

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
115TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 375, L.D. 529, Bill, "An Act to Amend the Campaign Finance Reporting Laws"

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 amended by PL 1989, c. 504, §§1 and 31, are further amended to read:

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

2. **Investigations requested.** Any A person may apply in writing to the commission requesting an investigation concerning the registration of any a candidate, treasurer, political committee or political action committee and contributions by or to and expenditures by any a person, candidate, treasurer, 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.

2           Sec. 2. 21-A MRSA §1004, sub-§1, as amended by PL 1989, c.  
504, §§2 and 31, is further amended to read:

4           1. Contributions and expenditures. No A person, candidate,  
6           treasurer, political committee or political action committee may  
not knowingly make or accept any contribution or make any  
expenditure in violation of this chapter.

8           Sec. 3. 21-A MRSA §1012, sub-§4, as enacted by PL 1987, c.  
10          160, §1, is repealed.

12          Sec. 4. 21-A MRSA §1013-A, sub-§1, as amended by PL 1989, c.  
14          833, §1, is repealed and the following enacted in its place:

16          1. Candidates, their treasurers and political committees.  
18          A candidate must register the candidate's name and the name of a  
20          treasurer with the commission at least once in each legislative  
biennium, as provided in this section. For purposes of this  
section, "legislative biennium" means the term of office a person  
is elected to serve in the Legislature.

22           A. No later than 10 days after becoming a candidate and  
24           before accepting contributions, making expenditures or  
26           incurring obligations, every candidate for state or county  
28           office shall appoint a treasurer. The candidate may serve  
30           as treasurer. The candidate may have only one treasurer,  
32           who is responsible for the filing of campaign finance  
34           reports under this chapter. A candidate shall register the  
candidate's name and address and the name and address of the  
treasurer appointed under this section no later than 10 days  
after the appointment of the treasurer. A candidate may  
accept contributions personally or make or authorize  
expenditures personally, as long as the candidate reports  
all contributions and expenditures to the treasurer.

36           B. A candidate may authorize one political committee to  
38           promote the candidate's election. The candidate must  
40           appoint a treasurer of the political committee, who shall  
42           serve as the treasurer responsible for filing campaign  
finance reports under this chapter. No later than 10 days  
after appointing a political committee, the candidate shall  
register with the commission the following information  
regarding the political committee:

44                   (1) The name and title of the committee;

46                   (2) The name and address of the committee's treasurer;

48                   (3) The name of the candidate who authorized the  
50                   committee; and

2           (4) The names and addresses of all of the committee's  
3           officers.

4           Sec. 5. 21-A MRSA §1013-A, sub-§2, as amended by PL 1989, c.  
5           833, §1, is repealed.

6           Sec. 6. 21-A MRSA §1013-A, sub-§4, as enacted by PL 1989, c.  
7           504, §§4 and 31, is amended to read:

10           4. **Reporting by registered treasurers.** All contributions  
11           accepted and expenditures made or authorized by or on behalf of a  
12           candidate registered under this section or qualified under  
13           sections 335 and 336 or sections 354 and 355 must be recorded and  
14           reported as provided in sections 1016 and 1017.

15           Sec. 7. 21-A MRSA §1013-B is enacted to read:

18           §1013-B. Removal of treasurer; filling vacancy of treasurer;  
19           substantiation of records of treasurer; notification  
20           to commission

22           A candidate may remove any treasurer that the candidate has  
23           appointed. In case of a vacancy in the position of treasurer of  
24           a candidate or a political committee before all of the  
25           obligations of the treasurer have been performed, the candidate  
26           shall serve as treasurer from the date of the vacancy until the  
27           candidate appoints a successor and reports the name and address  
28           of the successor to the commission. The candidate shall file a  
29           written statement of resignation of a treasurer of a candidate or  
30           a political committee and until that statement has been filed,  
31           the resignation is not effective. An individual who vacates the  
32           position of treasurer by reason of removal or resignation shall  
33           certify the accuracy of the treasurer's records to the succeeding  
34           treasurer. A succeeding treasurer may not be held responsible  
35           for the accuracy of the predecessor's records.

