

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1607

S. P. 473

In Senate, April 8, 1975

Referred to the Committee on State Government. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Reeves of Kennebec.

Cosponsors: Senator Thomas of Waterville, Senator Carbonneau of Lewiston.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Establishing Financial Disclosure Procedures for Elected and Appointed Officials.

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

5 MRSA c. 20 is enacted to read:

CHAPTER 20

FINANCIAL DISCLOSURE

§ 421. Definitions

As used in this chapter, unless the context otherwise indicates, the following words shall have the following meanings:

1. Gift. "Gift" shall mean any benefits conferred to the extent that consideration of equal or greater value is not received, except those received from a member of his or her immediate family on a recognized gift-giving occasion not exceeding \$250.

2. Immediate family. "Immediate family" shall mean the spouse, direct ancestors and direct descendants.

3. Income. "Income" shall mean those things of value which were or should have been reported as gross income to the United States Internal Revenue Service for that calendar year.

4. Liquid assets. "Liquid assets" shall mean all cash assets such as checking and savings accounts and all assets readily convertible to cash such as life

insurance policies and government bonds, but not including voting or non-voting corporate stock and corporate bonds.

5. **Nonliquid assets.** "Nonliquid assets" shall mean all tangible and intangible property of value including interests in real and personal property and choses in action, excepting only liquid assets and corporate bonds and stock.

6. **Public official.** "Public official" shall mean:

A. A person who occupies a position in the State or Federal Government, which is normally filled through a public or legislative election in Maine except, the President and Vice President of the United States and all Maine State Legislators;

B. An executive head of a department of State Government;

C. A full-time salaried member of a state governmental board or commission;

D. The executive heads of the State Lottery, the State Housing Authority and of all bureaus within the Department of Finance and Administration and the Department of Business Regulation;

E. A state employee designated under section 422;

F. A Justice or Judge of the Supreme Judicial Court, Superior Court, District Court or probate court.

§ 422. Applicability to others

All executive heads of all departments shall submit to the State Auditor, within 90 days of the effective date of this Act, a list of those positions in their departments with sufficient policy making authority to make financial disclosure of their occupants advisable. These lists may be updated at any time. Those persons holding such listed positions shall be considered "public officials" under section 421, subsection 6, paragraph E.

§ 423. Financial declaration

All public officials must file a verified financial declaration with, and on a form prescribed by, the State Auditor. Said declaration shall be filed within 120 days of taking office and shall contain the following information as of the date assuming office:

1. **Sum total of liquid assets.** The sum total of the public official's liquid assets;

2. **Sum total of nonliquid assets.** The sum total of the public official's nonliquid tangible and intangible assets;

3. **Description of certain nonliquid assets.** A description and valuation of all nonliquid assets having a value greater than \$2,000;

4. **Total of debts owed.** The sum total of debts owed by the public official upon taking office, excepting only retail installment contracts;

5. **Description of certain debts.** A description and valuation of all debts owed by the public official having a value greater than \$2,000 excepting only retail installment contracts;

6. **Corporate stocks and bonds.** An itemized list of all corporate stocks and bonds, including current value and percent of total shares in the case of voting stock;

7. **Prior occupation.** The public official's occupations for the 12 months prior to taking office and his or her employers' names and addresses during that time;

8. **Certain prior offices.** All public or private offices, directorships or positions of trustee held at any time during the 12-month period prior to taking office;

9. **Other information.** Any other information deemed advisable by the State Auditor consistent with the purpose and provisions of this chapter.

§ 424. Financial disclosure statement

All public officials and all persons who at any time during the calendar year held a position as a public official shall file a verified financial disclosure statement with, and on a form prescribed by, the State Auditor. Said statement shall be filed not later than the last day of April and shall cover that portion of the preceding calendar year during which the public official or person held office. Said statement shall contain the following:

1. **Certain information required by section 423.** For the purposes of this subsection said information shall be determined as of the last day of December of the calendar year or where the public official has left office prior to that date, as of the day his or her official duties terminated;

2. **Employment and employers.** A description of all employment and the names and addresses of all employers;

3. **Certain offices.** All public or private offices, directorships or positions of trustee held;

4. **Certain income.** The sum total of all income whose ownership rights vested in the public official;

5. **Income breakdown.** A breakdown by general source and value of all income aggregating \$250 or more;

6. **Total gifts.** The sum total of all gifts received;

7. **Description of certain gifts.** The description and value of all gifts received having a value greater than \$100;

8. **Other information.** Any other information deemed advisable by the State Auditor consistent with the purpose of this chapter.

§ 425. Publication

The State Auditor shall maintain public files of said declarations and statements available to anyone who wishes to examine and copy them. The State Auditor may charge only the actual cost of copying exclusive of labor costs.

§ 426. Enforcement

1. **Duties.** The State Auditor shall be responsible for insuring timely and substantive compliance with this chapter and upon reasonable belief of violation shall make complaint to the Attorney General. The Attorney General shall be responsible for the prosecution of all violations under this chapter.

2. **Penalties.** A violation of any of the provisions of the chapter by any person shall constitute a misdemeanor punishable by imprisonment for not more than one year or by a fine of not more than \$10,000, or by both.

§ 427. Severability

If any provision of this chapter, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the chapter and its application to other persons and circumstances shall not be affected thereby.

STATEMENT OF FACT

It is the purpose of this bill to strengthen public accountability in public officials by mandating disclosure of their financial interests.