

MAINE STATE LEGISLATURE

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L.D. 1649
(Filing No. S- 349)

STATE OF MAINE
SENATE
114TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " A" to S.P. 587, L.D. 1649, Bill, "An Act to Amend Campaign Finance Reporting"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec. 1. 21-A MRSA §1003, sub-§§1 and 2, as enacted by PL 1985, c. 161, §6, are amended to read:

1. **Investigations.** The commission may investigate to determine the facts concerning the registration of any candidate, political committee or political action committee and contributions by or to and expenditures by any person, candidate, political committee or political action committee. For this purpose, the commission may subpoena witnesses and records and take evidence under oath. Any person or political action committee ~~who~~ that fails to obey the lawful subpoena of the commission or to testify before it under oath shall be punished by the Superior Court for contempt on application by the Attorney General on behalf of the commission.

2. **Investigations requested.** Any person may apply in writing to the commission requesting an investigation concerning the registration of any candidate, political committee or political action committee and contributions by or to and expenditures by any person, candidate, political committee or political action committee. The commission shall review the application and shall make the investigation if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred.

Sec. 2. 21-A MRSA §1004, sub-§§1 and 2, as enacted by PL 1985, c. 161, §6, are amended to read:

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1 1. Contributions and expenditures. No person, candidate,
2 political committee or political action committee may knowingly
3 make or accept any contribution or make any expenditure in
4 violation of this chapter.

5
6 2. False statements. No person, candidate, treasurer or
7 political action committee may make a false statement in any
8 report required by this chapter.

9
10 Sec. 3. 21-A MRSA §1013, as amended by PL 1987, c. 160, §§2
11 and 3, is repealed.

12 Sec. 4. 21-A MRSA §1013-A is enacted to read:

13
14 §1013-A. Registration

15
16 1. Candidates; candidates' treasurers. Candidates and
17 candidates' treasurers are required to register with the
18 commission for each election as follows.

19
20 A. A candidate may accept contributions personally or make
21 or authorize expenditures personally. A candidate for a
22 state or county office other than the office of Governor
23 shall register the candidate's name and address with the
24 commission within 7 days of accepting contributions in an
25 aggregate amount in excess of \$500 or incurring obligations
26 or making expenditures in an aggregate amount in excess of
27 \$500. A candidate for the office of Governor shall register
28 the candidate's name and address with the commission within
29 7 days of accepting contributions or making or authorizing
30 expenditures in excess of \$1,000.

31
32 B. A candidate may appoint a treasurer to accept
33 contributions or to make or authorize expenditures. A
34 candidate who appoints a treasurer must register with the
35 commission the name and address of the treasurer, the name
36 and address of the candidate making the appointment and the
37 treasurer's term of office, if any, within 7 days after the
38 appointment. Contributions accepted by or expenditures
39 authorized by a candidate's treasurer shall be deemed
40 accepted or authorized by the candidate for the purposes of
41 this subchapter.

42
43 C. Any candidate not required to register earlier shall do
44 so within 5 days after qualifying as a candidate, by
45 petition, write-in election or otherwise.

46
47 2. Authorized political committees. A candidate may
48 authorize one political committee and one exploratory committee
49 to promote that candidate's election. Each committee shall
50 register with the commission for each election. Each political
51 committee shall appoint a treasurer before accepting

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1 any contributions or making or authorizing any expenditures.
2 Within 7 days after that appointment, each political committee
3 shall register with the commission the following information:

5 A. The name and address of the committee's treasurer and
6 the treasurer's term of office, if any;

7
8 B. The name or title of the committee making the
9 appointment;

11 C. The name of the candidate or potential candidate who
12 authorized the committee; and

13
14 D. The names and addresses of all of the committee's
15 officers, whether or not the committee accepts any
16 contributions or makes or authorizes any expenditures.

17
18 3. Party committees. The state, district, county and
19 municipal committees of parties shall submit to the commission
20 the names and addresses of all their officers and of their
21 treasurers and the name and address of the principal paid
22 employee, if any, within 30 days after the appointment, election
23 or hiring of these persons. District, county and municipal
24 committees which provide their state party committees with the
25 information required by this subsection to be submitted to the
26 commission shall be deemed to have submitted that information to
27 the commission. No later than January 1st of each year in which a
28 general election is scheduled, the state committee of a party
29 shall submit a consolidated report, including the information
30 required under this subsection for the district, county and
31 municipal committees of that party.

32
33 4. Reporting by registered or qualified candidates and
34 committees. All contributions accepted and expenditures made or
35 authorized by or on behalf of a candidate registered under this
36 section or qualified under sections 335 and 336 or sections 354
37 and 355 must be recorded and reported as provided in sections
38 1016 and 1017.

