacturing of electoral propaganda materials shall be exclusively covered by the beneficiaries of the same – independent candidates, political parties or political/ electoral alliances.

(4) The political parties and alliances, as well as the independent candidates shall state to the Permanent Electoral Authority, through their financial agent, the number of electoral propaganda materials produced, according to categories.

(5) Any written, audio or video material which meets the following conditions shall be deemed as electoral propaganda material:

a) it makes reference to a clearly identified candidate or party;

b) it is used during an electoral campaign period, as established according to the legislation regulating the election organization;

c) it has an electoral purpose and it is addressed to a wide audience;

d) its scope exceeds the limits of journalistic activity, which is aimed at informing the public.

(6) No written, audio or video material used for the election of the management bodies of political parties can be employed in breach of the provisions stipulated under paragraph 5, points b)- d)

SECTION 3

Maximum expense limits

Art.30 – (1) The maximum limit of the expenses to be incurred by a political party or by a political or electoral alliance during each electoral campaign shall be calculated by adding up the maximum values permitted by law for each candidate proposed for election.

(2) The maximum values permitted for each candidate shall be established according to the minimum gross base salary at the country level on 1 January of the electoral year in case, as follows:

a) 350 minimum gross base salaries at the country level for each candidate for the position of deputy or senator;

b) 2,500 minimum gross base salaries at the country level for each candidate for the position of Romania's representative in the European Parliament;

c) 50 minimum gross base salaries at the country level for each candidate for the position of county counselor or local counselor in the General Council of Bucharest Municipality;

c) 30 minimum gross base salaries at the country level for each candidate for the position of local counselor in the councils of the county capitals and in the district councils of Bucharest Municipality;

e) 25 minimum gross base salaries at the country level for each candidate for the position of local counselor in the municipality and city councils;

f) 20 minimum gross base salaries at the country level for each candidate for the position of local counselor in the commune councils;

g) 10,000 minimum gross base salaries at the country level for each candidate for the position of general mayor of Bucharest Municipality;

h) 2,500 minimum gross base salaries at the country level for each candidate for the position of district mayor for Bucharest municipality or that of municipality or city mayor;

i) 30 minimum gross base salaries at the country level for each candidate for the position of commune mayor;

(3) The maximum limits of expenses stipulated under paragraph 2 shall also apply for independent candidates.

Art. 31 – (1) The candidates proposed for election by a political party can finance electoral propaganda activities only through the respective political party.

(2) The amounts of money received from the candidates proposed for election by a political party shall be deemed as donations and fall under the incidence of the provisions hereof.

Art. 32 – (1) Until the mandates are validated, the management of the party, the county organization or, if case be, the independent candidate shall submit to the Permanent Electoral Authority a statement on the compliance with the caps stipulated under art. 30, paragraph 2.

(2) The amounts exceeding the caps stipulated under art. 30, paragraph 2 shall be included in the state budget.

Art. 33 – (1) The maximum limit of the expenses that can be incurred by a party, a political alliance or an independent candidate during an electoral campaign for the election of Romania's president is 25,000 minimum gross base salaries at the country level.

(2) The provisions of art. 23-29, art. 32, 39, 42 and 47 shall apply accordingly.

(3) In case the elections for president are held at the same time as the elections for the Chamber of Deputies and the Senate, the parties proposing a candidate for the position of president shall appoint a special agent for the electoral campaign of the candidate in case.

Art. 34 – When a candidate is proposed for several positions during an electoral campaign, the maximum limit of the expenses to be incurred shall be the highest value, according to art. 30 or 33, as case be.

CHAPTER V

Control of the financing of political parties and of electoral campaigns

Art. 35 – (1) The Permanent Electoral Authority is the public authority authorized to check the compliance with the lawful provisions on the financing of political parties, political or electoral alliances, independent candidates and electoral campaigns.

