

# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1996

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Legislative Document

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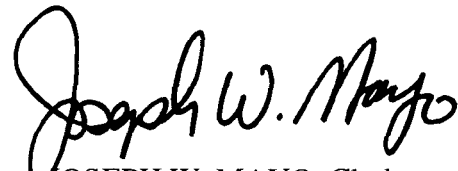
Initiated Bill 5

House of Representatives, March 5, 1996

**An Act to Reform Campaign Finance.**

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Transmitted to the Clerk of the House of the 117th Maine Legislature by the Secretary of State on February 22, 1996 and ordered printed.

  
JOSEPH W. MAYO, Clerk

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

2  
4       **Sec. 1. 1 MRSA §1002, sub-§1**, as amended by PL 1991, c. 880, §1, is repealed and the following enacted in its place:

6       **1. Membership.** The Commission on Governmental Ethics and Election Practices, established by Title 5, section 12004-G, subsection 33 and referred to in this chapter as the "commission," consists of 5 members appointed as follows.

10           A. By March 31, 1997, and as needed after that date, the Governor, the President of the Senate, the Senate Minority Leader, the Speaker of the House and the House Minority Leader shall jointly establish and publish a nomination period during which members of the public, groups and organizations may nominate qualified individuals to the Governor for appointment to the commission. The initial nomination period must close by May 1, 1997.

12           B. The Governor shall appoint the members of the commission, taking into consideration nominations made during the nomination period, subject to review by the joint standing committee of the Legislature having jurisdiction over legal affairs and confirmation by the Legislature. No more than 2 commission members may be enrolled in the same political party.

14           C. Two initial appointees are appointed for 1-year terms, two are appointed for 2-year terms and one is appointed for a 3-year term according to a random lot drawing under the supervision of the Secretary of State. Subsequent appointees are appointed to serve 4-year terms. A person may not serve more than 2 terms.

16           D. The commission members shall elect one member to serve as chair for at least a 2-year term.

18           E. A vacancy during an unexpired term must be filled as provided in this subsection for the unexpired portion of the term only.

20       **Sec. 2. 1 MRSA §1002, sub-§4**, as amended by PL 1983, c. 812, §1, is further amended to read:

22           **4. Legislative per diem.** The members of the commission shall-be-compensated are entitled to receive legislative per diem according to Title 5, chapter 379.

24       **Sec. 3. 1 MRSA §1008, sub-§2**, as amended by PL 1993, c. 691, §1, is further amended to read:

2           **2. Election practices.** To administer and investigate any  
3 violations of the requirements for campaign reports and campaign  
4 financing, including the provisions of the Maine Clean Election  
5 Act and the Maine Clean Election Fund, and to investigate and  
6 make findings of fact and opinion on the final determination of  
7 the results, within the limits of the Constitution of Maine and  
8 the Constitution of the United States, of any contested ~~count~~  
county, state or federal election within this State;

10           **Sec. 4. 1 MRSA §1008, sub-§3,** as amended by PL 1993, c. 691,  
12 §2, is further amended to read:

14           **3. Ethics seminar.** To conduct, in conjunction with the  
15 Attorney General and the Chair of the Legislative Council or  
16 their designees, an ethics seminar for Legislators after the  
17 general election and before the convening of the Legislature, in  
18 every even-numbered year. The Attorney General shall provide  
19 each Legislator with a bound compilation of the laws of this  
20 State pertaining to legislative ethics and conduct; and

22           **Sec. 5. 1 MRSA §1008, sub-§4,** as enacted by PL 1993, c. 691,  
24 §3, is amended to read:

26           **4. Lobbyist activities.** To administer the lobbyist  
27 disclosure laws, Title 3, chapter 15- ;

28           **Sec. 6. 1 MRSA §1008, sub-§§5 and 6** are enacted to read:

30           **5. Maine Clean Election Act and Maine Clean Election Fund.**  
31 To administer and ensure the effective implementation of the  
32 Maine Clean Election Act and the Maine Clean Election Fund  
33 according to Title 21-A, chapter 14; and

34           **6. Enhanced monitoring; source of revenue.** To provide for  
35 enhanced monitoring and enforcement of election practices and to  
36 institute electronic submission of reports and computerized  
37 tracking of campaign, election and lobbying information under the  
38 commission's jurisdiction. Funds to support enhanced monitoring  
39 and computerized data collection must come from the commission's  
40 share of lobbyist registration fees, penalties and other revenues  
41 pursuant to Title 3, section 320 as well as other revenue sources.

