

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND TWENTY-THIRD LEGISLATURE**

**FIRST REGULAR SESSION**  
**December 6, 2006 to June 21, 2007**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 20, 2007**

**PUBLISHED BY THE REVISOR OF STATUTES**  
**IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,**  
**TITLE 3, SECTION 163-A, SUBSECTION 4.**

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**Penmor Lithographers**  
**Lewiston, Maine**  
**2007**

**Sec. 4. Reports; outdoor wood boilers.** The Department of Environmental Protection shall submit reports as provided in this section.

**1. Report regarding resolution of outdoor wood boiler complaints.** By July 1, 2007 and every month thereafter by the first day of the month until January 1, 2008, the Department of Environmental Protection shall report to the Joint Standing Committee on Natural Resources on the status of the resolution of complaints regarding outdoor wood boilers.

**2. Report regarding outdoor wood boiler technology.** By January 10, 2009, the Department of Environmental Protection shall review outdoor wood boiler technology, including the achievable emission limits of outdoor wood boilers, and submit a report on the review to the joint standing committee of the Legislature having jurisdiction over natural resources matters. The report must include the department's findings, recommendations and any legislation necessary to implement the recommendations. The joint standing committee of the Legislature having jurisdiction over natural resources matters may submit legislation relating to the report to the First Regular Session of the 124th Legislature.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

Effective June 27, 2007.

**CHAPTER 443**

**S.P. 668 - L.D. 1854**

**An Act Regarding Campaign Finance Reporting and the Maine Clean Election Act**

**Be it enacted by the People of the State of Maine as follows:**

**PART A**

**Sec. A-1. 21-A MRSA §1001, sub-§3,** as enacted by PL 1985, c. 161, §6, is amended to read:

**3. Person.** "Person" means an individual, committee, firm, partnership, corporation, association, ~~group~~ or organization.

**Sec. A-2. 21-A MRSA §1004-A, last ¶,** as enacted by PL 2003, c. 628, Pt. A, §1, is amended to read:

When the commission has reason to believe that a violation has occurred, the commission shall provide written notice to the candidate, party committee, political action committee, committee treasurer or other respondent and shall afford them an opportunity to appear before the commission before assessing any

penalty. In determining any penalty under subsections 3, 4 and 5, the commission shall consider, among other things, the level of intent to mislead, the penalty necessary to deter similar misconduct in the future and the harm suffered by the public from the incorrect disclosure.

**Sec. A-3. 21-A MRSA §1012, sub-§2, ¶B,** as amended by PL 2005, c. 301, §7, is further amended to read:

B. Does not include:

(1) The value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

(2) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the individual on behalf of any candidate does not exceed \$100 with respect to any election;

(3) The sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if the charge to the candidate is at least equal to the cost of the food or beverages to the vendor and if the cumulative value of the food or beverages does not exceed \$100 with respect to any election;

(4) Any unreimbursed travel expenses incurred and paid for by an individual who volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election;

(4-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;

(5) The payment by a party's state, district, county or municipal committee of the costs of preparation, display or mailing or other distribution of a party candidate listing;

(6) Documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this Title, lists of registered voters and voter identification information, created, obtained or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party;

(7) Compensation paid by a ~~political state party committee to an employee of that party~~ its employees for the following purposes:

- (a) Providing ~~advice no more than a total of 40 hours of assistance from its employees to any one a candidate for a period of no more than 20 hours~~ advice no more than a total of 40 hours of assistance from its employees to any one a candidate for a period of no more than 20 hours in any election;
  - (b) Recruiting and overseeing volunteers for campaign activities involving 3 or more candidates; or
  - (c) Coordinating campaign events involving 3 or more candidates;
- (8) Campaign training sessions provided to 3 or more candidates;
- (8-A) Costs paid for by a party committee in connection with a campaign event at which 3 or more candidates are present;
- (8-B) Wood or other materials used for political signs that are found or contributed if not originally obtained by the candidate or contributor for campaign purposes;
- (8-C) The use or distribution of any communication, as described in section 1014, obtained by the candidate for a previous election and fully paid for during that election;
- (9) The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider; or
- (10) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate.

**Sec. A-4. 21-A MRSA §1012, sub-§3, ¶B,** as amended by PL 2005, c. 301, §8, is further amended to read:

B. Does not include:

- (1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless the facilities are owned or controlled by any political party, political committee ~~or~~ candidate or candidate's immediate family;
- (1-A) Any communication distributed through a public access television station if the communication complies with the laws and rules governing the station and all candidates in the race have an equal opportunity to promote their candidacies through the station;
- (2) Activity or communication designed to encourage individuals to register to vote or to

vote if that activity or communication does not mention a clearly identified candidate;

- (3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;
- (4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities does not exceed \$100 with respect to any election;
- (5) Any unreimbursed travel expenses incurred and paid for by an individual who volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election;
- (5-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;
- (6) Any communication by any person that is not made for the purpose of influencing the nomination for election, or election, of any person to state or county office;
- (7) The payment by a party's state, district, county or municipal committee of the costs of preparation, display or mailing or other distribution of a party candidate listing;
- (8) The use or distribution of any communication, as described in section 1014, obtained by the candidate for a previous election and fully paid for during that election campaign;
- (9) Documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this Title, lists of registered voters and voter identification information, created or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party;
- (10) Compensation paid by a ~~political state party committee to an employee of that party~~ its employees for the following purposes:
  - (a) Providing ~~advice no more than a total of 40 hours of assistance from its employees to any one a candidate for a period of no more than 20 hours~~ advice no more than a total of 40 hours of assistance from its employees to any one a candidate for a period of no more than 20 hours in any election;

(b) Recruiting and overseeing volunteers for campaign activities involving 3 or more candidates; or

(c) Coordinating campaign events involving 3 or more candidates;

(10-A) Costs paid for by a party committee in connection with a campaign event at which 3 or more candidates are present;

(11) Campaign training sessions provided to 3 or more candidates;

(11-A) Wood or other materials used for political signs that are found or contributed if not originally obtained by the candidate or contributor for campaign purposes; or

(12) The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider.

**Sec. A-5. 21-A MRSA §1012, sub-§5, ¶C,** as enacted by PL 2005, c. 301, §9, is amended to read:

C. The treatment of all candidates in the communication is substantially similar, except for any requirement under federal law applicable to communications regarding federal candidates.

**Sec. A-6. 21-A MRSA §1012, sub-§5, ¶D,** as enacted by PL 2005, c. 301, §9, is amended to read:

D. The content of the communication is limited to:

(1) The identification of each candidate, with which pictures may be used;

(2) The offices sought;

(3) The offices currently held by the candidates;

(4) The party affiliation of the candidates and a brief statement, including campaign slogans, about the ~~party party's~~ or the candidates' positions, philosophy, goals, accomplishments or biographies;

(5) Encouragement to vote for the candidates identified; ~~and~~

(6) Information about voting, such as voting hours and locations; and

(7) Campaign or party logos.

If the communication contains language outside the categories of this paragraph, it does not qualify as a party candidate listing.

**Sec. A-7. 21-A MRSA §1013-A, sub-§1, ¶C,** as amended by PL 1999, c. 729, §1, is further amended to read:

C. No later than 10 days after becoming a candidate, as defined in section 1, subsection 5, a candidate for the office of State House of Representatives or Senate shall file in writing a statement declaring that the candidate agrees to accept voluntary limits on political expenditures or that the candidate does not agree to accept voluntary limits on political expenditures, as specified in section 1015, subsections 7 to 9, ~~or that the~~ A candidate who has filed a declaration of intent to become certified as a candidate under the Maine Clean Election Act is not required to file the written statement required by this paragraph.

The statement filed by a candidate who voluntarily agrees to limit spending must state that the candidate knows the voluntary expenditure limitations as set out in section 1015, subsection 8 and that the candidate is voluntarily agreeing to limit the candidate's political expenditures and those made on behalf of the candidate by the candidate's political committee or committees, the candidate's party and the candidate's immediate family to the amount set by law. The statement must further state that the candidate does not condone and will not solicit any independent expenditures made on behalf of the candidate.

The statement filed by a candidate who does not agree to voluntarily limit political expenditures must state that the candidate does not accept the voluntary expenditure limits as set out in section 1015, subsection 8.

~~The statement filed by a candidate who has filed a declaration of intent under the Maine Clean Election Act must state that the candidate will be bound by the expenditure limitations imposed by that Act.~~

**Sec. A-8. 21-A MRSA §1013-B,** as enacted by PL 1991, c. 839, §7 and affected by §34, is amended to read:

**§1013-B. Removal of treasurer; filling vacancy of treasurer; substantiation of records of treasurer; notification to commission**

A candidate may remove any treasurer that the candidate has appointed. In case of a vacancy in the position of treasurer of a candidate or treasurer of a political committee before the obligations of the treasurer have been performed, the candidate shall serve as treasurer from the date of the vacancy until the candidate appoints a successor and reports the name and address of the successor to the commission. The candidate shall file a written statement of resignation of a treasurer of a candidate or a treasurer of a political committee and until that statement has been filed, the resignation is not effective. An individual who vacates the position of treasurer by reason of removal or resignation shall certify in writing the accuracy of the

treasurer's records to the succeeding treasurer. A succeeding treasurer may not be held responsible for the accuracy of the predecessor's records.

**Sec. A-9. 21-A MRSA §1014**, as amended by PL 2005, c. 542, §1, is further amended to read:

**§1014. Publication or distribution of political communications**

**1. Authorized by candidate.** Whenever a person makes an expenditure to finance a communication expressly advocating the election or defeat of a clearly identified candidate through broadcasting stations, newspapers, magazines, campaign signs or other outdoor advertising facilities, publicly accessible sites on the Internet, direct mails or other similar types of general public political advertising or through flyers, handbills, bumper stickers and other nonperiodical publications, the communication, if authorized by a candidate, a candidate's authorized political committee or their agents, must clearly and conspicuously state that the communication has been so authorized and must clearly state the name and address of the person who made or financed the expenditure for the communication. The following forms of political communication do not require the name and address of the person who made or authorized the expenditure for the communication because the name or address would be so small as to be illegible or infeasible: ashtrays, badges and badge holders, balloons, campaign buttons, clothing, coasters, combs, emery boards, envelopes, erasers, glasses, key rings, letter openers, matchbooks, nail files, noisemakers, paper and plastic cups, pencils, pens, plastic tableware, 12-inch or shorter rulers, swizzle sticks, tickets to fund-raisers and similar items determined by the commission to be too small and unnecessary for the disclosures required by this section. A communication financed by a candidate or the candidate's committee that is made through a broadcasting station is not required to state the address of the candidate or committee that financed the communication.