39
40 5. Changes in registration information. Every change in
41 information required by this section to be reported to the
42 commission shall be reported within 10 days of the date of the
43 change.

44
45 **Sec. 5. 21-A MRSA §1014, sub-§1, as amended by PL 1987, c.**
46 **188, §17, is further amended to read:**

47
48 **1. Authorized by candidate.** Whenever any person makes an
49 expenditure to finance communications expressly advocating the
election or defeat of a clearly identified candidate through
50 broadcasting stations, newspapers, magazines, outdoor advertising
51 facilities, direct mails and other similar types of general

1 public political advertising and through flyers, handbills,
2 bumper stickers and other nonperiodical publications, the
3 communication, if authorized by a candidate, a candidate's
4 authorized political committee or their agents, must clearly and
5 conspicuously state that the communication has been so authorized
6 and must clearly state the name and address of the person who
7 made or financed the expenditure for the communication. By rule,
8 the commission may exempt campaign articles from the disclosure
9 requirement of this subsection where inclusion of the disclosure
10 statement would necessarily be so small as to be illegible, or
11 would otherwise be infeasible.

12 ~~An expenditure which results in a violation of this subsection~~
13 ~~may result in a penalty of no more than \$100 if the violation is~~
14 ~~not corrected within 10 days after the candidate receives~~
15 ~~notification of the violation from the commission. Enforcement~~
16 ~~and collection procedures shall be in accordance with section~~
17 ~~1020.~~

18
19 **Sec. 6. 21-A MRSA §1014, sub-§4** is enacted to read:

20
21 4. Enforcement. An expenditure, communication or broadcast
22 which results in a violation of this section may result in a
23 civil penalty of no more than \$100 if the violation is not
24 corrected within 10 days after the candidate receives
25 notification of the violation from the commission. Enforcement
26 and collection procedures shall be in accordance with section
27 1020.

28
29 **Sec. 7. 21-A MRSA §1015, sub-§5,** as enacted by PL 1985, c.
30 161, §6, is amended to read:

31
32 **5. Other contributions and expenditures.** Expenditures Any
33 expenditure made by any person in cooperation, consultation or
34 concert with, or at the request or suggestion of, a candidate, a
35 candidate's political committee or their agents ~~are~~ is considered
36 to be a contribution to that candidate.

37
38 The financing by any person of the dissemination, distribution or
39 republication, in whole or in part, of any broadcast or any
40 written or other campaign materials prepared by the candidate,
41 the candidate's political committee or committees or their
42 authorized agents is considered to be a contribution to that
43 candidate.

44
45 **Sec. 8. 21-A MRSA §1016, first ¶,** as enacted by PL 1985, c.
46 161, §6, is amended to read:

47
48 Each treasurer or each candidate shall keep detailed records
49 of all contributions received and of each expenditure which the
50 treasurer or candidate makes or authorizes, as provided in this
51 section. When reporting contributions and expenditures to the

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1 commission as required by section 1017, the candidate or
2 treasurer shall certify the completeness and accuracy of the
3 information reported by that candidate or treasurer.

5 **Sec. 9. 21-A MRSA §1016, sub-§1**, as enacted by PL 1985, c.
6 161, §6, is amended to read:

7
8 1. **Segregated funds.** All funds of a political committee
9 and campaign funds of a candidate must be segregated from, and
10 may not be commingled with, any personal funds of the candidate,
11 officers, members or associates of the committee. Personal funds
12 of the candidate used to support the candidacy must be recorded
13 and reported as contributions to the political committee, or the
14 candidate if the candidate has not authorized a political
15 committee.

17 **Sec. 10. 21-A MRSA §1016, sub-§3, ¶A**, as enacted by PL 1985,
18 c. 161, §6, is amended to read:

19
20 A. All contributions made to or for the candidate or
21 committee, including any contributions by the candidate;

23 **Sec. 11. 21-A MRSA §1017, sub-§1**, as enacted by PL 1985, c.
24 161, §6, is amended to read:

25
26 1. **Federal candidates.** ~~Each candidate for federal office~~
27 ~~and the~~ The treasurer of the political campaign committee or
28 ~~committees~~ of each candidate for federal office shall file with
29 the commission a copy of the complete report required of them
30 under federal law on the same date that those reports are
31 required to be filed under federal law.

33 **Sec. 12. 21-A MRSA §1017, sub-§2**, as amended by PL 1985, c.
34 566, §1, is further amended to read:

35
36 2. **Gubernatorial candidates.** ~~Each~~ Except as provided by
37 subsection 7, each candidate for the office of Governor or the
38 candidate's treasurer and the treasurer of each political
39 committee authorized by the candidate shall file reports with
40 the commission as follows. Once the first required report has
41 been filed, each subsequent report must cover the period from the
42 completion date of the prior report filed.