44           **Sec. 7. 3 MRSA §313,** as repealed and replaced by PL 1993, c.  
46 691, §10, is amended to read:

48           **§313. Registration of lobbyist and employers**

49           Every employer of a lobbyist and every lobbyist and lobbyist  
50 associate who lobbies on behalf of that employer shall register

2 jointly at the office of the commission no later than 15 business  
3 days after commencement of lobbying and pay a registration fee  
4 determined by the commission. The fee must be at least \$200 \$400  
5 for the registration of each lobbyist and at least \$100 \$200 for  
6 the registration of each lobbyist associate.

7 **Sec. 8. 3 MRSA §320, first ¶**, as repealed and replaced by PL  
8 1993, c. 691, §23, is amended to read:

9 All-fees Fees collected pursuant to this chapter must go in  
10 equal portions to the General Fund and to the commission.

11 **Sec. 9. 5 MRSA §12004-G, sub-§33**, as enacted by PL 1987, c.  
12 786, §5, is amended to read:

13	<b>33.</b>	Commission on	Expenses	1 MRSA
14	State Government	Governmental	Only	§1002
15		Ethics and	<u>Legislative</u>	
16		Election Prac-	<u>Per Diem</u>	
17		tices		

18 **Sec. 10. 21-A MRSA §23, sub-§11**, as enacted by PL 1985, c.  
19 161, §6, is amended to read:

20 **11. Campaign reports.** The Commission on Governmental  
21 Ethics and Election Practices shall keep the campaign reports or  
22 report data in its office for ~~2-years-or-until-the-expiration-of~~  
23 ~~the-term-of-office-to-which-the-candidate-aspired-or-was-elected,~~  
24 ~~whichever-is-longer~~ at least 8 years.

25 **Sec. 11. 21-A MRSA §1015, sub-§§1 and 2**, as enacted by PL 1985,  
26 c. 161, §6, are amended to read:

27 **1. Individuals.** ~~Ne~~ An individual may not make  
28 contributions to a candidate in support of the candidacy of one  
29 person, aggregating more than \$1,000 in any election. Beginning  
30 January 1, 1999, an individual may not make contributions to a  
31 candidate in support of the candidacy of one person aggregating  
32 more than \$500 in any election for a gubernatorial candidate or  
33 more than \$250 in any election for any other candidate. This  
34 limitation does not apply to contributions in support of a  
35 candidate by that candidate or ~~his~~ that candidate's spouse.

36 **2. Committees; corporations; associations.** ~~Ne~~ A political  
37 committee, other committee, corporation or association may not  
38 make contributions to a candidate, in support of the candidacy of  
39 one person, aggregating more than \$5,000 in any election.  
40 Beginning January 1, 1999, a political committee, other  
41 committee, corporation or association may not make contributions  
42 to a candidate, in support of the candidacy of one person

2 aggregating more than \$500 in any election for a gubernatorial  
3 candidate or more than \$250 in any election for any other  
4 candidate.

6 **Sec. 12. 21-A MRSA §1017, sub-§3-B** is enacted to read:

8 **3-B. Accelerated reporting schedule.** In addition to other  
9 reports required by law, any candidate for Governor, State Senate  
10 or State House of Representatives who is not certified as a Maine  
11 Clean Election Act candidate under chapter 14 and who receives,  
12 spends or obligates more than 1% in excess of the primary or  
13 general election distribution amounts for a Maine Clean Election  
14 Act candidate in the same race shall file by any means acceptable  
15 to the commission, within 48 hours of that event, a report with  
16 the commission detailing the candidate's total campaign  
17 contributions, obligations and expenditures to date. After this  
18 filing, the candidate shall comply with an expedited reporting  
19 schedule that the commission shall establish by rule. The  
20 commission shall provide forms to facilitate compliance with this  
21 subsection.

22 **Sec. 13. 21-A MRSA §1018, sub-§2,** as amended by PL 1995, c.  
23 483, §11, is repealed.

24 **Sec. 14. 21-A MRSA §1019,** as amended by PL 1995, c. 483, §§12  
25 and 13, is repealed and the following enacted in its place:

28 **§1019. Reports of independent expenditures**

30 For the purposes of this section, an independent expenditure  
31 is any contribution or expenditure by a person, party committee,  
32 political committee or political action committee aggregating in  
33 excess of \$50 in an election that expressly advocates the  
34 election or defeat of a clearly identified candidate, other than  
35 by contribution to a candidate or a candidate's authorized  
36 political committee. Any person, party committee, political  
37 committee or political action committee that makes an independent  
38 expenditure must file a report with the commission. In the case  
39 of a municipal election, a copy of the same information must be  
40 filed with the clerk in that candidate's municipality.