**2. Not authorized by candidate.** If the communication described in subsection 1 is not authorized by a candidate, a candidate's authorized political committee or their agents, the communication must clearly and conspicuously state that the communication is not authorized by any candidate and state the name and address of the person who made or financed the expenditure for the communication. If the communication is in written form, the communication must contain at the bottom of the communication in print that is no smaller in size than 10-point bold print, Times New Roman font, the words "NOT PAID FOR OR AUTHORIZED BY ANY CANDIDATE."

**2-A. Other communications.** ~~If~~ Whenever a person makes an expenditure to finance a communication that names or depicts a clearly identified candidate and that is disseminated during the 21 days before a primary election or 35 days before a general elec-

tion through the media described in subsection 1, the communication must state the name and address of the person who made or financed the communication and a statement that the communication was or was not authorized by the candidate. The disclosure is not required if the communication was not made for the purpose of influencing the candidate's nomination for election or election.

**3. Broadcasting prohibited without disclosure.** No person operating a broadcasting station within this State may broadcast any communication, as described in subsections 1 ~~and 2~~ to 2-A, without an oral or written visual announcement of the ~~name of the person who made or financed the expenditure for the communication~~ disclosure required by this section.

**3-A. In-kind contributions of printed materials.** A candidate, political committee or political action committee shall report on the campaign finance report as a contribution to the candidate, political committee or political action committee any contributions of in-kind printed materials to be used in the support of a candidate or in the support or defeat of a cause to be voted upon at referendum. Any in-kind contributions of printed materials used or distributed by a candidate, political committee or political action committee must include the name or title of that candidate, political committee or political action committee as the authorizing agent for the printing and distribution of the in-kind contribution.

The use or distribution of in-kind printed materials contributed to a candidate, political committee or political action committee must be reported as an expenditure on the campaign finance report of that candidate, political committee or political action committee.

**3-B. Newspapers.** A newspaper may not publish a communication described in ~~subsection~~ subsections 1 or 2 to 2-A without including the disclosure required by this section. For purposes of this subsection, "newspaper" includes any printed material intended for general circulation or to be read by the general public, including a version of the newspaper displayed on a website owned or operated by the newspaper. When necessary, a newspaper may seek the advice of the commission regarding whether or not the communication requires the disclosure.

**4. Enforcement.** An expenditure, communication or broadcast made within ~~40~~ 20 days before the election to which it relates that results in a violation of this section may result in a civil fine of no more than \$200. The person who financed the communication or who committed the violation shall correct the violation within 10 days after receiving notification of the violation from the commission. An expenditure, communication or broadcast made more than ~~40~~ 20 days before the election that results in a violation of this section may result in a civil fine of no more than \$100 if the violation is not corrected within 10 days after the

~~candidate~~ person who financed the communication or other person who committed the violation receives notification of the violation from the commission. If the commission determines that a person violated this section with the intent to misrepresent the name or address of the person who made or financed the communication or whether the communication was or was not authorized by the candidate, the commission may impose a fine of no more than \$5,000 against the person responsible for the communication. Enforcement and collection procedures must be in accordance with section 1020-A.

**5. Telephone calls.** ~~Automated~~ Prerecorded automated telephone calls and scripted live telephone communications that name a clearly identified candidate during the 21 days before a primary election or the 35 days before a general election must clearly state the name of the person who made or financed the expenditure for the communication, except for prerecorded automated telephone calls paid for by the candidate that use the candidate's voice in the telephone call and that are made in support of that candidate. Telephone calls made for the purposes of researching the views of voters are not required to include the disclosure.

**Sec. A-10. 21-A MRSA §1015, sub-§1,** as amended by PL 1999, c. 729, §2, is further amended to read:

**1. Individuals.** An individual may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$500 in any election for a gubernatorial candidate or more than \$250 in any election for any other candidate. This limitation does not apply to contributions in support of a candidate by that candidate or that candidate's spouse or domestic partner.

**Sec. A-11. 21-A MRSA §1015, sub-§2,** as amended by PL 1999, c. 729, §2, is further amended to read:

**2. Committees; corporations; associations.** A political committee, political action committee, other committee, firm, partnership, corporation ~~or~~ association or organization may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$500 in any election for a gubernatorial candidate or more than \$250 in any election for any other candidate.

**Sec. A-12. 21-A MRSA §1015, sub-§3,** as enacted by PL 1985, c. 161, §6, is amended to read:

**3. Aggregate contributions.** No individual may make contributions to candidates aggregating more than \$25,000 in any calendar year. This limitation does not apply to contributions in support of a candidate by that candidate or ~~his~~ that candidate's spouse or domestic partner.

**Sec. A-13. 21-A MRSA §1015, sub-§4,** as enacted by PL 1985, c. 161, §6, is amended to read:

**4. Political committees; intermediaries.** For the purpose of the limitations imposed by this section, contributions made to any political committee authorized by a candidate to accept contributions on the candidate's behalf are considered to be contributions made to that candidate.

For the purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, ~~including contributions which~~ that are in any way earmarked or otherwise directed through an intermediary or conduit to the candidate, are considered to be contributions from that person to the candidate. The intermediary or conduit shall report the original source and the intended recipient of the contribution to the commission and to the intended recipient.

**Sec. A-14. 21-A MRSA §1015, sub-§8,** as amended by PL 1999, c. 729, §3, is further amended to read:

**8. Political expenditure limitation amounts.** Total expenditures in any election for legislative office by a candidate who voluntarily agrees to limit campaign expenditures as provided in subsection 7 are as follows:

- A. For State Senator, \$25,000; and
- B. For State Representative, \$5,000; ~~and~~
- ~~C. For State Senator or State Representative as a candidate certified under the Maine Clean Election Act, to the extent authorized by that Act.~~

Expenditure limits are per election and may not be carried forward from one election to another. For calculation and reporting purposes, the reporting periods established in section 1017 apply.

**Sec. A-15. 21-A MRSA §1015-A, sub-§2** is enacted to read:

**2. Sole proprietorships.** A sole proprietorship and its owner are treated as a single entity.

**Sec. A-16. 21-A MRSA §1017,** as amended by PL 2005, c. 542, §2, is further amended to read:

#### **§1017. Reports by candidates**

~~**1. Federal candidates.** The treasurer of the campaign committee of each candidate for federal office shall file with the commission a copy of the complete report required of them under federal law on the same date that those reports are required to be filed under federal law.~~

**2. Gubernatorial candidates.** A treasurer of a candidate for the office of Governor shall file reports with the commission as follows. Once the first required report has been filed, each subsequent report

must cover the period from the ~~completion~~ end date of the prior report filed.

A. In any calendar year, other than a gubernatorial election year, in which the candidate or the candidate's political committee has received contributions in excess of \$1,000 or made or authorized expenditures in excess of \$1,000, reports must be filed no later than  $\S$  11:59 p.m. on July 15th of that year and January 15th of the following calendar year. These reports must include all contributions made to and all expenditures made or authorized by or on behalf of the candidate or the candidate's treasurer as of the end of the preceding month, except those covered by a previous report.

B. Reports must be filed no later than  $\S$  11:59 p.m. on the 42nd day before the date on which an election is held and must be complete as of the 49th day before that date. If a report was not filed under paragraph A, the report required under this paragraph must cover all contributions and expenditures through the ~~completion date~~ 49th day before the election.

C. Reports must be filed no later than  $\S$  11:59 p.m. on the ~~6th~~ 11th day before the date on which an election is held and must be complete as of the ~~12th~~ 14th day before that date.

D. Contributions aggregating \$1,000 or more from any one contributor or single expenditures of \$1,000 or more, made after the ~~12th~~ 14th day before the election, and more than 24 hours before  $\S$  11:59 p.m. on the day of the election, must be reported within 24 hours of those contributions or expenditures.

E. Reports must be filed no later than  $\S$  11:59 p.m. on the 42nd day after the date on which an election is held and must be complete for the filing period as of the 35th day after that date.

F. Unless further reports will be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit in excess of ~~\$50~~ \$100 shown in the reports described in paragraph E must be reported as provided in this paragraph. The treasurer of a candidate or political committee with a surplus or deficit in excess of ~~\$50~~ \$100 shall file reports semiannually with the commission within 15 days following the end of the 2nd and 4th quarters of the State's fiscal year, complete as of the last day of the quarter, until the surplus is disposed of or the deficit is liquidated. The first report under this paragraph is not required until the 15th day of the period beginning at least 90 days from the date of the election. The reports ~~may either~~ will be considered timely if filed electronically or in person with the commission on that date or postmarked on that date. The

reports must set forth any contributions for the purpose of liquidating the deficit, in the same manner as contributions are set forth in other reports required in this section.

G. Unless otherwise specified in this subsection, reports must be complete back to the ~~completion~~ end date of the previous report filing period. The reports described in paragraph E, if filed with respect to a primary election, are considered previous reports in relation to reports concerning a general election.

H. Reports with respect to a candidate who seeks nomination by petition for the office of Governor must be filed on the same dates that reports must be filed with respect to a candidate who seeks that nomination by primary election.

**3-A. Other candidates.** A treasurer of a candidate for state or county office other than the office of Governor shall file reports with the commission and municipal candidates shall file reports with the municipal clerk as follows. Once the first required report has been filed, each subsequent report must cover the period from the ~~completion~~ end date of the prior report filed.

A. In any calendar year in which an election for the candidate's particular office is not scheduled, when any candidate or candidate's political committee has received contributions in excess of \$500 or made or authorized expenditures in excess of \$500, reports must be filed no later than  $\S$  11:59 p.m. on July 15th of that year and January 15th of the following calendar year. These reports must include all contributions made to and all expenditures made or authorized by or on behalf of the candidate or the treasurer of the candidate as of the end of the preceding month, except those covered by a previous report.