43
44 A. In any calendar year, other than a gubernatorial
45 election year, in which the candidate ~~and or~~ the candidate's
46 political committee or committees received contributions in
47 excess of \$1,000 or made expenditures in excess of \$1,000,
48 reports shall be filed not later than 5 p.m. on July 15th of
49 that year and January 15th of the following calendar year
50 ~~and must be complete as of the close of the calendar year~~
51 ~~for which the report is filed.~~ These reports must include
all contributions made to and all expenditures made by the

- 1 candidate or political committee as of the end of the
2 preceding month, except those covered by a previous report.
- 3
- 4 B. Reports shall be filed not later than 5 p.m. on the 42nd
5 day before the date on which an election is held and must be
6 complete as of the 49th day before that date. If no report
7 was filed under paragraph A, the report required under this
8 paragraph must ~~cover the 6 months immediately preceding~~ cover
9 contributions and expenditures through the completion date.
- 10
- 11 C. Reports shall be filed not later than 5 p.m. on the 7th
12 6th day before the date on which an election is held and
13 must be complete as of the ~~11th~~ 12th day before that date.
- 14
- 15 D. Any contribution ~~or expenditure~~ of \$1,000 or more, made
16 after the ~~11th~~ 12th day and more than 48 hours before any
17 election, shall be reported within 48 hours of that
18 contribution, or expenditure by noon of the first business
19 day after the contribution, whichever is later.
- 20
- 21 E. Reports shall be filed not later than 5 p.m. on the 42nd
22 day after the date on which an election is held and must be
23 complete for the ~~entire election campaign~~ filing period as
24 of the 35th day after that date.
- 25
- 26 F. Unless further reports will be filed in relation to a
27 later election in the same calendar year, the disposition of
28 any surplus or deficit in excess of \$50 shown in the reports
29 described in paragraph E shall be reported ~~quarterly to~~ as
30 follows. A candidate or political committee with a surplus
31 or deficit in excess of \$50 shall file reports semiannually
32 with the commission within 15 days following the end of each
33 quarter the 2nd and 4th quarters of the State's fiscal year,
34 until the surplus is disposed of or the deficit is
35 liquidated. The first report is not required until the 15th
36 day of the ~~quarter~~ period beginning at least 90 days from
37 the date of the election. The reports may either be filed
38 in person with the commission on that date or postmarked by
39 ~~that time~~ on that date. The reports must set forth any
40 contributions for the purpose of liquidating the deficit, in
41 the same manner as contributions are set forth in other
42 reports required in this section.
- 43
- 44 G. Unless otherwise specified in this subsection, reports
45 must be complete back to the completion date of the previous
46 report. The report described in paragraph E, if filed with
47 respect to a primary election, is considered a previous
48 report in relation to reports concerning a general election.
- 49
- 50 H. Reports with respect to a candidate who seeks nomination
51 by petition for the office of Governor shall be filed on the

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1 same dates that reports must be filed with respect to a
2 candidate who seeks that nomination by primary election.

3 Sec. 13. 21-A MRSA §1017, sub-§3, as amended by PL 1987, c.
4 726, §1, is repealed.

5
6 Sec. 14. 21-A MRSA §1017, sub-§3-A is enacted to read:

7
8 3-A. Other candidates. Except as provided in subsection 7,
9 each candidate for state or county office other than the office
10 of Governor, or the candidate's treasurer and the treasurer of
11 each political committee authorized by a candidate, shall file
12 reports with the commission as follows. Once the first required
13 report has been filed, each subsequent report must cover the
14 period from the completion date of the prior report filed.

15
16 A. In any calendar year in which no election for the
17 candidate's particular office is scheduled, when any
18 candidate or candidate's political committee or committees
19 have received contributions in excess of \$500 or made or
20 authorized expenditures in excess of \$500, reports shall be
21 filed no later than 5 p.m. on July 15th of that year and
22 January 15th of the following calendar year. These reports
23 must include all contributions made and all expenditures
24 made or authorized as of the end of the preceding month,
25 except those covered by a previous report.

26
27 B. Reports shall be filed no later than 5 p.m. on the 6th
28 day before the date on which an election is held and must be
29 complete as of the 12th day before that date. If no report
30 was filed on July 15th pursuant to paragraph A, the report
31 required under this paragraph must cover all contributions
32 and expenditures through the completion date.

33
34 C. Any contribution of \$1,000 or more made after the 12th
35 day and more than 48 hours before any election shall be
36 reported within 48 hours of that contribution, or by noon of
37 the first business day after the contribution, whichever is
38 later.