42 **1. Filing requirements.** Reports required by this section  
43 must be filed with the commission according to a reporting  
44 schedule that the commission shall establish by rule that takes  
45 into consideration existing campaign finance reporting  
46 requirements and matching fund provisions under chapter 14.

48 **2. Content.** This report must contain an itemized account  
49 of each contribution or expenditure aggregating in excess of \$50  
50 in any election, the date and purpose of each and the name of

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

17 3. Forms. Reports required by this section must be on  
18 forms prescribed and prepared by the commission. Persons filing  
19 these reports may use additional pages if necessary, but the  
20 pages must be the same size as the pages of the form.

21 **Sec. 15. 21-A MRSA §1020-A, sub-§4,** as enacted by PL 1995, c.  
22 483, §15, is amended to read:

23 **4. Basis for penalties.** The penalty for late filing of a  
24 report required under this subchapter is a percentage of the  
25 total contributions or expenditures for the filing period,  
26 whichever is greater, multiplied by the number of calendar days  
27 late, as follows:

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

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

32 Violations accumulate on reports with filing deadlines in a  
33 2-year period that begins on January 1st of each even-numbered  
34 year. Waiver of a penalty does not nullify the finding of a  
35 violation.

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

39 A registration or report may be provisionally filed by  
40 transmission of a facsimile copy of the duly executed report to

2 the commission, as long as an original of the same report is  
received by the commission within 5 calendar days thereafter.

4 Notwithstanding any other provisions of this section, a candidate  
6 who fails to file an accelerated campaign finance report as  
8 required in section 1017, subsection 3-B must be assessed a  
10 penalty at least equivalent to but no more than 3 times the  
12 amount by which the contributions received or expenditures  
14 obligated or made by the candidate, whichever is greater, exceed  
16 the applicable Maine Clean Election Fund disbursement amount, per  
18 day of violation. A penalty for failure to file an accelerated  
20 campaign finance report must be made payable to the Maine Clean  
22 Election Fund.

14 **Sec. 16. 21-A MRSA §1056, sub-§1**, as enacted by PL 1985, c.  
16 161, §6, is amended to read:

18 **1. Aggregate expenditures.** No A committee may not make  
20 expenditures in support of or opposition to the candidacy of one  
22 person or to a political committee in an aggregate amount greater  
24 than \$5,000 in any election. Beginning January 1, 1999, a  
26 committee may not make contributions in support of the candidacy  
28 of one person aggregating more than \$500 in any election for a  
30 gubernatorial candidate, or \$250 in any election for any other  
32 candidate.

26 **Sec. 17. 21-A MRSA c. 14** is enacted to read:

28 **CHAPTER 14**

30 **THE MAINE CLEAN ELECTION ACT**

32 **§1121. Short title**

34 This chapter may be known and cited as the "Maine Clean  
36 Election Act."

38 **§1122. Definitions**

40 As used in this chapter, unless the context otherwise  
42 indicates, the following terms have the following meanings.

44 **1. Certified candidate.** "Certified candidate" means a  
46 candidate running for Governor, State Senator or State  
48 Representative who chooses to participate in the Maine Clean  
Election Act and who is certified as a Maine Clean Election Act  
candidate under section 1125, subsection 5.



2           **2. Commission.** "Commission" means the Commission on  
3 Governmental Ethics and Election Practices established by Title  
4 5, section 12004-G, subsection 33.

6           **3. Contribution.** "Contribution" has the same meaning as in  
7 section 1012, subsection 2.

8           **4. Fund.** "Fund" means the Maine Clean Election Fund  
9 established in section 1124.

10           **5. Nonparticipating candidate.** "Nonparticipating  
11 candidate" means a candidate running for Governor, State Senator  
12 or State Representative who does not choose to participate in the  
13 Maine Clean Election Act and who is not seeking to be certified  
14 as a Maine Clean Election Act candidate under section 1125,  
15 subsection 5.

16           **6. Participating candidate.** "Participating candidate"  
17 means a candidate who is running for Governor, State Senator or  
18 State Representative who is seeking to be certified as a Maine  
19 Clean Election Act candidate under section 1125, subsection 5.