B. Reports must be filed no later than  $\S$  11:59 p.m. on the ~~6th~~ 11th day before the date on which an election is held and must be complete as of the ~~12th~~ 14th day before that date. If a report was not filed under paragraph A, the report required under this paragraph must cover all contributions and expenditures through the ~~completion date~~ 14th day before the election.

C. Contributions aggregating \$1,000 or more from any one contributor or single expenditures of \$1,000 or more, made after the ~~12th~~ 14th day before any election and more than 24 hours before  $\S$  11:59 p.m. on the day of any election must be reported within 24 hours of those contributions or expenditures.

D. Reports must be filed no later than  $\S$  11:59 p.m. on the 42nd day after the date on which an election is held and must be complete for the filing period as of the 35th day after that date.

E. Unless further reports will be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit in excess of ~~50~~ 100 shown in the reports described in paragraph D must be reported as provided by this paragraph. The treasurer of a candidate with a surplus or deficit in excess of ~~50~~ 100 shall file reports semiannually with the commission within 15 days following the end of the 2nd and 4th quarters of the State's fiscal year, complete as of the last day of the quarter, until the surplus is disposed of or the deficit is liquidated. The first report under this paragraph is not required until the 15th day of the period beginning at least 90 days from the date of the election. The reports ~~may either~~ will be considered timely if filed electronically or in person with the commission on that date or postmarked on that date. The reports must set forth any contributions for the purpose of liquidating the deficit, in the same manner as contributions are set forth in other reports required in this section.

F. Reports with respect to a candidate who seeks nomination by petition must be filed on the same dates that reports must be filed by a candidate for the same office who seeks that nomination by primary election.

**3-B. Accelerated reporting schedule.** Additional reports are required from nonparticipating ~~Maine Clean Election Act~~ candidates, as defined in section 1122, subsection 5, pursuant to this subsection.

A. In addition to other reports required by law, any candidate for Governor, State Senate or State House of Representatives who is not certified as a Maine Clean Election Act candidate under chapter 14 and who receives, spends or obligates more than ~~1% in excess of~~ the primary or general election distribution amounts for a Maine Clean Election Act candidate in the same race shall file by any means acceptable to the commission, within 48 hours of that event, a report with the commission detailing the candidate's total campaign contributions, including any campaign balance from a previous election, obligations and expenditures to date.

B. A nonparticipating candidate ~~with a Maine Clean Election Act opponent who is required to file a report under paragraph A~~ shall file the following additional reports detailing the candidate's total campaign contributions, obligations and expenditures to date, unless that candidate signs an affidavit by the date the report is due, attesting that the candidate has not received, spent or obligated an amount sufficient to require a report under paragraph A no later than 5:00 p.m.:

- (1) A report ~~filed not later than 5 p.m.~~ on the 42nd day before the date on which an election

is held ~~and that is~~ complete as of the 44th day before that date;

- (2) ~~-A- For gubernatorial candidates only, a report filed no later than 5 p.m. on the 21st 25th~~ day before the date on which an election is held ~~and that is~~ complete as of the ~~23rd~~ 27th day before that date; ~~and~~

- (3) A report ~~filed no later than 5 p.m. on the 12th 18th~~ day before the date on which an election is held ~~and that is~~ complete as of the ~~14th~~ 20th day before that date; ~~and~~

- (4) A report on the 6th day before the date on which an election is held that is complete as of the 8th day before that date.

The reports must contain the candidate's total campaign contributions, including any campaign balance from a previous election, obligations and expenditures as of the end date of the reporting period.

The nonparticipating candidate shall file only those reports that are due after the date on which the candidate filed the report required under paragraph A.

C. A candidate who is required to file a report under paragraph A must file with the commission an updated report that reports single expenditures in the following amounts that are made after the 14th day before an election and more than 24 hours before ~~5:00~~ 11:59 p.m. on the date of that election:

- (1) For a candidate for Governor, a single expenditure of \$1,000;
- (2) For a candidate for the state Senate, a single expenditure of \$750; and
- (3) For a candidate for the state House of Representatives, a single expenditure of \$500.

A report filed pursuant to this paragraph must be filed within 24 hours of the expenditure.

The commission shall provide forms to facilitate compliance with this subsection. The commission shall notify a candidate within 48 hours if an amount reported on any report under paragraph B exceeds 1% in excess of the primary or general election distribution amounts for a Maine Clean Election Act candidate in the same race and no report has been received under paragraph A.

**4. New candidate or nominee.** A candidate for nomination or a nominee chosen to fill a vacancy under chapter 5, subchapter ~~III~~ 3 is subject to section 1013-A, subsection 1, except that the candidate shall register the name of a treasurer or political committee and all other information required in section 1013-A, subsection 1, paragraphs A and B within 7 days after

the candidate's appointment or at least 6 days before the election, whichever is earlier. ~~The person required to file a report under section 1013-A, subsection 1 shall file a campaign report under this section 15 days after the candidate's appointment or 6 days before the election, whichever is earlier. The report must include all contributions received and expenditures made through the completion date. The report must be complete as of 4 days before the report is due. Subsequent reports must be filed on the schedule set forth in this section.~~ The commission shall send notification of this registration requirement ~~and registration~~ and report forms and schedules to the candidate and the candidate's treasurer immediately upon notice of the candidate's and treasurer's appointments.

**5. Content.** A report required under this section must contain the itemized accounts of contributions received during that report filing period, including the date a contribution was received, and the name, address, occupation, principal place of business, if any, and the amount of the contribution of each person who has made a contribution or contributions aggregating in excess of \$50. The report must contain the itemized expenditures made or authorized during the report filing period, the date and purpose of each expenditure and the name of each payee and creditor. ~~Total contributions with respect to an election of less than \$500 and total expenditures of less than \$500 need not be itemized.~~ The report must contain a statement of any loan to a candidate by a financial institution in connection with that candidate's candidacy that is made during the period covered by the report, whether or not the loan is defined as a contribution under section 1012, subsection 2, paragraph A. ~~Until December 31, 1992, the candidate is responsible for the timely and accurate filing of each required report. Beginning January 1, 1993, the~~ The candidate and the treasurer are jointly and severally responsible for the timely and accurate filing of each required report.

**5-A. Valuation of contributions sold at auction.** Any contribution received by a candidate that is later sold at auction ~~shall~~ must be reported in the following manner.

A. If the contribution is sold at auction before the commencement of the appropriate reporting period specified in subsections ~~1~~ 2 to 4, or during that period, the value of the contribution is deemed to be the amount of the purchase price paid at auction.

B. If the contribution is sold after the termination of the appropriate reporting period specified in subsections ~~1~~ 2 to 4, the value of the contribution is the difference between the value of the contribution as originally reported by the treasurer and the amount of the purchase price paid at auction. Unless further reports are filed in relation to a later election in the same calendar year, the dispo-

sition of any net surplus or deficit in excess of \$50 resulting from the difference between the auction price and the original contribution value must be reported in the same manner as provided in subsection 2, paragraph F or subsection 3-A, paragraph E, as appropriate.

**6. Forms.** Reports required by this section not filed electronically must be on forms prescribed, prepared and sent by the commission to the treasurer of each registered candidate at least 7 days before the filing date for the report. Establishment of or amendments to the campaign report filing forms required by this section must be by rule. Persons filing reports may use additional pages if necessary, but the pages must be the same size as the pages of the form. Although the commission mails the forms for required reports to candidates who are exempt from filing electronically, failure to receive forms by mail does not excuse treasurers, committees and other persons who must file reports from otherwise obtaining the forms or from late filing penalties.

Rules of the commission establishing campaign report filing forms for candidates are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**7-A. Reporting exemption.** A candidate is exempt from reporting as provided by this subsection.

A. A candidate may, at the time the candidate registers under section 1013-A, notify the commission that the candidate and the candidate's agents, if any, will not personally accept contributions, make expenditures or incur obligations associated with that candidate's candidacy. The notification must be sworn and notarized. A candidate who provides this notice to the commission is not required to appoint a treasurer and is not subject to the filing requirements of this subchapter if the statement is true.

B. The notice provided to the commission under paragraph A may be revoked. Prior to revocation, the candidate must appoint a treasurer. The candidate may not accept contributions, make expenditures or incur obligations before the appointment of a treasurer and the filing of a revocation notice are accomplished. A revocation notice must be in the form of an amended registration, which must be filed with the commission no later than 10 days after the appointment of a treasurer. The candidate and the candidate's treasurer, as of the date the revocation notice is filed with the commission, may accept contributions, make expenditures and incur obligations associated with the candidate's candidacy. Any candidate who fails to file a timely revocation notice is subject to the penalties prescribed in section 1020-A, subsection 4, up to a maximum of \$5,000. Lateness is calculated from the day a contribution is re-

ceived, an expenditure is made or an obligation is incurred, whichever is earliest.

**8. Disposition of surplus.** A treasurer of a candidate registered under section 1013-A or qualified under sections 335 and 336 or sections 354 and 355 ~~may~~ must dispose of a surplus exceeding ~~\$50~~ \$100 within 4 years of the election for which the contributions were received by:

A. Returning contributions to the candidate's or candidate's authorized political committee's contributors, as long as no contributor receives more than the amount contributed;

B. A gift to a qualified political party within the State, including any county or municipal subdivision of such a party;

C. An unrestricted gift to the State. A candidate for municipal office may dispose of a surplus by making a restricted or unrestricted gift to the municipality;

D. Carrying forward the surplus balance to a political committee established to promote the same candidate for a subsequent election;

D-1. Carrying forward the surplus balance for use by the candidate for a subsequent election;

E. Transferring the surplus balance to one or more other candidates registered under section 1013-A or qualified under sections 335 and 336 or sections 354 and 355, or to political committees established to promote the election of those candidates, provided that the amount transferred does not exceed the contribution limits established by section 1015;

F. Repaying any loans or retiring any other debts incurred to defray campaign expenses of the candidate;

G. Paying for any expense incurred in the proper performance of the office to which the candidate is elected, as long as each expenditure is itemized on expenditure reports; and

H. A gift to a charitable or educational organization that is not prohibited, for tax reasons, from receiving such a gift.