39
40 D. Reports shall be filed no later than 5 p.m. on the 42nd
41 day after the date on which an election is held and must be
42 complete for the filing period as of the 35th day after that
43 date.

44
45 E. Unless further reports will be filed in relation to a
46 later election in the same calendar year, the disposition of
47 any surplus or deficit in excess of \$50 shown in the reports
48 described in paragraph D shall be reported as provided by
49 this paragraph. A candidate or political committee
50 authorized by a candidate with a surplus or deficit in
51 excess of \$50 shall file reports semiannually with the

1 commission within 15 days following the end of the 2nd and
2 4th quarters of the State's fiscal year, until the surplus
3 is disposed of or the deficit is liquidated. The first
4 report is not required until the 15th day of the period
5 beginning at least 90 days from the date of the election.
6 The reports may either be filed in person with the
7 commission on that date or postmarked on that date. The
8 reports must set forth any contributions for the purpose of
9 liquidating the deficit, in the same manner as contributions
10 are set forth in other reports required in this section.

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

15
16
17 **Sec. 15. 21-A MRSA §1017, sub-§§4 and 5, as enacted by PL 1985,**
18 **c. 161, §6, are amended to read:**

19
20 **4. New candidate or nominee.** A candidate for nomination or
21 a nominee chosen to fill a vacancy under chapter 5, subchapter
22 III, shall file a campaign report under this section within 15
23 days after his the candidate's appointment and thereafter on the
24 appropriate schedule under this section. The commission shall
25 send notification of this requirement and report forms to the
26 candidate immediately upon his notice of the candidate's
27 appointment.

28
29 **5. Content.** A report required under this section must
30 contain the itemized accounts of contributions received during
31 that report filing period, including the date a contribution was
32 recorded, and the name, address, occupation and principal place
33 of business, if any, and the amount of the contribution of each
34 person who has made a contribution or contributions aggregating
35 in excess of \$50 ~~for that report filing period.~~ It must contain
36 the itemized expenditures made or authorized, the date and
37 purpose of each expenditure and the name of each payee and
38 creditor. Total contributions with respect to an election of less
39 than \$500 and total expenditures of less than \$500 need not be
40 itemized. The report must contain a statement of any loan of
41 money in an aggregate amount of \$500 or more to a candidate by a
42 financial institution made during the period covered by the
43 report, whether or not the loan is defined as a contribution
44 under section 1012, subsection 2, paragraph A. The candidate is
45 responsible for the timely and accurate filing of each required
46 report.

47
48 **Sec. 16. 21-A MRSA §1017, sub-§6, as amended by PL 1989, c.**
49 **166, §10, is further amended to read:**

50
51 **6. Forms.** Reports required by this section must be on forms
prescribed, prepared and sent by the commission to the each

1 registered candidate at least 7 days before the filing date for
the report. Persons filing reports may use additional pages if
3 necessary, but the pages must be the same size as the pages of
the form. Although the commission mails the forms for required
5 reports, failure to receive forms by mail does not excuse
committees, candidates and other persons who must file reports
7 from otherwise obtaining the forms.

9 **Sec. 17. 21-A MRSA §1017, sub-§§7 and 8** are enacted to read:

11 7. Reporting exemption. Candidates are exempt from
reporting as provided by this subsection.

13 A. A candidate may, at the time that candidate registers
15 under section 1013-A, notify the commission that the
17 candidate will not personally accept contributions, make
expenditures or incur obligations associated with that
19 person's candidacy. A candidate who provides this notice to
the commission is not subject to the filing requirements of
21 this section if the statement is true. A candidate who does
not provide this notice is subject to the filing
23 requirements of this section.

25 B. The notice provided to the commission under paragraph A
may be revoked. If the notice is revoked, the candidate,
27 subject to the filing requirements of this section as of the
date of revocation, may personally accept contributions,
29 make expenditures or incur obligations associated with that
person's candidacy. A candidate shall revoke the notice
31 provided for by paragraph A before personally accepting
contributions, making expenditures or incurring obligations
33 associated with that person's candidacy. Any candidate who
violates this paragraph shall be assessed a penalty of \$10
35 for each business day that the revocation of the candidate's
notice is late, up to a maximum of \$500.

37 8. Disposition of surplus. Candidates registered under
39 section 1013-A or qualified under sections 335 and 336 or
sections 354 and 355 may dispose of a surplus exceeding \$50 only
41 by:

43 A. Pro rata distribution to the candidate's or candidate's
authorized political committee's contributors;

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

49 C. An unrestricted gift to the State;

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

6 E. Transferring the surplus balance to one or more other
7 candidates registered under section 1013-A or qualified
8 under sections 335 and 336 or sections 354 and 355, or to
9 political committees established to promote the election of
10 those candidates, provided that the amount transferred does
11 not exceed the contribution limits established by section
12 1015; and

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

15 The choice shall be made by the candidate for whose benefit the
16 contributions were made, and distribution of the entire surplus
17 by one or more of the methods prescribed in this paragraph must
18 be completed within 4 years of the election for which the
19 contributions were received.