36           Sec. 8. 21-A MRSA §1014, sub-§4, as enacted by PL 1989, c.  
37           504, §§6 and 31, is amended to read:

40           4. **Enforcement.** An expenditure, communication or broadcast  
41           which results in a violation of this section may result in a  
42           civil penalty of no more than \$100 if the violation is not  
43           corrected within 10 days after the candidate or other person who  
44           committed the violation receives notification of the violation  
45           from the commission. Enforcement and collection procedures shall  
46           must be in accordance with section 1020.

48           Sec. 9. 21-A MRSA §1015, sub-§6, as enacted by PL 1985, c.  
49           161, §6, is amended to read:

50           6. **Prohibited expenditures.** A candidate, a treasurer, a  
51           political committee, a party or party committee, a person

2 required to file a report under this subchapter or their  
authorized agents may not make any expenditures for liquor to be  
4 distributed to or consumed by voters while the polls are open on  
election day.

6 **Sec. 10. 21-A MRSA §1016**, as amended by PL 1989, c. 878, Pt.  
A, §47 and affected by §48, is further amended to read:

8  
10 **§1016. Records**

12 Each treasurer ~~or each candidate~~ shall keep detailed records  
of all contributions received and of each expenditure which that  
14 the treasurer or candidate makes or authorizes, as provided in  
this section. When reporting contributions and expenditures to  
16 the commission as required by section 1017, the ~~candidate or~~  
treasurer shall certify the completeness and accuracy of the  
information reported by that ~~candidate or~~ treasurer.

18  
20 1. **Segregated funds.** All funds of a political committee  
and campaign funds of a candidate must be segregated from, and  
22 may not be commingled with, any personal funds of the candidate,  
treasurer, other officers, members or associates of the  
24 committee. Personal funds of the candidate used to support the  
26 candidacy must be recorded and reported to the treasurer as  
contributions to the political committee, or the candidate if the  
candidate has not authorized a political committee.

28 2. **Report of contributions and expenditures.** Any person  
30 who receives a contribution or makes an expenditure for a  
candidate or political committee shall report the contribution or  
32 expenditure to the candidate's treasurer within 5 days of receipt  
of the contribution or the making of the expenditure. Every  
34 person who receives a contribution in excess of \$10 for a  
candidate or a political committee shall give also report to the  
36 treasurer or candidate a detailed account of the contribution on  
demand of the treasurer or candidate and in any event within 5  
38 days after receiving the contribution. This account must include  
the amount of the contribution, the name and address of the  
40 person making the contribution and the date on which the  
contribution was received.

42 3. **Record keeping.** A treasurer ~~or a candidate~~ shall keep a  
44 detailed and exact account of:

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

48 B. The name and address of every person making a  
50 contribution in excess of \$10, the date and amount of that  
contribution and, if a person's contributions in any report  
52 filing period aggregate more than \$50, the account must  
include the contributor's occupation and principal place of

2 business, if any. If the contributor is the candidate or a  
3 member of the candidate's immediate family, the account must  
4 also state the relationship. For purposes of this paragraph,  
5 "filing period" is as provided in section 1017, subsections  
6 subsections 2 and 3-A;

7 C. All expenditures made by or on behalf of the committee  
8 or candidate; and

9 D. The name and address of every person to whom any  
10 expenditure is made and the date and amount of the  
11 expenditure.

12  
13 4. **Receipts preservation.** A treasurer ~~of a candidate~~ shall  
14 obtain and keep a receipted bill, stating the particulars, for  
15 every expenditure in excess of \$50 made by or on behalf of a  
16 political committee or a candidate and for any such expenditure  
17 in a lesser amount if the aggregate amount of those expenditures  
18 to the same person in any election exceeds \$50. The treasurer ~~of~~  
19 ~~candidate~~ shall preserve all receipted bills and accounts  
20 required to be kept by this section for 2 years following the  
21 final report required to be filed for the election to which they  
22 pertain, unless otherwise ordered by the commission or a court.

23  
24 **Sec. 11. 21-A MRSA §1017, sub-§2, as amended by PL 1989, c.**  
25 **833, §2, is further amended to read:**

26  
27 2. **Gubernatorial candidates.** ~~Except as provided by~~  
28 ~~subsection 7, each~~ Each treasurer of a candidate for the office  
29 of Governor or the candidate's treasurer and the treasurer of  
30 each political committee authorized by the candidate shall file  
31 reports with the commission as follows. Once the first required  
32 report has been filed, each subsequent report must cover the  
33 period from the completion date of the prior report filed.