The choice must be made by the candidate for whose benefit the contributions were made ~~and distribution of the entire surplus by one or more of the methods prescribed in this subsection must be completed within 4 years of the election for which the contributions were received.~~

**9. Campaign termination report forms.** The commission shall provide each candidate required to report campaign contributions and expenditures with a campaign termination report form. A candidate shall file the campaign termination report with the commis-

sion as required in this subsection. The campaign termination report must be complete as of June 30th of the year following the campaign of the previous year. This form must show any deficits or surpluses to be carried over to the next campaign. Funds not carried forward to the next campaign must be disposed of as provided in ~~section 1017~~, subsection 8. Campaign reporting is as follows.

A. Candidates with surplus campaign funds following an election shall file termination reports no later than July 15th of the year following the campaign of the previous year.

B. Candidates with a campaign deficit following an election shall file termination reports no later than July 15th of the year following the campaign of the previous year.

C. Candidates with a deficit who will not participate in the next election for the same office shall file semiannual reports until the deficit is liquidated.

D. Candidates who collect funds subsequent to an election for purposes other than retiring campaign debt shall register with the commission pursuant to section 1013-A.

**10. Electronic filing.** ~~Beginning January 1, 2006, the~~ The treasurer of a candidate or committee that has receipts or expects to have receipts of more than \$1,500 shall file each report required by this section through an electronic filing system developed by the commission. The commission may make an exception to this electronic filing requirement if a candidate or committee submits a written request that states that the candidate or committee lacks access to the technology or the technological ability to file reports electronically. The request for an exception must be submitted by April 15th of the election year, except that a candidate registered according to subsection 4 has 10 business days from the date of registration to submit a request to the commission. The commission shall grant all reasonable requests for exceptions.

**Sec. A-17. 21-A MRSA §1017-A,** as amended by PL 2005, c. 301, §§18 to 20, is further amended to read:

**§1017-A. Reports of contributions and expenditures by party committees**

**1. Contributions.** A party committee shall report all contributions in cash or in kind from ~~an individual~~ a single contributor that in the aggregate in a campaign total more than \$200. The party committee shall report the name, mailing address, occupation and place of business of each contributor. Contributions of \$200 or less must be reported, and these contributions may be reported as a lump sum.

**2. Expenditures on behalf of candidates, others.** A party committee shall report all expenditures in

cash or in kind of the committee made on behalf of a candidate, political committee, political action committee or party committee registered under this chapter. The party committee shall report:

A. The name ~~and address~~ of each candidate ~~and the identity and address of a campaign or, political committee, political action committee or party committee;~~

B. The office sought by a candidate and the district that the candidate seeks to represent; and

C. The date ~~and~~, amount ~~and purpose~~ of each expenditure.

**3. Other expenditures.** Operational expenses and other expenditures in cash or in kind of the party committee that are not made on behalf of a candidate, committee or campaign must be reported ~~as a separate item~~ separately. The party committee shall report:

A. The name and address of each payee or recipient;

B. The ~~reason~~ purpose for the expenditure; and

C. The date and amount of each expenditure.

**4-A. Filing schedule.** A state party committee shall file its reports according to the following schedule.

A. Quarterly reports must be filed by 11:59 p.m.:

(1) On January 15th and must be complete up to January 5th;

(2) On April 10th and must be complete up to March 31st;

(3) On July 15th and must be complete up to July 5th; and

(4) On October 10th and must be complete up to September 30th.

B. General and primary election reports must be filed by 11:59 p.m.:

(1) On the ~~6th~~ 11th day before the date on which the election is held and must be complete up to the ~~12th~~ 14th day before that date; and

(2) On the 42nd day after the date on which the election is held and must be complete up to the 35th day after that date.

C. Reports of spending to influence special elections, referenda, initiatives, bond issues or constitutional amendments must be filed by 11:59 p.m.:

(1) On the ~~6th~~ 11th day before the date on which the election is held and must be complete up to the ~~12th~~ 14th day before that date; and

(2) On the 42nd day after the date on which the election is held and must be complete up to the 35th day after that date.

D. A state party committee that files an election report under paragraph B or C is not required to file a quarterly report under paragraph A when the deadline for that quarterly report falls within 10 days of the filing deadline established in paragraph B or C.

E. A state party committee shall report any expenditure of \$500 or more, made after the ~~12th~~ 14th day before the election and more than 24 hours before 5:00 p.m. on the day of the election, within 24 hours of that expenditure.

**4-B. Filing schedule for municipal, district and county party committees.** Municipal, district and county party committees shall file reports according to the following schedule.

A. Reports filed during an election year must be filed with the commission by 11:59 p.m. on:

(1) July 15th and be complete as of June 30th;

(2) ~~October 27th~~ The 11th day before the date on which the election is held and must be complete as of October 22nd up to the 14th day before that date; and

(3) January 15th and be complete as of December 31st.

B. Reports filed during a nonelection year must be filed by 11:59 p.m. on:

(1) July 15th and be complete as of June 30th; and

(2) January 15th and be complete as of December 31st.

C. Any ~~contribution or~~ expenditure of \$1,000 or more made after the ~~12th~~ 14th day before any election and more than 24 hours before ~~that~~ 11:59 p.m. on the day of the election must be reported within 24 hours of that ~~contribution or~~ expenditure.

**4-C. Electronic filing.** ~~Beginning January 1, 2006, state~~ State party committees shall file each report required by this section through an electronic filing system developed by the commission. The commission may make an exception to this electronic filing requirement if a party committee submits a written request that states that the party committee lacks access to the technology or the technological ability to file reports electronically. The request for an exception must be submitted by March 1st of the election year. The commission shall grant all reasonable requests for exceptions.

**5. Penalties.** A party committee is subject to the penalties in section 1020-A, subsection 4-A.

**6. Notice; forms.** A state party committee shall notify all county, district and municipal party committees of the same political party of the party committee reporting requirements. The party committees shall obtain the necessary forms from the commission to complete the filing requirements.

**7. Exemption.** Any party committee receiving and expending less than \$1,500 in one calendar year is exempt from the reporting requirements of this section for that year.

**8. Municipal elections.** When a party committee makes contributions or expenditures on behalf of a candidate for municipal office subject to this subchapter, it shall file a copy of the reports required by this section with the clerk in that candidate's municipality.

**Sec. A-18. 21-A MRSA §1017-B** is enacted to read:

**§1017-B. Records**

Any party committee that makes expenditures that aggregate in excess of \$50 to any one or more candidates, committees or campaigns in this State shall keep records as provided in this section. Records required to be kept under this section must be retained by the party committee until 10 days after the next election following the election to which the records pertain.

**1. Details of records.** The treasurer of a party committee shall record a detailed account of:

A. All expenditures made to or on behalf of a candidate, campaign or committee;

B. The identity and address of each candidate, campaign or committee;

C. The office sought by a candidate and the district the candidate seeks to represent, for candidates that a party committee has made an expenditure to or on behalf of; and

D. The date of each expenditure.

**2. Receipts.** The treasurer of a party committee shall retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of \$50.

**3. Record of contributions.** The treasurer of a party committee shall keep a record of all contributions to the committee, by name and mailing address, of each donor and the amount and date of the contribution. This subsection does not apply to aggregate contributions from a single donor of \$50 or less in an election. When any donor's contributions to a party committee exceed \$50, the record must include the aggregate amount of all contributions from that donor.

**Sec. A-19. 21-A MRSA §1018, sub-§1**, as enacted by PL 1985, c. 161, §6, is repealed.

**Sec. A-20. 21-A MRSA §1019-B, sub-§1, ¶B**, as enacted by PL 2003, c. 448, §3, is amended to read:

B. Is presumed in races involving a candidate who is certified as a Maine Clean Election Act candidate under section 1125, subsection 5 to be any expenditure made to design, produce or disseminate a communication that names or depicts a clearly identified candidate and is disseminated during the 21 days, including election day, before a primary election; the ~~24~~ 35 days, including election day, before a general election; or during a special election until and on election day.

**Sec. A-21. 21-A MRSA §1020-A, sub-§2**, as amended by PL 2003, c. 628, Pt. A, §3, is further amended to read:

**2. Campaign finance reports.** A campaign finance report is not timely filed unless a properly signed or electronically submitted copy of the report, substantially conforming to the disclosure requirements of this subchapter, is received by the commission ~~before 5~~ by 11:59 p.m. on the date it is due. Except as provided in subsection 7, the commission shall determine whether a report satisfies the requirements for timely filing. The commission may waive a penalty if the commission determines that the penalty is disproportionate to the size of the candidate's campaign, the level of experience of the candidate, treasurer or campaign staff or the harm suffered by the public from the late disclosure. The commission may waive the penalty in whole or in part if the commission determines the failure to file a timely report was due to mitigating circumstances. For purposes of this section, "mitigating circumstances" means:

A. A valid emergency determined by the commission, in the interest of the sound administration of justice, to warrant the waiver of the penalty in whole or in part;

B. An error by the commission staff;

C. Failure to receive notice of the filing deadline; or

D. Other circumstances determined by the commission that warrant mitigation of the penalty, based upon relevant evidence presented that a bona fide effort was made to file the report in accordance with the statutory requirements, including, but not limited to, unexplained delays in postal service.

**Sec. A-22. 21-A MRSA §1020-A, sub-§4-A**, as enacted by PL 2001, c. 714, Pt. PP, §1 and affected by §2, is amended to read:

**4-A. Basis for penalties.** The penalty for late filing of a report required under this subchapter, except for accelerated campaign finance reports required pursuant to section 1017, subsection 3-B, is a percentage of the total contributions or expenditures for the filing period, whichever is greater, multiplied by the number of calendar days late, as follows:

- A. For the first violation, 1%;
- B. For the 2nd violation, 3%; and
- C. For the 3rd and subsequent violations, 5%.

Any penalty of less than \$5 ~~\$10~~ is waived.

Violations accumulate on reports with filing deadlines in a 2-year period that begins on January 1st of each even-numbered year. Waiver of a penalty does not nullify the finding of a violation.

A report required to be filed under this subchapter that is sent by certified or registered United States mail and postmarked at least 2 days before the deadline is not subject to penalty.

A registration or report may be provisionally filed by transmission of a facsimile copy of the duly executed report to the commission, as long as the facsimile copy is filed by the applicable deadline and an original of the same report is received by the commission within 5 calendar days thereafter.