20
21 **Sec. 18. 21-A MRSA §1018, sub-§2. ¶¶B and C, as enacted by PL**
22 **1985, c. 161, §6, are amended to read:**

23
24
25 B. This report must contain an itemized account of each
26 such contribution or expenditure aggregating in excess of
27 \$50 in any election, the date and purpose of each and the
28 name of each payee or creditor. Total contributions or
29 expenditures of less than \$500 in any election need not be
30 itemized.

31
32 C. Reports required by this subsection must be on forms
33 ~~prescribed by the commission, prepared by the Secretary of~~
34 ~~State and sent by the commission to the candidate at least 7~~
35 ~~days before the filing date for the report. Persons filing~~
36 ~~these reports may use additional pages if necessary, but the~~
37 ~~pages must be the same size as the pages of the form.~~
38 ~~Although the commission mails the forms for required~~
39 ~~reports, failure to receive forms by mail does not excuse~~
40 ~~committees, candidates and other persons who must file~~
41 ~~reports from otherwise obtaining the forms.~~

42
43 **Sec. 19. 21-A MRSA §1019, sub-§§2 and 3, as enacted by PL 1985,**
44 **c. 161, §6, are amended to read:**

45
46 2. **Content.** This report must contain an itemized account
47 of each contribution or expenditure aggregating in excess of \$50
48 in any election, the date and purpose of each and the name of
49 each payee or creditor. Total contributions or expenditures of
50 less than \$500 in any election need not be itemized. The report
51 must state whether the contribution or expenditure is in support
of or in opposition to the candidate and must include, under

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1 penalty of perjury, as provided in Title 17-A, section 451, a
2 statement under oath or affirmation whether the expenditure is
3 made in cooperation, consultation or concert with, or at the
4 request or suggestion of, any candidate or any authorized
5 committee or agent of a candidate. Any membership organization or
6 corporation which makes a communication to its members or
7 stockholders expressly advocating the election or defeat of a
8 clearly identified candidate must report any expenditures
9 aggregating in excess of \$50 for such a communication in any
10 election, whether or not the communication is defined as an
11 expenditure under section 1012, subsection 5, paragraph C.

13 3. Forms. Reports required by this section must be on
14 forms prescribed and prepared by the commission and ~~prepared by~~
15 ~~the Secretary of State and~~, in the case of quarterly semiannual
16 reports, sent by the commission to the person at least 7 days
17 before the filing date for the report. Persons filing these
18 reports may use additional pages if necessary, but the pages must
19 be the same size as the pages of the form. Although the
20 commission mails the forms for required reports, failure to
21 receive forms by mail does not excuse committees, candidates and
22 other persons who must file reports from otherwise obtaining the
23 forms.

25 Sec. 20. 21-A MRSA §1020, as enacted by PL 1985, c. 161, §6,
26 is repealed and the following enacted in its place:

27 §1020. Failure to file on time

29 1. Registration. Any candidate or political committee that
30 fails to register with the commission within the time allowed by
31 section 1013-A, subsection 1, shall be assessed a penalty of \$50.

33 2. Campaign finance reports. A campaign finance report is
34 not timely filed unless a properly signed copy of the report,
35 substantially conforming to the disclosure requirements of this
36 subchapter, is received by the commission before 5 p.m. on the
37 date it is due. The commission shall determine whether a
38 required report satisfies these requirements for timely filing
39 and, if determined to be late, the number of days of lateness.
40 If the reason for the late filing is that forms required to be
41 sent by the commission were not postmarked at least 7 days before
42 the filing date, the period for filing shall be increased by the
43 deficiency without penalty.

45 A. Except as provided in paragraph B, there is a penalty of
46 \$10 for each business day a report required to be filed
47 under this subchapter is late.

49 B. There is a penalty of \$50 for each business day that
50 reports required under section 1017, subsection 2, paragraph
51

4. of 5.