34  
35 A. In any calendar year, other than a gubernatorial  
36 election year, in which the candidate or the candidate's  
37 political committee ~~or committees~~ has received contributions  
38 in excess of \$1,000 or made or authorized expenditures in  
39 excess of \$1,000, reports shall must be filed ~~not~~ no later  
40 than 5 p.m. on July 15th of that year and January 15th of  
41 the following calendar year. These reports must include all  
42 contributions made to and all expenditures made by or  
43 authorized by or on behalf of the candidate ~~or political~~  
44 ~~committee~~ or the candidate's treasurer as of the end of the  
45 preceding month, except those covered by a previous report.

46  
47 B. Reports shall must be filed ~~not~~ no later than 5 p.m. on  
48 the 42nd day before the date on which an election is held  
49 and must be complete as of the 49th day before that date. If  
50 ~~no~~ a report was not filed under paragraph A, the report

COMMITTEE AMENDMENT "A" to H.P. 375, L.D. 529

2 required under this paragraph must cover all contributions  
and expenditures through the completion date.

4 C. Reports shall must be filed ~~not~~ no later than 5 p.m. on  
6 the 6th day before the date on which an election is held and  
must be complete as of the 12th day before that date.

8 D. Contributions aggregating \$1,000 or more from any one  
10 contributor or any expenditures of \$1,000 or more, made  
12 after the 12th day before the election, and more than 48  
14 hours before 5 p.m. on the day of the election, must be  
reported within 48 hours of those contributions or  
expenditures or by noon of the first business day after the  
contributions or expenditures; whichever is later.

16 E. Reports shall must be filed ~~not~~ no later than 5 p.m. on  
18 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.

20 F. Unless further reports will be filed in relation to a  
22 later election in the same calendar year, the disposition of  
any surplus or deficit in excess of \$50 shown in the reports  
24 described in paragraph E shall must be reported as follows  
26 provided in this paragraph. A The treasurer of a candidate  
or political committee with a surplus or deficit in excess  
of \$50 shall file reports semiannually with the commission  
28 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  
30 the quarter, until the surplus is disposed of or the deficit  
is liquidated. A candidate must liquidate a deficit from an  
32 election within 4 years after the election, unless the  
34 candidate is holding elective office at the end of that  
4-year period. The first report under this paragraph is not  
36 required until the 15th day of the period beginning at least  
90 days from the date of the election. The reports may  
38 either be filed in person with the commission on that date  
or postmarked on that date. The reports must set forth any  
40 contributions for the purpose of liquidating the deficit, in  
the same manner as contributions are set forth in other  
reports required in this section.

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

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

2           Sec. 12. 21-A MRSA §1017, sub-§3-A, as amended by PL 1989, c.  
3 833, §3 and affected by §21, is further amended to read:

4           3-A. ~~Other candidates. Except as provided in subsection 7,~~  
5 ~~each~~ Each treasurer of a candidate for state or county office  
6 other than the office of Governor, ~~or the candidate's treasurer~~  
7 ~~and the treasurer of each political committee authorized by a~~  
8 ~~candidate,~~ shall file reports with the commission as follows.  
9 Once the first required report has been filed, each subsequent  
10 report must cover the period from the completion date of the  
11 prior report filed.

12  
13           A. In any calendar year in which no an election for the  
14 candidate's particular office is not scheduled, when any  
15 candidate or candidate's political committee ~~or committees~~  
16 have has received contributions in excess of \$500 or made or  
17 authorized expenditures in excess of \$500, reports must be  
18 filed no later than 5 p.m. on July 15th of that year and  
19 January 15th of the following calendar year. These reports  
20 must include all contributions made to and all expenditures  
21 made or authorized by or on behalf of the candidate, ~~the~~  
22 ~~candidate's or the treasurer or the candidate's authorized~~  
23 ~~political committee of the candidate~~ as of the end of the  
24 preceding month, except those covered by a previous report.