The penalty for late filing of an accelerated campaign finance report as required in section 1017, subsection 3-B may be up to but no more than 3 times the amount by which the contributions received or expenditures obligated or made by the candidate exceed the applicable Maine Clean Election Fund disbursement amount, per day of violation. The commission shall make a finding of fact establishing when the report was due prior to imposing a penalty under this subsection. A penalty for failure to file an accelerated campaign finance report must be made payable to the Maine Clean Election Fund. In assessing a penalty for failure to file an accelerated campaign finance report, the commission shall consider the existence of mitigating circumstances. For the purposes of this subsection, "mitigating circumstances" has the same meaning as in subsection 2.

**Sec. A-23. 21-A MRSA §1020-A, sub-§6**, as corrected by RR 1995, c. 2, §38, is amended to read:

**6. Request for a commission determination.** Within 3 days following the filing deadline, a notice must be ~~forwarded~~ sent to a candidate and treasurer whose registration or campaign finance report is not received by ~~5~~ 11:59 p.m. on the deadline date, informing them of the basis for calculating penalties under subsection 4 and providing them with an opportunity to request a commission determination. The notice must be sent by certified United States mail. Any request for a determination must be made within

10 calendar days of receipt of the commission's notice. The 10-day period during which a determination may be requested begins on the day a recipient signs for the certified mail notice of the proposed penalty. If the certified letter is refused or left unclaimed at the post office, the 10-day period begins on the day the post office indicates it has given first notice of a certified letter. A candidate or treasurer requesting a determination may either appear in person or designate a representative to appear on the candidate's or treasurer's behalf or submit a notarized written explanation of the mitigating circumstances for consideration by the commission.

**Sec. A-24. 21-A MRSA §1020-A, sub-§7**, as corrected by RR 2003, c. 1, §14, is amended to read:

**7. Final notice of penalty.** ~~After a~~ If a determination has been requested by the candidate and made by the commission ~~meeting~~, notice of the commission's final determination and the penalty, if any, imposed pursuant to this subchapter must be sent to the candidate and the treasurer.

If no determination is requested, the commission staff shall calculate the penalty as prescribed in subsection 4-A and shall mail final notice of the penalty to the candidate and treasurer. A detailed summary of all notices must be provided to the commission.

**Sec. A-25. 21-A MRSA §1020-A, sub-§8**, as repealed and replaced by PL 2003, c. 628, Pt. A, §5, is amended to read:

**8. Failure to file report.** The commission shall notify a candidate who has failed to file a report required by this subchapter, in writing, informing the candidate of the requirement to file a report. The notice must be sent by certified mail. If a candidate fails to file a report after ~~3 written communications from 2 notices have been sent by~~ the commission, the commission shall send up to 2 more written communications a final notice by certified mail informing the candidate of the requirement to file and that the matter may be referred to the Attorney General for criminal prosecution. A candidate who fails to file a report as required by this subchapter after the commission has sent the ~~communications~~ notices required by this subsection is guilty of a Class E crime.

**Sec. A-26. 21-A MRSA §1051, first ¶**, as amended by PL 1995, c. 483, §16, is further amended to read:

This subchapter applies to the activities of political action committees organized in and outside this State that accept contributions, incur obligations or make expenditures in an aggregate amount in excess of ~~\$50~~ \$1,500 in any one calendar year for the election of state, county or municipal officers, or for the support or defeat of any campaign, as defined in this subchapter.

**Sec. A-27. 21-A MRSA §1052, sub-§2,** as enacted by PL 1985, c. 161, §6, is amended to read:

**2. Committee.** "Committee" means any political action committee, as defined in this subchapter, and includes any agent of a political action committee.

**Sec. A-28. 21-A MRSA §1052, sub-§4, ¶B,** as amended by PL 2005, c. 301, §22, is further amended to read:

B. Does not include:

(1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless these facilities are owned or controlled by any political party, political committee ~~or~~ candidate or candidate's immediate family;

(2) Activity designed to encourage individuals to register to vote or to vote, if that activity or communication does not mention a clearly identified candidate;

(3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;

(4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by a political action committee in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the political action committee on behalf of any candidate does not exceed \$100 with respect to any election;

(5) Any unreimbursed travel expenses incurred and paid for by a political action committee that volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election; and

(6) Any communication by any political action committee member that is not made for the purpose of influencing the nomination for election, or election, of any person to state or county office.

**Sec. A-29. 21-A MRSA §1053,** as amended by PL 2005, c. 575, §6, is further amended to read:

**§1053. Registration**

Every political action committee that accepts contributions, incurs obligations or makes expenditures in the aggregate in excess of \$1,500 in any single

calendar year to initiate, support, defeat or influence in any way a campaign, referendum, initiated petition, including the collection of signatures for a direct initiative, candidate, political committee or another political action committee must register with the commission, within 7 days of accepting those contributions, incurring those obligations or making those expenditures, on forms prescribed by the commission. These forms must include the following information and any additional information reasonably required by the commission to monitor the activities of political action committees in this State under this subchapter:

**1. Identification of committee.** The names and mailing addresses of the committee, its treasurer, its principal officers ~~and~~ the identity names of any candidates; ~~and~~ Legislators ~~or other~~ who have a significant role in fund-raising or decision-making for the committee and all individuals who are the primary fund-raisers and decision makers for the committee;

~~2. Status.~~ ~~A statement whether the political action committee is a continuing one;~~

~~3. Depository of funds.~~ ~~The names and addresses of the depositories in which funds of the committee are kept and the account numbers of each depository account;~~

**4. Form of organization.** The form or structure of organization, including cooperatives, corporations, voluntary associations, partnerships or any other structure by which the committee functions. The date of origin or incorporation must also be specified; and

~~5. Assets.~~ ~~The total assets of the committee available to influence elections in this State at the time of registration to be itemized and to include deposits in financial institutions, real property, personal property, investments, cash and any other form of wealth available to the committee;~~

**6. Statement of support or opposition.** A statement indicating the positions of the committee, support or opposition, with respect to a candidate, political committee, referendum, initiated petition or campaign, if known at the time of registration. If a committee has no position on a candidate, campaign or issue at the time of registration, the committee must inform the commission as soon as the committee knows this information; ~~and~~.

~~7. Contributions to committee.~~ ~~The names and mailing addresses of contributors who donate in excess of \$50 each year to the committee with amount or value of each contribution at the time of registration. Any person who makes contributions on an installment basis, the total of which exceeds \$50 in the calendar year, is considered a contributor to be identified under this subsection.~~

Every change in information required by this section must be included in an amended registration form

submitted to the commission within 10 days of the date of the change. The committee must file an updated registration form every 2 years between January 1st and March 1st of an election year. The commission may waive the updated registration requirement for newly registered political action committees or other registered political action committees if it determines that the requirement would cause an administrative burden disproportionate to the public benefit of updated information.

At the time of registration, the political action committee shall file an initial campaign finance report disclosing all information required by section 1060.

**Sec. A-30. 21-A MRSA §1054**, as enacted by PL 1985, c. 161, §6, is amended to read:

**§1054. Appointment of treasurer**

Any political action committee required to register under section 1053 must appoint a treasurer before ~~making any expenditure, as defined in this chapter registering with the commission.~~ The treasurer shall retain, for a minimum of 4 years, all receipts, including cancelled checks, of expenditures made in support of or in opposition to a campaign, political committee, political action committee, referendum or initiated petition in this State.

**Sec. A-31. 21-A MRSA §1055**, as amended by PL 2005, c. 308, §2, is further amended to read:

**§1055. Publication or distribution of political communications**

~~When a political action committee that makes an expenditure to finance a communication expressly advocating the election or defeat of a candidate through broadcasting stations, newspapers, magazines, outdoor advertising facilities, direct mails and other similar types of general public political advertising and through flyers, handbills, bumper stickers and other nonperiodical publications, the communication must clearly and conspicuously state the name and address of the political action committee that authorized, made or financed the expenditure for the communication and that the communication has been authorized by the political action committee or that names or depicts a clearly identified candidate is subject to the requirements of section 1014.~~

~~A person operating a broadcasting station within this State may not broadcast any such communication without an oral or visual announcement of the name and address of the political action committee that made or financed the expenditure for the communication.~~

~~A newspaper may not publish a communication described in this section without including the disclosure required by this section. For purposes of this paragraph, "newspaper" includes any printed material intended for general circulation or to be read by the~~

~~general public. When necessary, a newspaper may seek the advice of the commission regarding whether or not the communication requires the disclosure.~~

~~An expenditure, communication or broadcast that results in a violation of this section may result in a civil penalty of no more than \$200. Enforcement and collection procedures must be in accordance with section 1062-A.~~

**Sec. A-32. 21-A MRSA §1057, sub-§2**, as enacted by PL 1985, c. 161, §6, is amended to read:

**2. Receipts.** The treasurer of a political action committee must retain ~~all receipts of expenditures made for a candidate, committee or campaign in this State a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of \$50. Receipts may be in the form of cancelled checks.~~

**Sec. A-33. 21-A MRSA §1057, sub-§3**, as amended by PL 1989, c. 504, §§27 and 31, is further amended to read:

**3. Record of contributions.** The treasurer of a political action committee must keep a record of all contributions to the committee, by name and mailing address, of each donor and the amount and date of the contribution. This provision does not apply to aggregate contributions which do not exceed from a single donor of \$50 each or less for a general election, primary an election and or referendum campaign. When any donor's contributions to a political action committee exceed \$50, the record must include the aggregate amount of all contributions from that donor.

**Sec. A-34. 21-A MRSA §1058**, as amended by PL 2005, c. 575, §7, is further amended to read:

**§1058. Reports; qualifications for filing**

A political action committee that is registered with the commission or that accepts contributions or makes expenditures and incurs obligations in an aggregate amount in excess of \$50 \$1,500 on any one or more campaigns for the office of Governor, for state or county office or for the support or defeat of a referendum or initiated petition shall file a report on its activities in that campaign with the commission on forms as prescribed by the commission. A political action committee organized in this State required under this section to file a report shall file the report for each filing period under section 1059. A political action committee organized outside this State shall file with the Commission on Governmental Ethics and Election Practices of this State a copy of the report that the political action committee is required to file in the state in which the political action committee is organized. The political action committee shall file the copy only if it has expended funds or received contributions or made expenditures in this State. The copy of the report must be filed in accordance with the schedule of

filing in the state where it is organized. If contributions or expenditures are made relating to a municipal office or referendum, the report must be filed with the clerk in the subject municipality.

