

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
114TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1570, L.D. 2175, Bill, "An Act Concerning Political Campaign Financing and Reporting"

Amend the bill by inserting after the title and before the enacting clause the following:

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the current law governing campaign finance reporting by candidates and political action committees contains a number of technical errors; and

Whereas, these errors may cause confusion and expense to those required to report campaign finances, especially in an election year; and

Whereas, political action committees are not currently required to report information necessary for a complete understanding of their role in funding and influencing state political campaigns; and

Whereas, the law regarding candidates' campaign financing obligations needs clarification to ensure that the Commission on Governmental Ethics and Election Practices receives the information it needs for an accurate picture of how campaigns are run; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

2 Further amend the bill in section 1 in subsection 1 in
 4 paragraph A in the 10th line (page 1, line 22 in L.D.) by
 inserting after the following: "contributions" the following: 'in
 6 an aggregate amount in excess of \$1000, or incurring obligations
 and in the 11th line (page 1, line 23 in L.D.) by inserting after
 the following: "expenditures" the following: 'in an aggregate
 8 amount'

10 Further amend the bill in section 1 in subsection 1 in
 paragraph C in the 2nd line (page 1, line 37 in L.D.) by striking
 12 out the following: "5" and inserting in its place the following:
 '-5- 7'

14 Further amend the bill in section 2 in paragraph D by
 16 striking out the 3rd and 4th lines (page 2, lines 38 and 39 in
 L.D.) and inserting in their place the following: 'after the 12th
 18 day before the election, and more than 48 hours before 5 p.m. on
the day of the election, must be reported within 48 hours of
 20 those'

22 Further amend the bill by inserting after section 2 the
 following:

24 'Sec. 3. 21-A MRSA §1017, sub-§3-A, ¶¶A and B, as enacted by
 26 PL 1989, c. 504, §§14 and 31, are amended to read:

28 A. In any calendar year in which no election for the
 candidate's particular office is scheduled, when any
 30 candidate or candidate's political committee or committees
 have received contributions in excess of \$500 or made or
 32 authorized expenditures in excess of \$500, reports shall
must be filed no later than 5 p.m. on July 15th of that year
 34 and January 15th of the following calendar year. These
 reports must include all contributions made to and all
 36 expenditures made or authorized by the candidate, the
candidate's treasurer or the candidate's authorized
 38 political committee as of the end of the preceding month,
 except those covered by a previous report.

40 B. Reports shall must be filed no later than 5 p.m. on the
 42 6th day before the date on which an election is held and
 must be complete as of the 12th day before that date. If no
 44 report was filed ~~on July 15th pursuant to~~ under paragraph A,
 the report required under this paragraph must cover all
 46 contributions and expenditures through the completion date.'

48 Further amend the bill by inserting after section 3 the
 following:

50 'Sec. 4. 21-A MRSA §1017, sub-§5-A, ¶B, as enacted by PL 1987,
 52 c. 726, §2, is amended to read:

2 B. If the contribution is sold after the termination of the
4 appropriate reporting period specified in subsections 1 to
6 4, the value of the contribution is deemed to be the
8 difference between the value of the contribution as
10 originally reported by the candidate and the amount of the
12 purchase price paid at auction. Unless further reports are
14 filed in relation to a later election in the same calendar
year, the disposition of any net surplus or deficit in
excess of \$50 resulting from the difference between the
auction price and the original contribution value shall must
be reported in the same manner as provided in subsection 2,
paragraph F or subsection 3 3-A, paragraph D E, as
appropriate.

16 Sec. 5. 21-A MRSA §1017, sub-§8, as enacted by PL 1989, c.
18 504, §§17 and 31, is amended by amending the first paragraph to
read:

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

26 Further amend the bill by inserting after section 4 the
following:

28 Sec. 5. 21-A MRSA §1018, sub-§2, ¶A, as enacted by PL 1985,
30 c. 161, §6, is amended to read:

32 A. Reports required by this subsection in relation to a
34 candidate for Governor shall must be filed on the same dates
36 on which reports for gubernatorial candidates are ~~to be~~
38 filed under section 1017, subsection 2. Reports required by
this subsection in relation to a candidate for state or
county office, other than Governor, shall must be filed on
the same dates on which reports for these candidates are ~~to~~
be filed under section 1017, subsection 3 3-A.

40 Sec. 6. 21-A MRSA §1019, sub-§1, as enacted by PL 1985, c.
42 161, §6, is amended to read:

44 1. Filing dates. Reports required by this section in
46 relation to a candidate for Governor shall must be filed on the
48 same dates on which reports for gubernatorial candidates are ~~to~~
50 be filed under section 1017, subsection 2. Reports required by
this section in relation to a candidate for state or county
office, other than the office of Governor, shall must be filed on
the same dates on which reports for those candidates are ~~to be~~
filed under section 1017, subsection 3 3-A.

2 **Sec. 7. 21-A MRSA §1019, sub-§2**, as amended by PL 1989, c.
504, §§19 and 31, is further amended to read:

4 **2. Content.** This report must contain an itemized account
6 of each contribution or expenditure aggregating in excess of \$50
8 in any election, the date and purpose of each and the name of
10 each payee or creditor. Total contributions or expenditures of
12 less than \$500 in any election need not be itemized. The report
14 must state whether the contribution or expenditure is in support
16 of or in opposition to the candidate and must include, under
18 penalty of perjury, as provided in Title 17-A, section 451, a
20 statement under oath or affirmation whether the expenditure is
22 made in cooperation, consultation or concert with, or at the
request or suggestion of, any candidate or any authorized
committee or agent of a candidate. Any membership organization or
corporation which that makes a communication to its members or
stockholders expressly advocating the election or defeat of a
clearly identified candidate must report any expenditures
aggregating in excess of \$50 for such a communication in any
election, whether or not the communication is defined as an
expenditure under section 1012, subsection 5 3, paragraph G A.