25  
26           B. Reports must be filed no later than 5 p.m. on the 6th  
27 day before the date on which an election is held and must be  
28 complete as of the 12th day before that date. If no a  
29 report was not filed under paragraph A, the report required  
30 under this paragraph must cover all contributions and  
31 expenditures through the completion date.

32  
33           C. ~~Any contribution of~~ Contributions aggregating \$1,000 or  
34 more from any one contributor or any expenditures of \$1,000  
35 or more, made after the 12th day before any election and  
36 more than 48 hours before 5 p.m. on the day of any election  
37 shall must be reported within 48 hours of ~~that contribution~~  
38 those contributions or expenditures, or by noon of the first  
39 business day after the ~~contribution~~ contributions or  
40 expenditures, whichever is later.

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

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



2 authorized-by The treasurer of a candidate with a surplus or  
3 deficit in excess of \$50 shall file reports semiannually  
4 with the commission within 15 days following the end of the  
5 2nd and 4th quarters of the State's fiscal year, complete as  
6 of the last day of the quarter, until the surplus is  
7 disposed of or the deficit is liquidated. A candidate must  
8 liquidate a deficit from an election within 4 years of the  
9 election, unless the candidate is holding elective office at  
10 the end of the 4-year period. The first report under this  
11 paragraph is not required until the 15th day of the period  
12 beginning at least 90 days from the date of the election.  
13 The reports may either be filed in person with the  
14 commission on that date or postmarked on that date. The  
15 reports must set forth any contributions for the purpose of  
16 liquidating the deficit, in the same manner as contributions  
17 are set forth in other reports required in this section.

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

22 **Sec. 13. 21-A MRSA §1017, sub-§4, as amended by PL 1989, c.**  
23 **504, §§15 and 31, is further amended to read:**

24 **4. New candidate or nominee.** A candidate for nomination or  
25 a nominee chosen to fill a vacancy under chapter 5, subchapter  
26 III, is subject to section 1013-A, subsection 1, except that the  
27 candidate shall register the name of a treasurer or political  
28 committee and all other information required in section 1013-A,  
29 subsection 1, paragraphs A and B within 7 days after the  
30 candidate's appointment, or at least 6 days before the election,  
31 whichever is earlier. The treasurer of a candidate shall file a  
32 campaign report under this section ~~within 15 days after the~~  
33 ~~candidate's appointment and thereafter on the appropriate~~  
34 ~~schedule under this section not later than the earlier of 15 days~~  
35 ~~after the candidate's appointment or 6 days before the election.~~  
36 The report must be complete as of 4 days before the report is  
37 due. Subsequent reports must be filed on the schedule set forth  
38 in this section. The commission shall send notification of this  
39 requirement and registration and report forms to the candidate  
40 and the candidate's treasurer immediately upon notice of the  
41 candidate's and treasurer's appointment.

42 **Sec. 14. 21-A MRSA §1017, sub-§5, as amended by PL 1989, c.**  
43 **833, §4, is further amended to read:**

44 **5. Content.** A report required under this section must  
45 contain the itemized accounts of contributions received during  
46 that report filing period, including the date a contribution was  
47 ~~received~~ received, and the name, address, occupation, principal  
48 place of business, if any, and the amount of the contribution of

2 each person who has made a contribution or contributions  
3 aggregating in excess of \$50. ~~It~~ The report must contain the  
4 itemized expenditures made or authorized during the report filing  
5 period, the date and purpose of each expenditure and the name of  
6 each payee and creditor. Total contributions with respect to an  
7 election of less than \$500 and total expenditures of less than  
8 \$500 need not be itemized. The report must contain a statement  
9 of any loan to a candidate by a financial institution in  
10 connection with that candidate's candidacy that is made during  
11 the period covered by the report, whether or not the loan is  
12 defined as a contribution under section 1012, subsection 2,  
13 paragraph A. The candidate is and treasurer are jointly  
14 responsible for the timely and accurate filing of each required  
report.