**Sec. A-35. 21-A MRSA §1059**, as amended by PL 2005, c. 301, §§25 and 26, is further amended to read:

**§1059. Report; filing requirements**

Committees required to register under section 1053 shall file reports in compliance with this section. All reports must be filed ~~no later than 5~~ by 11:59 p.m. on the filing deadline.

~~1. Contents; quarterly reports and election year reports.~~ The reports required under subsection 2, paragraphs A, B and C, must contain the following:

~~A. Itemized expenditures required by the commission to closely monitor the activities of political action committees;~~

~~B. Aggregate expenditures, listed by candidate or political committee, for the reporting period for which the report is filed;~~

~~B 1. Cumulative expenditures, listed by candidate or political committee, aggregating the expenditures made during preceding reporting periods in the same calendar year and during the reporting period for which the report is filed;~~

~~C. The total cumulative balance from all preceding reporting periods; and~~

~~D. In the report required to be filed under subsection 2, paragraph B, subparagraph 2, a summary of all expenditures made during the calendar year in which the election was held.~~

~~The commission may accept computer printout sheets that contain the information required by this chapter.~~

**2. Reporting schedule.** Committees shall file reports according to the following schedule.

A. Quarterly reports shall must be filed:

- (1) On January 15th and must be complete as of January 5th;
- (2) On April 10th and must be complete as of March 31st;
- (3) On July 15th and must be complete as of July 5th; and
- (4) On October 10th and must be complete as of September 30th.

B. General and primary election reports shall must be filed:

- (1) On the 6th 11th day before the date on which the election is held and must be com-

plete as of the ~~12th~~ 14th day before that date; and

- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date.

C. Reports of spending to influence special elections, referenda, initiatives, bond issues or constitutional amendments shall must be filed:

- (1) On the ~~6th~~ 11th day before the date on which the election is held and must be complete as of the ~~12th~~ 14th day before that date; and

- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date.

D. A committee that files an election report under paragraph B or C is not required to file a quarterly report when the deadline for that quarterly report falls within 10 days of the filing deadline established in paragraph B or C.

E. A committee shall report any expenditure of \$500 or more, made after the ~~12th~~ 14th day before the election and more than 24 hours before ~~5~~ 5:00 p.m. on the day of the election, within 24 hours of that expenditure.

~~5. Electronic filing. Beginning January 1, 2006, committees~~ Committees shall file each report required by this section through an electronic filing system developed by the commission. The commission may make an exception to this electronic filing requirement if a committee submits a written request that states that the committee lacks access to the technology or the technological ability to file reports electronically. The request for an exception must be submitted ~~no later than March 1, 2006 or within 30 days of the registration of the committee, whichever is later.~~ The commission shall grant all reasonable requests for exceptions.

**Sec. A-36. 21-A MRSA §1060**, as amended by PL 2005, c. 575, §8, is further amended to read:

**§1060. Content of reports**

The reports must contain the following information and any additional information required by the commission to monitor the activities of political action committees:

**1. Identification of candidates.** The names of and mailing addresses of any candidate offices sought by all candidates whom the committee supports, intends to support or seeks to defeat. ~~The report must indicate the office that the candidate is seeking, the political party represented by the candidate, if any, the date of the contest and whether the contest is an election or a primary;~~

**2. Identification of committees; parties.** The names ~~and mailing addresses of any all~~ political ~~committee~~ committees or political party committees supported in any way by the registrant committee;

**3. Identification of referendum or initiated petition.** The referendum referenda or initiated petition which petitions that the committee supports or opposes and the names and mailing addresses of the organizations to which expenditures were made;

**4. Itemized expenditures.** An itemization of each expenditure made ~~to support or oppose on behalf of~~ any candidate, campaign, political committee, political action committee, ~~political and party;~~ committee or to support or oppose a referendum or initiated petition, including the date, payee and purpose of the expenditure and the address of the payee; ~~the name of each candidate, campaign, political committee, political action committee or party committee on whose behalf the expenditure was made; and each referendum or initiated petition supported or opposed by the expenditure.~~ If expenditures were made to a person described in section 1012, subsection 3, paragraph A, subparagraph (4), the report must contain the name of the person; the amount spent by that person on behalf of the candidate, campaign, political committee, political action committee, ~~political party committee,~~ referendum or initiated petition, including, but not limited to, expenditures made during the signature gathering phase; the reason for the expenditure; and the date of the expenditure. The commission may specify the categories of expenditures that are to be reported to enable the commission to closely monitor the activities of political action committees;

**5. Aggregate expenditures.** An aggregation of expenditures and cumulative aggregation of expenditures to a candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition;

**6. Identification of contributions.** Names, occupations, places of business and mailing addresses of contributors who have given more than \$50 to the political action committee ~~after the committee has registered under section 1053, in the reporting period and the amount contributed by each donor and the date of the each contribution. The information already reported as required by section 1053, subsection 7 should not be duplicated; and~~

**7. Other expenditures.** Operational expenses and other expenditures in cash or in kind that are not made on behalf of a candidate, committee or campaign.

**Sec. A-37. 21-A MRSA §1061,** as amended by PL 1993, c. 695, §36, is further amended to read:

#### §1061. Dissolution of committees

Whenever any political action committee ~~disbands or determines that it will no longer solicit or accept any contributions, incur any obligations will no longer be incurred and no, make any expenditures will be made to or on behalf of~~ any candidate, political committee ~~or political, party, or committee or political action committee~~ to initiate, support, defeat or influence in any way the outcome of a referendum, initiated petition, or election ~~or primary,~~ and the committee has no outstanding loans, debts or other obligations, the committee shall file a termination report that includes all financial activity from the end date of the previous reporting period through the date of termination with the Commission on Governmental Ethics and Election Practices commission. If a termination report is not filed, the committee shall continue to file periodic reports as required in this chapter.

**Sec. A-38. 21-A MRSA §1062-A, sub-§2,** as amended by PL 2003, c. 628, Pt. A, §7, is further amended to read:

**2. Campaign finance reports.** A campaign finance report is not timely filed unless a properly signed or electronically submitted copy of the report, substantially conforming to the disclosure requirements of this subchapter, is received by the commission ~~before 5~~ by 11:59 p.m. on the date it is due. Except as provided in subsection 6, the commission shall determine whether a required report satisfies the requirements for timely filing. The commission may waive a penalty if it is disproportionate to the level of experience of the person filing the report or to the harm suffered by the public from the late disclosure. The commission may waive the penalty in whole or in part if the commission determines the failure to file a timely report was due to mitigating circumstances. For purposes of this section, "mitigating circumstances" means:

A. A valid emergency of the committee treasurer determined by the commission, in the interest of the sound administration of justice, to warrant the waiver of the penalty in whole or in part;

B. An error by the commission staff; or

C. Other circumstances determined by the commission that warrant mitigation of the penalty, based upon relevant evidence presented that a bona fide effort was made to file the report in accordance with the statutory requirements, including, but not limited to, unexplained delays in postal service or interruptions in Internet service.

**Sec. A-39. 21-A MRSA §1062-A, sub-§3,** as enacted by PL 1995, c. 483, §21, is amended to read:

**3. Basis for penalties.** The penalty for late filing of a report required under this subchapter is a percentage of the total contributions or expenditures for the

filing period, whichever is greater, multiplied by the number of calendar days late, as follows:

- A. For the first violation, 1%;
- B. For the 2nd violation, 3%; and
- C. For the 3rd and subsequent violations, 5%.

Any penalty of less than \$5 \$10 is waived.

Violations accumulate on reports with filing deadlines in a 2-year period that begins on January 1st of each even-numbered calendar year. Waiver of a penalty does not nullify the finding of a violation.

A report required to be filed under this subchapter that is sent by certified or registered United States mail and postmarked at least 2 days before the deadline is not subject to penalty.

A required report may be provisionally filed by transmission of a facsimile copy of the duly executed report to the commission, as long as an original of the same report is received by the commission within 5 calendar days thereafter.

**Sec. A-40. 21-A MRSA §1062-A, sub-§5**, as enacted by PL 1995, c. 483, §21, is amended to read:

**5. Request for a commission determination.**

Within 3 days following the filing deadline, a notice must be forwarded to the principal officer and treasurer of the political action committee whose report is not received by 5 11:59 p.m. on the deadline date, informing them of the basis for calculating penalties under subsection 3 and providing them with an opportunity to request a commission determination. The notice must be sent by certified United States mail. A request for determination must be made within 10 calendar days of receipt of the commission's notice. The 10-day period during which a determination may be requested begins on the day a recipient signs for the certified mail notice of the proposed penalty. If the certified letter is refused or left unclaimed at the post office, the 10-day period begins on the day the post office indicates it has given first notice of a certified letter. A principal officer or treasurer requesting a determination may either appear in person or designate a representative to appear on the principal officer's or treasurer's behalf or submit a notarized written explanation of the mitigating circumstances for consideration by the commission.

**Sec. A-41. 21-A MRSA §1062-A, sub-§7**, as enacted by PL 1995, c. 483, §21, is amended to read:

**7. List of late-filing committees.** The commission shall prepare a list of the names of political action committees that are late in filing a report required under section 1059, subsection 2, paragraph B, subparagraph (1); or section 1059, subsection 2, paragraph C or D or section 1059, subsection 3 A, paragraph B or C within 30 days of the date of the election and shall make that list available for public inspection.

## PART B

**Sec. B-1. 21-A MRSA §1122, sub-§4-A** is enacted to read:

**4-A. Immediate family.** "Immediate family" has the same meaning as in section 1, subsection 20 and includes a candidate's domestic partner and the immediate family of the candidate's domestic partner.