(2) The control of the subsidies from the state budget shall be carried out simultaneously by the Court of Audit, according to the provisions of Law no. 94/1992 on the organization and operation of the Court of Audit, as republished, as subsequently amended and completed.

(3) The Control Department for the Financing of Political Parties and Electoral Campaigns shall be established within 60 days from the date this law comes into effect, as part of the Permanent Electoral Authority, by supplementing the existing personnel members.

(4) The Control Department for the Financing of Political Parties and Electoral Campaigns is headed by a managing director, appointed within 90 days from the date this law comes into effect.

(5) Any person that cumulatively meets the following conditions can be appointed managing director of the Control Department for the Financing of Political Parties and Electoral Campaigns:

a) can occupy a position, according to the conditions established under art. 11, paragraph 1, points a) –h) of Law no. 7/2006 on the status of parliamentary public officers;

b) has a degree in the field of economic sciences or law;

c) was not a member of a political party during the last 5 years.

(6) The contest for occupying the position indicated under paragraph 4 shall be organized by a special committee consisting of 7 members and appointed within 30 days from the date this law comes into effect, by order of the president of the Permanent Electoral Authority; the committee shall include teaching staff with an economic or legal background.

(7) The committee stipulated under paragraph 6 shall establish the contest regulation and shall indicate the contest winner, who shall be appointed in this position by the president of the Permanent Electoral Authority, within 15 days from winning the contest.

(8) The managing director of the Control Department for the Financing of Political Parties and Electoral Campaigns shall have the following exclusive prerogatives:

a) to organize the control activity focused on the financing of political parties;

b) to coordinate the activity of the subordinated personnel;

c) to propose to the president of the Permanent Electoral Authority to enforce the sanctions stipulated herein.

Art. 36 – (1) The Permanent Electoral Authority shall check annually and whenever notified the compliance of each party with the lawful provisions on the financing of political parties.

(2) The Permanent Electoral Authority can be notified by any person providing evidence regarding the breach of the lawful provisions on the financing of political parties.

(3) Any false statements made by the person stipulated under paragraph 2 regarding the breach of the lawful provisions on the financing of political parties shall represent a crime and it shall be punished with 1 to 3 year jail sentence.

(4) The annual report shall be published in the Official Journal of Romania, Part I and on the web site of the Permanent Electoral Authority by 31 March of the following year.

(5) The Permanent Electoral Authority can check the compliance with the lawful provisions on the financing of political parties in case of any suspicions of breach of such lawful provisions brought to its attention by any interested persons or by default.

(6) The results of every control carried out shall be published in the Official Journal of Romania, Part I and on the web site of the Permanent Electoral Authority within 15 days from such control.

Art. 37 – The public authorities shall support the Permanent Electoral Authority with the control of the political party financing.

Art. 38 – (1) Within 15 days from the publication of the election result, the financial agent shall submit to the Permanent Electoral Authority a detailed report on the electoral income and expenses of each political party or independent candidate.

(2) The reports shall be published by the Permanent Electoral Authority in the Official Journal of Romania, Part I, within 30 days from the publication of the election results.

(3) The candidates that have been declared elected can not have their mandates validated if the detailed report on the electoral income and expenses of every political party and independent candidate was not submitted according to the lawful provisions.

Art. 39 – (1) In order to check the lawfulness of the amounts collected and the payments made by the political parties, the Permanent Electoral Authority can require additional statements and documents, as deemed necessary.

(2) Political parties shall submit the requested documents to the representatives of the Permanent Electoral Authority within 15 days.

(3) Within 30 days from receiving the report or, if case be, of the additional documents requested, the Permanent Electoral Authority shall issue a decision on the accuracy of the electoral accounting records and on the lawfulness of the payments made.

(4) In case any non-conformities are established the sanctions stipulated hereby shall apply.

(5) The decision delivered according to paragraph 3 can be appealed against before the competent court, according to the lawful provisions.