- 1 C or D, or section 1017, subsection 3-A, paragraph B or C,
2 are late.
- 3
- 4 C. The maximum penalty under this subsection is \$500,
5 except in the case of penalties assessed under paragraph B,
6 in which case the maximum penalty is \$1,000.
- 7
- 8 D. A notice of lateness shall be sent to candidates and
9 treasurers registered with the commission whose campaign
10 finance reports are not received within 2 days of the filing
11 deadline. That notice shall be sent on the 3rd day
12 following the deadline.
- 13
- 14 E. A late report required under section 1017, subsection 2,
15 paragraph A, B, E or F, or section 1017, subsection 3-A,
16 paragraph A, D or E, that is filed within 10 days of the due
17 date is not subject to penalty.
- 18
- 19 F. A report required to be filed 6 days before an election
20 which is sent by certified or registered United States mail
21 and postmarked at least 2 days before the deadline is not
22 subject to penalty. Any required report may be
23 provisionally filed by transmission of a facsimile copy of
24 the duly executed report to the commission, as long as an
25 original of the same report is received by the commission
26 within 5 calendar days thereafter. Reports filed after the
27 applicable grace period are subject to penalties from the
28 original filing deadline.
- 29
- 30 G. The commission, upon determining that a report is late,
31 shall notify the Secretary of State of the lateness. The
32 Secretary of State has the initial responsibility for
33 collecting the full amount of any penalty within 30 days
34 after receiving notice of a late report from the
35 commission. The Secretary of State shall have all necessary
36 powers to carry out this responsibility.
- 37
- 38 H. The commission shall prepare a list of the names of
39 candidates who are late in filing a report required under
40 section 1017, subsection 2, paragraph C or D, or section
41 1017, subsection 3-A, paragraph B or C, within 30 days of
42 the date of the election and shall make that list available
43 for public inspection.
- 44
- 45 3. Enforcement. Failure to pay the full amount of any
46 penalty levied under this section is a civil violation by the
47 candidate, political party or other person whose campaign finance
48 activities are required by this subchapter to be reported.
49 Thirty days after receiving notice of the lateness of any report,
50 the Secretary of State shall report to the Attorney General the
51 name of any person who has failed to pay the full amount of any
 penalty. The Attorney General shall enforce the violation in a

1 civil action to collect the full outstanding amount of the
2 penalty. This action shall be brought in the Superior Court for
3 the County of Kennebec or the District Court, 7th District,
4 Division of Southern Kennebec.

5 Sec. 21. 21-A MRSA §1052, sub-§1, ¶¶D and E, as enacted by PL
6 1985, c. 161, §6, are amended to read:

7
8 D. Legislation expressly conditioned upon ratification by a
9 referendum vote under the Constitution of Maine, Article IV,
10 Part Third, Section 19; and

11
12 E. The ratification of the issue of bonds by the State or
13 any agency thereof; and

14
15 Sec. 22. 21-A MRSA §1052, sub-§1, ¶F is enacted to read:

16
17 F. Any county referendum.

18
19 Sec. 23. 21-A MRSA §1052, sub-§5, ¶A, as amended by PL 1985,
20 c. 614, §23, is further amended to read:

21
22 A. Includes:

23
24 (1) Any separate or segregated fund established by any
25 corporation, membership organization, cooperative or
26 labor organization whose purpose is to influence the
27 outcome of an election including a candidate or
28 question;

29
30 (2) Any person ~~which~~ who serves as a funding and
31 transfer mechanism and ~~by which moneys are expended~~
32 spends money to initiate, advance, promote, defeat, or
33 influence in any way ~~or initiate~~ a candidate, campaign,
34 political party, referendum or initiated petition in
35 this State; and

36
37 (3) Any person who makes expenditures other than by
38 contribution to a political action committee, for the
39 purpose of the initiation, promotion or defeat of any
40 question; and

41
42 Sec. 24. 21-A MRSA §1053, first ¶, as enacted by PL 1985, c.
43 161, §6, is amended to read:

44
45 Every political action committee which makes expenditures in
46 excess of \$50 in any single calendar year to initiate, support,
47 defeat or influence in any way a campaign, a referendum,
48 initiated petition, candidate, political committee or another
49 political action committee must register with the commission on
50 forms prescribed by the commission. These forms must include the
51 following information and any additional information reasonably

1 required by the commission ~~or the Secretary of State~~ to monitor
the activities of political action committees in this State under
3 this subchapter. :

5 Sec. 25. 21-A MRSA §1053, sub-§1, as enacted by PL 1985, c.
161, §6, is amended to read:

7
9 1. Identification of committee. The names and mailing
addresses of the committee, its treasurer and its principal
officers and the identity of any candidate for any constitutional
11 office or who is registered under section 1013-A and who is
involved in decision making for a political action committee
13 organized to advance the election of that candidate;

15 Sec. 26. 21-A MRSA §1055, as enacted by PL 1985, c. 161, §6,
is amended by inserting at the end a new paragraph to read:

17
19 An expenditure, communication or broadcast which results in
a violation of this section may result in a civil penalty of no
21 more than \$100. Enforcement and collection procedures shall be
in accordance with section 1062.