24 **Sec. 8. 21-A MRSA §1020, sub-§1**, as repealed and replaced by
PL 1989, c. 504, §§20 and 31, is amended to read:

26 **1. Registration.** Any candidate or political committee that
28 fails to register with the commission, within the time allowed by
section 1013-A, subsection 1 or 2, shall must be assessed a
30 penalty of \$50. The commission shall determine whether a
registration satisfies the requirements for timely filing under
section 1013-A, subsection 1.

32 Further amend the bill by inserting after section 5 the
34 following:

36 **Sec. 6. 21-A MRSA §1052, sub-§5, ¶B**, as amended by PL 1989,
c. 504, §§23 and 31, is further amended to read:

38 B. Does not include:

40 (1) A candidate or a candidate's treasurer under
42 section ~~1013~~ 1013-A, subsection 1;

44 (2) A candidate's authorized political committee under
46 section ~~1013~~ 1013-A, subsection 2; or

48 (3) A party committee under section ~~1013~~ 1013-A,
subsection ~~-4-~~ 3.

50 Further amend the bill in section 6 in the first paragraph
52 in the 6th and 7th lines (page 3, lines 37 and 38 in L.D.) by
inserting after the following: "with the commission" the

2 following: ' , within 7 days of accepting those contributions,
incurring those obligations or making those expenditures.'

4 Further amend the bill in section 7 in that part designated
6 "§1058." in the first paragraph in the first line (page 3, line
8 49 in L.D.) by inserting after the following: "expends" the
following: 'is registered with the commission or that'

10 Further amend the bill by striking out all of section 8 and
inserting in its place the following:

12 'Sec. 8. 21-A MRSA §1059, sub-§1, ¶B, as repealed and replaced
by PL 1989, c. 504, §§28 and 31, is amended to read:

14 B. Aggregate expenditures, listed by candidate or political
16 committee, for the periods--between--the--filing--dates
18 specified reporting period for which the report is filed;
and'

20 Further amend the bill by inserting after section 8 the
following:

22 'Sec. 9. 21-A MRSA §1059, sub-§1, ¶B-1 is enacted to read:

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

30 Further amend the bill by striking out all of section 10
32 and inserting in its place the following:

34 'Sec. 10. 21-A MRSA §1059, sub-§1, ¶D is enacted to read:

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

40 Further amend the bill by inserting after section 10 the
42 following:

44 'Sec. 11. 21-A MRSA §1059, sub-§2, ¶E, as repealed and
46 replaced by PL 1989, c. 504, §§28 and 31, is repealed and the
following enacted in its place:

48 E. A committee shall report any expenditure of \$500 or
50 more, made after the 12th day before the election and more
than 48 hours before 5 p.m. on the day of the election,
52 within 48 hours of that expenditure or by noon of the first
business day after the expenditure, whichever is later.'

2 Further amend the bill by striking out all of section 11.

4 Further amend the bill by inserting at the end before the
statement of fact the following:

6
8 'Sec. 12. Retroactivity. Sections 3, 5, 6, 8, 9, 10, 11 and 13
of this Act are effective retroactively to November 1, 1989.

10 **Emergency clause.** In view of the emergency cited in the
12 preamble, this Act takes effect when approved, except as
otherwise indicated.'

14 Further amend the bill by renumbering the sections to read
consecutively.

16

18 **STATEMENT OF FACT**

20 This amendment does the following:

22 1. Clarifies language regarding when a gubernatorial
candidate must register with the Commission on Governmental
24 Ethics and Election Practices;

26 2. Clarifies language regarding candidates' deadline for
filing the campaign financing report due 48 hours before an
28 election;

30 3. Gives the Commission on Governmental Ethics and Election
Practices discretion, comparable to the discretion exercised in
32 regard to timely filing of campaign finance reports, to determine
whether a candidate has registered within the time allowed by the
34 Maine Revised Statutes, Title 21-A, section 1013-A;

36 4. Allows a candidate not required to register earlier to
register within 7 days after qualifying as a candidate;

38

40 5. Makes a number of technical changes in the campaign
financing laws to correct errors created by Public Law 1989,
chapter 504;

42

44 6. Requires a political action committee currently obliged
to register with the commission to register within 7 days of
making expenditures incurring obligations or accepting
46 contributions in excess of \$50;

48 7. Requires all political action committees registered with
the commission to file campaign finance reports regardless of
50 financial activity;

2 8. Provides that political action committees' campaign
finance reports must show:

4 A. Aggregate expenditures, listed by candidate or
political committee, for each reporting period;

6 B. A running total, aggregating expenditures by
8 candidate or political committee, that adds
expenditures made during previous reporting periods to
10 those made during the period for which the report was
filed; and

12 C. In the final report of each calendar year, a
14 summary of all expenditures made during the calendar
year;

16 9. Increases to \$500 the size of contributions a political
18 action committee must disclose in a report due 48 hours before an
election and conforms language regarding that deadline to the
20 language applicable to candidates' 48-hour reports; and

22 10. Removes section 11 of the bill, which proposed to
change the law regarding itemization of the expenditures of
24 political action committees.

26 The amendment also adds a retroactivity provision and an
emergency preamble and emergency clause. Under the retroactivity
28 provision, the amendment's correction of technical errors in
Public Law 1989, chapter 504, are made effective retroactively to
30 November 1, 1989, the effective date of Public Law 1989, chapter
504.

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Reported by the Committee on Legal Affairs
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