Art. 40 – (1) The Permanent Electoral Authority shall publish on its web site all mandatory reports that are published in the Official Journal of Romania, Part I, according to art. 4, paragraph 4, art. 9, paragraphs 1 and 2, art. 11, paragraph 3, art. 12, paragraph 3, art. 13, paragraph 4 and art. 38, paragraph 2, as well as the statements stipulated under art. 23.

(2) Political parties shall provide in electronic format the information stipulated under paragraph 1.

CHAPTER VI

Sanctions

Art. 41 – (1) The infringement of the provisions of the articles below represents an offence, unless committed in such a way as to constitute a crime, according to the criminal law, and they shall be sanctioned by fines between RON 5,000 and RON 25,000: art. 3, paragraphs 2 and 3, art. 4, paragraphs 3 and 4, art. 5, 6, 7, 8, 9, art. 10, paragraphs 2 and 3, art. 11, paragraphs 1 and 3, art. 12, paragraphs 1 and 3, art. 13, paragraphs 1 and 2, art. 20, paragraph 2, art. 23, art. 24, paragraph 1, art. 25, paragraphs 1 and 2, art. 26, paragraphs 1, 2 and 7, art. 29, paragraphs 2-4 and 6, art. 30, paragraphs 2 and 3, art. 31, 38 and art. 39, paragraph 2.

(2) The sanctions can be applied, if case be, to the political party, independent candidate, financial agent and/ or donor in breach of the provisions stipulated under paragraph 1.

Art. 42 – (1) In the cases indicated under art. 41, paragraph 1, the offender shall pay to the state budget the amounts of money and/ or the equivalent value of the goods and services which represented the object of the offence in case, based on the decision of the Permanent Electoral Authority.

(2) In the same way, any donations accepted by a political party currently dissolving or by a political party acting based on amended articles of association, without notifying such amendments to Bucharest Court House, according to the lawful provisions, or in case the court rejected the request to approve such amendments shall be transferred to the state budget.

Art. 43 – (1) The offences stipulated under art. 41 shall be established by the representatives of the Permanent Electoral Authority and the sanction shall be applied by decision of the same.

(2) The decision of the Permanent Electoral Authority can be appealed against before the competent court, according to the lawful provisions.

Art. 44 - The provisions of art. 41 and 43 shall be completed with the provisions of Government Ordinance no. 2/2001 on the legal status of offences, as approved, as amended and completed by Law no. 180/2002, as subsequently amended and completed.

Art. 45 – (1) Within 30 days from the delivery of a final and irrevocable court decision on the offence establishing protocol or, if case be, from the expiration of the period stipulated for an appeal against the offense establishing protocol, the amounts equivalent to the unpaid fines can be withheld from the monthly installments to be paid as public financing, by lawfully applying the procedure regarding the enforcement of a judgment by garnishment stipulated by Government Order no. 92/2003 on the Fiscal Procedure Code, as republished, as subsequently amended and completed.

(2) The Ministry of Public Finances, through its authorized bodies, shall inform the Permanent Electoral Authority about the failure to pay the fines applied by the latter within the term stipulated under paragraph 1.

Art. 46 – (1) In case based on a final court decision, one or several candidates of a political party that have been declared elected were convicted for a crime related to the financing of the political party or, if case be, of the electoral campaign, they become incompatible with the status of MP or local representative for the mandate obtained, which shall be annulled.

(2) The state of incompatibility shall be established by decisions of the Parliament Chambers or, if case be, of the county or local council and the positions of deputy, senator or counselor that have become vacant shall be occupied by the substitutes indicated on the list of the respective political party.

(3) The provisions of paragraphs 1 and 2 shall also apply for political alliances, electoral alliances and independent candidates, and in such case, the position that has become vacant is to be occupied by the substitute on the list of the political party or electoral alliance that obtained the highest number of votes validly expressed.

Art. 47 – The procedure for the enforcement of the measures stipulated under art. 46 shall be regulated by the Rules of the Parliament Chambers, as well as by the rules of the county and local councils.