**Sec. B-2. 21-A MRSA §1122, sub-§7**, as enacted by IB 1995, c. 1, §17, is amended to read:

**7. Qualifying contribution.** "Qualifying contribution" means a donation:

A. Of \$5 in the form of a check or a money order payable to the fund, signed by the contributor and made in support of a candidate;

B. Made by a registered voter within the electoral division for the office a candidate is seeking and whose voter registration has been verified by the municipal registrar;

C. Made during the designated qualifying period and obtained with the knowledge and approval of the candidate; and

D. That is acknowledged by a written receipt that identifies the name and address of the donor the contributor acknowledges was made with the contributor's personal funds and in support of the candidate and was not given in exchange for anything of value and that the candidate acknowledges was obtained with the candidate's knowledge and approval and that nothing of value was given in exchange for the contribution, on forms provided by the commission.

**Sec. B-3. 21-A MRSA §1122, sub-§9**, as amended by PL 2005, c. 301, §28, is further amended to read:

**9. Seed money contribution.** "Seed money contribution" means a contribution of no more than \$100 ~~per individual~~ made to a participating candidate, including ~~a contribution from the candidate or the candidate's family spouse or domestic partner. To be eligible for certification, a candidate may collect and spend only seed money contributions subsequent to becoming a candidate as defined by section 1, subsection 5 and throughout the qualifying period. A participating candidate who has accepted contributions or made expenditures that do not comply with the seed money restrictions under this chapter may petition the commission to remain eligible for certification as a Maine Clean Election Act candidate in accordance with rules of the commission, if the failure to comply was unintentional and does not constitute a significant infraction of these restrictions. Prior to certification, a candidate may obligate an amount greater than the seed money collected if the value of the goods and services received from a vendor does not exceed the~~

~~amount paid to the vendor. A candidate may not collect or spend seed money contributions after certification as a Maine Clean Election Act candidate. A seed money contribution must be reported according to procedures developed by the commission.~~

**Sec. B-4. 21-A MRSA §1124, sub-§2, ¶B,** as amended by PL 2003, c. 673, Pt. EE, §1, is further amended to read:

B. Two million dollars of the revenues from the taxes imposed under Title 36, Parts 3 and 8 and credited to the General Fund, transferred to the fund by the State Controller on or before January 1st of each year, beginning January 1, 1999. These revenues must be offset in an equitable manner by an equivalent reduction within the administrative divisions of the legislative branch and executive branch agencies. This section may not affect the funds distributed to the Local Government Fund under Title 30-A, section 5681.

~~If the commission determines that the fund will not have sufficient revenues to cover the likely demand for funds from the Maine Clean Election Fund in an upcoming calendar year, by January 1st the commission shall provide a report of its projections of the balances in the Maine Clean Election Fund to the Legislature and the Governor and may request that the State Controller make the following transfers to the Maine Clean Election Fund from the General Fund:~~

~~(1) Up to \$2,000,000 no later than February 28, 2006, reflecting an advance of the transfer of the amounts that would be received on or before January 1, 2007 pursuant to this paragraph;~~

~~(2) Up to \$2,000,000 no later than July 31, 2006, reflecting an advance of the transfer of the amounts that would be received on or before January 1, 2008 pursuant to this paragraph; and~~

~~(3) Up to \$1,500,000 no later than September 1, 2004, reflecting a partial advance of the transfer of the amounts that would be received on or before January 1, 2005 pursuant to this paragraph;~~

**Sec. B-5. 21-A MRSA §1124, sub-§3,** as amended by PL 2001, c. 559, Pt. OO, §1, is further amended to read:

**3. Determination of fund amount.** ~~By September 1st preceding each election year, If the commission shall publish an estimate of revenue in the fund available for distribution to certified candidates during the upcoming year's elections and an estimate of the likely demand for clean elections funding during that election determines that the fund will not have sufficient revenues to cover the likely demand for funds~~

from the Maine Clean Election Fund in an upcoming election, by January 1st the commission shall provide a report of its projections of the balances in the Maine Clean Election Fund to the Legislature and the Governor. The commission may submit legislation to request additional funding or an advance on revenues to be transferred pursuant to subsection 2, paragraph B.

**Sec. B-6. 21-A MRSA §1125,** as amended by PL 2005, c. 542, §§3 to 5, is further amended to read:

**§1125. Terms of participation**

**1. Declaration of intent.** A participating candidate must file a declaration of intent to seek certification as a Maine Clean Election Act candidate and to comply with the requirements of this chapter. The declaration of intent must be filed with the commission prior to or during the qualifying period, except as provided in subsection 11, according to forms and procedures developed by the commission. A participating candidate must submit a declaration of intent within 5 business days of collecting qualifying contributions under this chapter, ~~or the qualifying.~~ Qualifying contributions collected before the declaration of intent has been filed will not be counted toward the eligibility requirement in subsection 3.

**2. Contribution limits for participating candidates.** Subsequent to becoming a candidate as defined by section 1, subsection 5 and prior to certification, a participating candidate may not accept contributions, except for seed money contributions. A participating candidate must limit the candidate's total seed money contributions to the following amounts:

A. Fifty thousand dollars for a gubernatorial candidate;

B. One thousand five hundred dollars for a candidate for the State Senate; or

C. Five hundred dollars for a candidate for the State House of Representatives.

The commission may, by rule, revise these amounts to ensure the effective implementation of this chapter.

**2-A. Seed money restrictions.** To be eligible for certification, a participating candidate may collect and spend only seed money contributions subsequent to becoming a candidate and prior to certification. A participating candidate may not solicit, accept or collect seed money contributions after certification as a Maine Clean Election Act candidate.

A. All goods and services received prior to certification must be paid for with seed money contributions, except for goods and services that are excluded from the definition of contribution in section 1012, subsection 2, paragraph B. It is a violation of this chapter for a participating candidate to use fund revenues received after certification to

pay for goods and services received prior to certification.

B. Prior to certification, a participating candidate may obligate an amount greater than the seed money collected, but may only receive that portion of goods and services that has been paid for or will be paid for with seed money. A participating candidate who has accepted contributions or made expenditures that do not comply with the seed money restrictions under this chapter may petition the commission to remain eligible for certification as a Maine Clean Election Act candidate in accordance with rules of the commission, if the failure to comply was unintentional and does not constitute a significant infraction of these restrictions.

C. Upon requesting certification, a participating candidate shall file a report of all seed money contributions and expenditures. If the candidate is certified, any unspent seed money will be deducted from the amount distributed to the candidate as provided in subsection 8.

**3. Qualifying contributions.** Participating candidates must obtain qualifying contributions during the qualifying period as follows:

A. For a gubernatorial candidate, at least ~~2,500~~ 3,250 verified registered voters of this State must support the candidacy by providing a qualifying contribution to that candidate;

B. For a candidate for the State Senate, at least 150 verified registered voters from the candidate's electoral division must support the candidacy by providing a qualifying contribution to that candidate; or

C. For a candidate for the State House of Representatives, at least 50 verified registered voters from the candidate's electoral division must support the candidacy by providing a qualifying contribution to that candidate.

A payment, gift or anything of value may not be given in exchange for a qualifying contribution. A candidate may pay the fee for a money order that is a qualifying contribution in the amount of \$5, ~~which is a qualifying contribution,~~ as long as the donor making the qualifying contribution pays the \$5 amount reflected on the money order. Any money order fees paid by a participating candidate must be paid for with seed money and reported in accordance with commission rules. A money order must be signed by the contributor to be a valid qualifying contribution. The commission may establish by routine technical rule, adopted in accordance with Title 5, chapter 375, subchapter 2-A, a procedure for a qualifying contribution to be made by a credit or debit transaction and by electronic funds transfer over the Internet.

It is a violation of this chapter for a participating candidate or an agent of the participating candidate to misrepresent the purpose of soliciting qualifying contributions and obtaining the contributor's signed acknowledgement.

**4. Filing with commission.** A participating candidate must submit qualifying contributions, receipt and acknowledgement forms, proof of verification of voter registration and a seed money report to the commission during the qualifying period according to procedures developed by the commission, except as provided under subsection 11. Candidates for Governor shall also submit photocopies of all seed money contributions received by check or money order, bank or merchant account statements of contributions received by credit or debit card and bank or other account statements for the campaign account.

**5. Certification of Maine Clean Election Act candidates.** Upon receipt of a final submittal of qualifying contributions by a participating candidate, the commission or its executive director shall determine whether ~~or not~~ the candidate has:

A. Signed and filed a declaration of intent to participate in this Act;

B. Submitted the appropriate number of valid qualifying contributions;

C. Qualified as a candidate by petition or other means;

D. Not accepted contributions, except for seed money contributions, and otherwise complied with seed money restrictions;

D-1. Not run for the same office as a nonparticipating candidate in a primary election in the same election year; ~~and~~

D-2. Not been found to have made a material false statement in a report or other document submitted to the commission;

D-3. Not had prior requests for certification denied on the basis of substantial violations of this chapter or chapter 13 or certification revoked under subsection 5-A, paragraphs C to G;

D-4. Not failed to pay any civil penalty assessed by the commission under this Title, except that a candidate has 3 business days from the date of the request for certification to pay the outstanding penalty and remain eligible for certification; and

E. Otherwise met the requirements for participation in this Act.

The commission or its executive director shall certify a candidate complying with the requirements of this section as a Maine Clean Election Act candidate as soon as possible ~~and~~ after final submittal of qualifying contributions and other supporting documents required

under subsection 4 but no later than 3 business days after final submittal of qualifying contributions for legislative candidates and 5 business days for gubernatorial candidates. The commission and its executive director may take additional time if further investigation is necessary to verify compliance with this Act as long as the commission notifies the candidate regarding the anticipated schedule for conclusion of the investigation.

Upon certification, a candidate must transfer to the fund any unspent seed money contributions. A certified candidate must comply with all requirements of this Act after certification and throughout the primary and general election periods. Failure to do so is a violation of this chapter.