23 Sec. 27. 21-A MRSA §1057, sub-§3, as enacted by PL 1985, c.
161, §6, is amended to read:

25
27 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
29 amount and date of the contribution. This provision does not
apply to contributions which do not exceed \$50 each for a general
election, primary election and referendum campaign. When any
31 donor's contributions to a political action committee exceed \$50,
33 the record must include the aggregate amount of all contributions
from that donor.

35
37 Sec. 28. 21-A MRSA §1059, as amended by PL 1989, c. 7, Pt. O,
§6, is repealed and the following enacted in its place:

39 §1059. Report; filing requirements

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

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

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

1 B. Aggregate expenditures, by candidate or political
3 committee, for the periods between the filing dates
 specified; and

5 C. Cumulative aggregated expenditures which must include
7 all preceding reporting periods.

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

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

15 A. Quarterly reports shall be filed:

17 (1) On January 15th and must be complete as of January
 5th;

19 (2) On April 10th and must be complete as of March
21 31st;

23 (3) On July 15th and must be complete as of July 5th;
 and

25 (4) On October 10th and must be complete as of
27 September 30th.

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

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

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

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

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

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

51 D. A committee which files an election report under
 paragraph B or C due within 6 days before or within 42 days

H. of S.

1 after the date on which a quarterly report is due is not
2 required to file that quarterly report.

3
4 E. A committee shall report any expenditure of \$100 or
5 more, made after the 12th day and more than 48 hours before
6 any election, within 48 hours of that expenditure or by noon
7 of the first business day after the expenditure, whichever
8 is later.

9
10 **Sec. 29. 21-A MRSA §1062**, as enacted by PL 1985, c. 161, §6,
11 is repealed and the following enacted in its place:

12 **§1062. Failure to file on time**

13
14 1. Registration. Any political action committee required
15 to register under section 1053 that fails to do so within 5
16 business days after making expenditures in excess of \$50, or
17 which fails to provide the information required by the commission
18 for registration, shall be assessed a penalty of \$250.

19
20 2. Campaign finance reports. A campaign finance report is
21 not timely filed unless a properly signed copy of the report,
22 substantially conforming to the disclosure requirements of this
23 subchapter, is received by the commission before 5 p.m. on the
24 date it is due. The commission shall determine whether a
25 required report satisfies these requirements for timely filing
26 and, if determined to be late, the number of days of lateness.

27
28 A. Except as provided in paragraph B, there is a penalty of
29 \$250, plus an additional penalty of \$50 for each business
30 day beginning with the 2nd such day that a campaign finance
31 report required to be filed under this subchapter is late,
32 up to a maximum of \$1,000.

33
34 B. There is a penalty of \$250 for each business day that a
35 report required to be filed under section 1059, subsection
36 2, paragraph B, subparagraph (1); section 1059, subsection
37 2, paragraph C, subparagraph (1); or section 1059,
38 subsection 2, paragraph E is late, up to a maximum of \$2,000.

39
40 C. A notice of lateness shall be sent to political action
41 committees and treasurers registered with the commission
42 whose campaign finance reports are not received by 2 days
43 after the filing deadline. That notice shall be sent on the
44 3rd day following the deadline.

45
46 D. A late report required to be filed under section 1059,
47 subsection 2, paragraph A; section 1059, subsection 2,
48 paragraph B, subparagraph (2); or section 1059, subsection
49 2, paragraph C, subparagraph (2), filed within 10 days of
50 any deadline is not subject to penalty. Reports filed after
51

1 the applicable grace period are subject to penalties from
2 the original filing deadline.

3
4 E. A report required to be filed within 6 days before an
5 election which is sent by certified or registered United
6 States mail and postmarked at least 2 days before the
7 deadline is not subject to penalty. Any required report may
8 be provisionally filed by transmission of a facsimile copy
9 of the duly executed report to the commission, as long as an
10 original of the same report is received by the commission
11 within 5 calendar days thereafter.

12
13 F. The commission, upon determining that a report is late,
14 shall notify the Secretary of State of the lateness. The
15 Secretary of State has the initial responsibility for
16 collecting the full amount of any penalty within 30 days
17 after receiving notice of a late report from the
18 commission. The Secretary of State shall have all necessary
19 powers to carry out this responsibility.

20
21 G. The commission shall prepare a list of the names of
22 committees that are late in filing a report required under
23 section 1059, subsection 2, paragraph B, subparagraph (1);
24 section 1059, subsection 2, paragraph C, subparagraph (1);
25 or section 1059, subsection 2, paragraph E, within 30 days
26 of the date of the election and shall make that list
27 available for public inspection.