CHAPTER VII

Transitory and final dispositions

Art. 48 – The provisions hereof shall also apply accordingly to organizations of citizens belonging to national minorities which are assimilated to political parties, political alliances, electoral alliances and independent candidates, according to the conditions provided for by the electoral law.

Art. 49 – (1) The Permanent Electoral Authority shall keep a fiscal register of all political parties, political alliances and independent candidates where all the information regarding their financial activity and the enforced sanctions shall be recorded.

(2) Within 120 days from the coming into effect of this law, the Permanent Electoral Authority shall take over the fiscal register from the Court of Audit based on a handing over- reception protocol.

Art. 50 – Law no. 373/2004 on the election of the members of the Chamber of Deputies and the Senate, published in the Official Journal of Romania, Part I, no. 887 of 29 September 2004, as subsequently amended and completed, shall be amended as follows:

1. Article 28, paragraph 2 shall have the following content:

"(2) The organization and operation of the structure of the Permanent Electoral Authority, the number of positions, the personnel status, its prerogatives and the organizational structure shall be established by the organization and operation regulation, approved by decision of the permanent offices of the two Chambers of Parliament, at the proposal of the Permanent Electoral Authority. The personnel of the Permanent Electoral Authority shall have the same status as the personnel of the two Chambers of Parliament. The provisions of art. XVI, title III, book II of Law no. 161/2003 on certain measures aimed at ensuring transparency in the exercise of public titles, public functions and in the business environment, as well as at preventing and sanctioning corruption, as subsequently amended and completed shall not be applied for the organization and operation of its structure."

2. Article 29, paragraph 4 shall have the following content:

"(4) In view of fulfilling its prerogatives the Permanent Electoral Authority shall adopt decisions and instructions to be signed by the president and countersigned by the vice-presidents. The decisions of the Permanent Electoral Authority shall be published in the Official Journal of Romania, Part I and they are binding for all authorities and bodies with electoral prerogatives."

Art. 51 – The new organizational structure of the Permanent Electoral Authority shall be approved by decision of the permanent offices of the two Chambers of Parliament in order to ensure the operation of the Control Department for the Financing of Political Parties and Electoral Campaigns and of the specialized compartment for the award of subsidies from the state budget.

Art. 52 – (1) Within 90 days from the coming into effect of this law the methodological standards for the enforcement of these provisions shall be drawn up and subjected to approval by Government Decision, at the proposal of the Permanent Electoral Authority.

(2) The methodological standards shall regulate the following:

- a) the current accountancy records of the political parties;
- b) the methods and format used for the registration, recording and publicity of donations, membership fees and income of the political parties;
- c) the award and use of subsidies from the state budget;
- d) the specific methods and format for the recording of income and expenses during the electoral campaign;
- e) the prerogatives of the financial agent;
- f) the control procedure and methodology.

Art. 53 – (1) This law comes into effect in 30 days from its publication in the Official Journal of Romania, Part I, except for the following provisions, which shall come into effect on 01 January 2007, with reference to:

d) the award of subsidies from the state budget;

b) The Permanent Electoral Authority, except for art. 35, paragraphs 3-8. (2) On the date this Law comes into effect, Law no. 43/2003 on the financing of electoral campaigns and political party activity, published in the Official Journal of Romania, Part I, no. 54 of 30 January 2003, as subsequently amended, shall be repealed, except for the provisions regarding the subsidies granted from the state budget and the Court of Audit, which are to be repealed on 01 January 2007.

This law was adopted by the Romanian Parliament, in compliance with the provisions of art. 75 and 76, paragraph 1 of the Romanian Constitution, as republished.

PRESIDENT OF THE CHAMBER OF DEPUTIES
BOGDAN OLTEANU

PRESIDENT OF THE SENATE
NICOLAE VĂCĂROIU

Bucharest, 17 July 2006

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