**5-A. Revocation of certification.** The certification of a participating candidate may be revoked at any time if the commission determines that the candidate or an agent of the candidate:

A. Did not submit the required number of valid qualifying contributions;

B. Failed to qualify as a candidate by petition or other means;

C. Submitted any fraudulent qualifying contributions or qualifying contributions that were not made by the named contributor;

D. Misrepresented to a contributor the purpose of the qualifying contribution or obtaining the contributor's signature on the receipt and acknowledgement form;

E. Failed to fully comply with the seed money restrictions;

F. Knowingly accepted any contributions, including any in-kind contributions, or used funds other than fund revenues distributed under this chapter to make campaign-related expenditures without the permission of the commission;

G. Knowingly made a false statement or material misrepresentation in any report or other document required to be filed under this chapter or chapter 13; or

H. Otherwise substantially violated the provisions of this chapter or chapter 13.

The determination to revoke the certification of a candidate must be made by a vote of the members of the commission after an opportunity for a hearing. A candidate whose certification is revoked shall return all unspent funds to the commission within 3 days of the commission's decision and may be required to return all funds distributed to the candidate. In addition to the requirement to return funds, the candidate may be subject to a civil penalty under section 1127. The candidate may appeal the commission's decision to

revoke certification in the same manner provided in subsection 14, paragraph C.

**6. Restrictions on contributions and expenditures for certified candidates.** After certification, a candidate must limit the candidate's campaign expenditures and obligations, including outstanding obligations, to the revenues distributed to the candidate from the fund and may not accept any contributions unless specifically authorized by the commission. Candidates may also accept and spend interest earned on fund revenues in campaign bank accounts. All revenues distributed to a certified candidate from the fund must be used for campaign-related purposes. The candidate, the treasurer, the candidate's committee authorized pursuant to section 1013-A, subsection 1 or any agent of the candidate and committee may not use these revenues for any but campaign-related purposes. The commission shall publish guidelines outlining permissible campaign-related expenditures.

**6-A. Assisting a person to become an opponent.** A candidate or a person who later becomes a candidate and who is seeking certification under subsection 5, or an agent of that candidate, may not assist another person in qualifying as a candidate for the same office if such a candidacy would result in the distribution of revenues under subsections 7 and 8 for certified candidates in a contested election.

**7. Timing of fund distribution.** The commission shall distribute to certified candidates revenues from the fund in amounts determined under subsection 8 in the following manner.

A. Within 3 days after certification, for candidates certified prior to March 15th of the election year, revenues from the fund must be distributed as if the candidates are in an uncontested primary election.

B. Within 3 days after certification, for all candidates certified between March 15th and April 15th of the election year, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested primary election.

B-1. For candidates in contested primary elections receiving a distribution under paragraph A, additional revenues from the fund must be distributed within 3 days of March 15th of the election year.

C. ~~Within~~ No later than 3 days after the primary election results are certified, for general election certified candidates, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested general election.

Funds may be distributed to certified candidates under this section by any mechanism that is expeditious, ensures accountability and safeguards the integrity of the fund.

**7-A. Deposit into account.** The candidate or committee authorized pursuant to section 1013-A, subsection 1 shall deposit all revenues from the fund and all seed money contributions in a campaign account with a bank or other financial institution. The campaign funds must be segregated from, and may not be commingled with, any other funds.

**8. Amount of fund distribution.** By July 1, 1999 of the effective date of this Act, and at least every 4 years after that date, the commission shall determine the amount of funds to be distributed to participating candidates based on the type of election and office as follows.

A. For contested legislative primary elections, the amount of revenues to be distributed is the average amount of campaign expenditures made by each candidate during all contested primary election races for the immediately preceding 2 primary elections, as reported in the initial filing period subsequent to the primary election, for the respective offices of State Senate and State House of Representatives.

B. For uncontested legislative primary elections, the amount of revenues distributed is the average amount of campaign expenditures made by each candidate during all uncontested primary election races for the immediately preceding 2 primary elections, as reported in the initial filing period subsequent to the primary election, for the respective offices of State Senate and State House of Representatives.

C. For contested legislative general elections, the amount of revenues distributed is the average amount of campaign expenditures made by each candidate during all contested general election races for the immediately preceding 2 general elections, as reported in the initial filing period subsequent to the general election, for the respective offices of State Senate and State House of Representatives.

D. For uncontested legislative general elections, the amount of revenues to be distributed from the fund is 40% of the amount distributed to a participating candidate in a contested general election.

E. For gubernatorial primary elections, the amount of revenues distributed is \$200,000 per candidate in the primary election.

F. For gubernatorial general elections, the amount of revenues distributed is ~~\$400,000~~ \$600,000 per candidate in the general election.

If the immediately preceding election cycles do not contain sufficient electoral data, the commission shall use information from the most recent applicable elections.

**9. Matching funds.** When any ~~campaign, finance or election~~ report required under this chapter or chapter 13 shows that the sum of a candidate's expenditures or obligations, ~~or funds raised or borrowed contributions and loans, or fund revenues received,~~ whichever is greater, ~~alone or~~ in conjunction with independent expenditures reported under section 1019-B, exceeds the ~~distribution amount under subsection 8~~ sum of an opposing certified candidate's fund revenues, in conjunction with independent expenditures, the commission shall issue immediately to ~~any the~~ opposing ~~Maine Clean Election Act~~ certified candidate an additional amount equivalent to the ~~reported excess difference.~~ Matching funds for certified candidates for the Legislature are limited to 2 times the amount originally distributed under subsection 8, paragraph A, ~~or C, E or F,~~ whichever is applicable. Matching funds for certified gubernatorial candidates in a primary election are limited to 2 times the amount originally distributed under subsection 8, paragraph E. Matching funds for certified gubernatorial candidates in a general election are limited to the amount originally distributed under subsection 8, paragraph F.

**10. Candidate not enrolled in a party.** An unenrolled candidate ~~certified who submits the required number of qualifying contributions and other required documents under subsection 4 by 5:00 p.m. on April 15th preceding the primary election and who is certified~~ is eligible for revenues from the fund in the same amounts and at the same time as an uncontested primary election candidate and a general election candidate as specified in subsections 7 and 8. ~~For Other-~~ wise, an unenrolled candidate not certified by April 15th at 5:00 p.m. the deadline for filing must submit the required number of qualifying contributions is and the other required documents under subsection 4 by 5:00 p.m. on June 2nd preceding the general election. An unenrolled candidate certified after April 15th at 5:00 p.m. If certified, the candidate is eligible for revenues from the fund in the same amounts as a general election candidate, as specified in subsections 7 and subsection 8. Revenues for the general election must be distributed to the candidate no later than 3 days after certification.

**11. Other procedures.** The commission shall establish by rule procedures for qualification, certification, disbursement of fund revenues and return of unspent fund revenues for races involving special elections, recounts, vacancies, withdrawals or replacement candidates.

**12. Reporting; unspent revenue.** Notwithstanding any other provision of law, participating and certified candidates shall report any money collected, all campaign expenditures, obligations and related activities to the commission according to procedures developed by the commission. Upon the filing of a final report for any primary election in which the can-

didate was defeated and for all general elections that candidate shall return all unspent fund revenues to the commission. In developing these procedures, the commission shall utilize existing campaign reporting procedures whenever practicable. The commission shall ensure timely public access to campaign finance data and may utilize electronic means of reporting and storing information.

**12-A. Required records.** The treasurer shall obtain and keep:

- A. Bank or other account statements for the campaign account covering the duration of the campaign;
- B. A vendor invoice stating the particular goods or services purchased for every expenditure of \$50 or more; and
- C. A record proving that a vendor received payment for every expenditure of \$50 or more in the form of a cancelled check, cash receipt from the vendor or bank or credit card statement identifying the vendor as the payee.

The treasurer shall preserve the records for 2 years following the candidate's final campaign finance report for the election cycle. The candidate and treasurer shall submit photocopies of the records to the commission upon its request.

**12-B. Audit requirements for candidates for Governor.** The commission shall audit the campaigns of candidates for Governor who receive funds under this chapter to verify compliance with election and campaign laws and rules. Within one month of declaring an intention to qualify for public financing, a candidate for Governor, the campaign's treasurer and any other relevant campaign staff shall meet with the staff of the commission to discuss audit standards, expenditure guidelines and record-keeping requirements.

**13. Distributions not to exceed amount in fund.** The commission may not distribute revenues to certified candidates in excess of the total amount of money deposited in the fund as set forth in section 1124. Notwithstanding any other provisions of this chapter, if the commission determines that the revenues in the fund are insufficient to meet distributions under subsections 8 or 9, the commission may permit certified candidates to accept and spend contributions, reduced by any seed money contributions, aggregating no more than \$500 per donor per election for gubernatorial candidates and \$250 per donor per election for State Senate and State House candidates, up to the applicable amounts set forth in subsections 8 and 9 according to rules adopted by the commission.

**14. Appeals.** A candidate who has been denied certification as a Maine Clean Election Act candidate, the opponent of a candidate who has been granted cer-

tification as a Maine Clean Election Act candidate or other interested persons may challenge a certification decision by the commission or its executive director as follows.

A. A challenger may appeal to the full commission within 7 days of the certification decision. The appeal must be in writing and must set forth the reasons for the appeal.

B. Within 5 days after an appeal is properly made and after notice is given to the challenger and any opponent, the commission shall hold a hearing, except that the commission may extend this period upon agreement of the challenger and the candidate whose certification is the subject of the appeal, or in response to the request of either party upon a showing of good cause. The appellant has the burden of ~~providing evidence to demonstrate~~ proving that the commission certification decision was improper in error as a matter of law or was based on factual error. The commission must rule on the appeal within ~~3~~ 5 business days after the completion of the hearing.

C. A challenger may appeal the decision of the commission in paragraph B by commencing an action in Superior Court ~~according to the procedure set forth in section 356, subsection 2, paragraphs D and E~~ within 5 days of the date of the commission's decision. The action must be conducted in accordance with Rule 80C of the Maine Rules of Civil Procedure, except that the court shall issue its written decision within 20 days of the date of the commission's decision. Any aggrieved party may appeal the decision of the Superior Court by filing a notice of appeal within 3 days of that decision. The record on appeal must be transmitted to the Law Court within 3 days after the notice of appeal is filed. After filing the notice of appeal, the parties have 4 days to file briefs and appendices with the clerk of the court. The court shall consider the case as soon as possible after the record and briefs have been filed and shall issue its decision within 14 days of the decision of the Superior Court.

D. A candidate whose certification ~~by the commission~~ as a Maine Clean Election Act candidate is ~~revoked~~ reversed on appeal must return to the commission any unspent revenues distributed from the fund. If the commission or court ~~find~~ finds that an appeal was made frivolously or to cause delay or hardship, the commission or court may require the moving party to pay costs of the commission, court and opposing parties, if any.

See title page for effective date.