15 **Sec. 15. 21-A MRSA §1017, sub-§5-A, ¶B**, as amended by PL 1989,  
16 c. 833, §5 and affected by §21 and amended by c. 878, Pt. A, §49  
17 and affected by §50, is repealed and the following enacted in its  
18 place:

19 B. If the contribution is sold after the termination of the  
20 appropriate reporting period specified in subsections 1 to  
21 4, the value of the contribution is the difference between  
22 the value of the contribution as originally reported by the  
23 treasurer and the amount of the purchase price paid at  
24 auction. Unless further reports are filed in relation to a  
25 later election in the same calendar year, the disposition of  
26 any net surplus or deficit in excess of \$50 resulting from  
27 the difference between the auction price and the original  
28 contribution value must be reported in the same manner as  
29 provided in subsection 2, paragraph F or subsection 3-A,  
30 paragraph E, as appropriate.

31 **Sec. 16. 21-A MRSA §1017, sub-§6**, as amended by PL 1989, c.  
32 504, §§16 and 31, is further amended to read:

33 **6. Forms.** Reports required by this section must be on  
34 forms prescribed, prepared and sent by the commission to the  
35 treasurer of each registered candidate at least 7 days before the  
36 filing date for the report. Persons filing reports may use  
37 additional pages if necessary, but the pages must be the same  
38 size as the pages of the form. Although the commission mails the  
39 forms for required reports, failure to receive forms by mail does  
40 not excuse treasurers, committees,--candidates and other persons  
41 who must file reports from otherwise obtaining the forms.

42 **Sec. 17. 21-A MRSA §1017, sub-§7**, as enacted by PL 1989, c.  
43 504, §§17 and 31, is repealed.

44 **Sec. 18. 21-A MRSA §1017, sub-§8**, as amended by PL 1989, c.  
45 833, §§6 and 7 and affected by §21, is further amended to read:

2           8. Disposition of surplus. Candidates A treasurer of a  
3 candidate registered under section 1013-A or qualified under  
4 sections 335 and 336 or sections 354 and 355 may dispose of a  
surplus exceeding \$50 solely by:

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

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

12           C. An unrestricted gift to the State;

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

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

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

30           F. Repaying any loans or retiring any other debts incurred  
31 to defray campaign expenses of the candidate, and

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

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

44           Sec. 19. 21-A MRSA §1020, sub-§1, as amended by PL 1989, c.  
45 833, §11, and affected by §21, is further amended to read:

46           1. Registration. Any candidate or political committee that  
47 fails to register the name of a candidate, treasurer or political  
48 committee with the commission, within the time allowed by section  
49 1013-A, subsection 1 ~~or~~ 2, must be assessed a penalty of \$50.  
50 The commission shall determine whether a registration satisfies

COMMITTEE AMENDMENT "A" to H.P. 375, L.D. 529

the requirements for timely filing under section 1013-A, subsection 1.

Sec. 20. 21-A MRSA §1020, sub-§2, ¶B, as repealed and replaced by PL 1989, c. 504, §§20 and 31, is amended to read:

B. There is a penalty of \$50 for each business day that reports required under section 1017, subsection 2, paragraph C or D; ~~or~~ section 1017, subsection 3-A, paragraph B or C; section 1018, subsection 2, paragraph A; or section 1019, subsection 1 are late.'

### STATEMENT OF FACT

The amendment makes several technical amendments to the bill to make several sections of law consistent with the change in the bill making the treasurers responsible for filing campaign finance reports. The amendment also makes several substantive changes in campaign finance law.

The amendment requires any person who receives a contribution of any amount or makes any expenditure on behalf of a candidate, to report the contribution or expenditure to the treasurer. With respect to the required semiannual reports of surpluses and deficits, the amendment clarifies that the report must be complete as of the last day of the reporting period. The amendment also requires a candidate to liquidate any deficit within 4 years after an election, unless the person is holding elective office at the end of the 4-year period. The amendment also clarifies that expenditure reports must include all expenditures made or authorized during the report filing period.

For new candidates or nominees chosen to fill a vacancy, the amendment requires them to appoint and register a treasurer sooner than under the bill. The amendment also requires them to file their first finance reports on the earlier of 15 days after appointment or 6 days before the election, and the report must be complete as of 4 days before the due date.

Finally, the amendment permits candidates to spend surplus campaign funds on any expenses related to the proper performance of their elective office. Any expenditure made for that purpose must be itemized on the campaign finance report.

Reported by the Committee on Legal Affairs.  
Reproduced and distributed under the direction of the Clerk of  
the House.  
(5/3/91)

(Filing No. H-233)