28
29 3. Enforcement. Failure to pay the full amount of any
30 penalty levied under this section is a civil violation by the
31 political action committee and its treasurer. Thirty days after
32 receiving notice of the lateness of any report, the Secretary of
33 State shall report to the Attorney General the name of any
34 political action committee and treasurer that failed to pay the
35 full amount of any penalty. The Attorney General shall enforce
36 this violation in a civil action to collect the full outstanding
37 amount of the penalty. The action shall be brought in the
38 Superior Court for the County of Kennebec or the District Court,
39 7th District, Division of Southern Kennebec.

40 **Sec. 30. Legislative review.** Within 7 days after the effective
41 date of this section, the commission shall furnish to the Joint
42 Standing Committee on Legal Affairs the reporting and
43 registration forms which the commission intends to provide to
44 candidates, political action committees and other interested
45 parties to assure effective implementation of this Act.
46

47 **Sec. 31. Effective date.** Sections 1 to 29 of this Act are
48 effective November 1, 1989.
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FISCAL NOTE

All costs incurred by the Commission on Governmental Ethics and Election Practices associated with implementing this legislation will be absorbed within existing resources.

The Judicial Department can absorb the costs if an increased number of filings occur as a result of this bill.'

STATEMENT OF FACT

The amendment makes a number of changes to the bill which reflect basic changes in policy. The bill's provisions are based on a campaign finance reporting system wherein candidates have only one "campaign committee," which could include the candidate alone. The amendment, in large part, reinstates present law under which a candidate may act on the candidate's own or authorize a political committee.

The amendment also changes the bill's provisions regarding transfer of campaign funds to another candidate or political committee. The bill would have outlawed these transfers which are allowed under current law.

The amendment also revises parts of the bill which concern registration of candidates. Under the amendment, candidates for state offices, other than the Governor, must register with the commission within 7 days of receipt or expenditure of \$500. Gubernatorial candidates must register within 7 days of receipt or expenditure of \$1,000. Candidates must report all changes in registration information to the commission within 10 days of the change.

The amendment allows candidates 10 days to cure violations of the disclosure rules regarding paid communications and broadcasts.

The amendment removes the requirement that candidates' campaign records and campaign finance reports show the aggregate amount given by a contributor. This figure can be determined by reviewing records of contributions when necessary.

The amendment revises the provisions regarding campaign finance reports. Although the amendment provides for dual filing, as under current law, candidates who intend to raise or spend no money personally may notify the commission and become exempt from reporting requirements. The notification is revocable and must be revoked before a candidate may personally manage campaign funds.

1
3 The amendment also changes provisions regarding disposition
5 of surplus campaign funds. Under the amendment, in addition to
7 uses prescribed in the bill, candidates may, in amounts not
9 exceeding statutory contribution limits, transfer surplus
campaign funds to other candidates, personally use surplus funds
for a campaign for any political office or use those funds to
settle campaign debts. Under the amendment, candidates have 4
years to dispose of surplus funds.

11 The amendment also alters the reporting schedule established
13 for candidates for state offices other than Governor. Under the
15 amendment, candidates required to register must file semiannual
17 reports. In addition, in years when there is an election for a
candidate's office, that candidate must file additional reports
as under current law.

19 The amendment also changes the penalties for late filing of
21 campaign finance reports provided by the bill. Under the
23 amendment, candidates must pay \$10, as under current law for
25 filing a late report, except in the case of a report due 6 days
27 before an election or within 48 hours of receipt of a
29 contribution in which cases the penalty is enhanced. Political
action committees, or PACs, which file late must also pay
increased penalties under the amendment for late filing of
preelection reports. The commission must within 30 days of an
election prepare a list of the names of PACs and candidates that
file preelection reports late and shall make that list available
for public inspection.

31 The amendment also revises the reporting schedule for
33 political action committees. Under the amendment, PACs must file
35 quarterly reports, preelection and postelection reports. A PAC
37 need not file a quarterly report which falls due in the interval
between a report due 6 days before an election and a report due
42 days after an election. The election reports will capture any
information which would have been included in the quarterly
report.

39 The amendment also amends the bill to require a PAC to
41 disclose a candidate for state office "involved in decision
43 making" for the PAC only if the PAC is organized to advance that
candidate's election.

45 The amendment requires the commission to provide the Joint
47 Standing Committee on Legal Affairs with the forms that the
49 commission intends to provide to candidates and PACs in
implementing this amendment.

COMMITTEE AMENDMENT "A" to S.P. 587, L.D. 1649

1 The amendment delays the effective date of these changes to
the campaign finance reporting laws until October 31, 1989.

3

 The amendment also adds a fiscal note.

Reported by Senator Matthews for the Committee on Legal Affairs.
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(6/20/89) (Filing No. S-349)