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

22           A. Of \$5 in the form of a check or a money order payable to  
23 the fund in support of a candidate;

24           B. Made by a registered voter within the electoral division  
25 for the office a candidate is seeking;

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

29           D. That is acknowledged by a written receipt that  
30 identifies the name and address of the donor on forms  
31 provided by the commission.

32           **8. Qualifying period.** "Qualifying period" means the  
33 following.

34           A. For a gubernatorial participating candidate, the  
35 qualifying period begins November 1st immediately preceding  
36 the election year and ends at 5:00 p.m. on March 16th of the  
37 election year unless the candidate is unenrolled, in which  
38 case the period ends at 5:00 p.m. on June 2nd of the  
39 election year.

2           B. For State Senate or State House of Representatives  
3           participating candidates, the qualifying period begins  
4           January 1st of the election year and ends at 5:00 p.m. on  
5           March 16th of that election year unless the candidate is  
6           unenrolled, in which case the period ends at 5:00 p.m. on  
7           June 2nd of the election year.

8           9. Seed money contribution. "Seed money contribution"  
9           means a contribution of no more than \$100 per individual made to  
10           a candidate, including a contribution from the candidate or the  
11           candidate's family. To be eligible for certification, a  
12           candidate may collect and spend only seed money contributions  
13           subsequent to becoming a candidate as defined by section 1,  
14           subsection 5 and throughout the qualifying period. A candidate  
15           may not collect or spend seed money contributions after  
16           certification as a Maine Clean Election Act candidate. The  
17           primary purpose of a seed money contribution is to enable a  
18           participating candidate to collect qualifying contributions. A  
19           seed money contribution must be reported according to procedures  
20           developed by the commission.

21           **§1123. Alternative campaign financing option**

22           This chapter establishes an alternative campaign financing  
23           option available to candidates running for Governor, State  
24           Senator and State Representative. This alternative campaign  
25           financing option is available to candidates for elections to be  
26           held beginning in the year 2000. The commission shall administer  
27           this Act and the fund. Candidates participating in the Maine  
28           Clean Election Act must also comply with all other applicable  
29           election and campaign laws and regulations.

30           **§1124. The Maine Clean Election Fund established; sources**  
31           **of funding**

32           1. Established. The Maine Clean Election Fund is  
33           established to finance the election campaigns of certified Maine  
34           Clean Election Act candidates running for Governor, State Senator  
35           and State Representative and to pay administrative and  
36           enforcement costs of the commission related to this Act. The  
37           fund is a special, dedicated, nonlapsing fund and any interest  
38           generated by the fund is credited to the fund. The commission  
39           shall administer the fund.

40           2. Sources of funding. The following must be deposited in  
41           the fund:

42           A. The qualifying contributions required under section 1125  
43           when those contributions are submitted to the commission;

44

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

12 C. Revenue from a tax checkoff program allowing a resident  
14 of the State who files a tax return with the State Tax  
16 Assessor to designate that \$3 be paid into the fund. If a  
18 husband and wife file a joint return, each spouse may  
designate that \$3 be paid. The amounts designated for the  
fund must be appropriated from the General Fund and credited  
to the fund;

20 D. Seed money contributions remaining unspent after a  
22 candidate has been certified as a Maine Clean Election Act  
candidate;

24 E. Fund revenues that were distributed to a Maine Clean  
26 Election Act candidate and that remain unspent after the  
candidate has lost a primary election or after all general  
elections;

28 F. Other unspent fund revenues distributed to any Maine  
30 Clean Election Act candidate who does not remain a candidate  
throughout a primary or general election cycle;

32 G. Voluntary donations made directly to the fund; and

34 H. Fines collected under section 1020-A, subsection 4 and  
36 section 1127.

38 3. Determination of fund amount. By September 1st  
40 preceding each election year, the commission shall publish an  
estimate of revenue in the fund available for distribution to  
42 certified candidates during the upcoming year's elections.

44 §1125. Terms of participation

46 1. Declaration of intent. A participating candidate must  
48 file a declaration of intent to seek certification as a Maine  
Clean Election Act candidate and to comply with the requirements  
of this chapter. The declaration of intent must be filed with  
50 the commission prior to or during the qualifying period, except  
as provided in subsection 11, according to forms and procedures

2 developed by the commission. A participating candidate must  
3 submit a declaration of intent prior to collecting qualifying  
4 contributions under this chapter.

6 **2. Restrictions on contributions for participating**  
7 **candidates.** Subsequent to becoming a candidate as defined by  
8 section 1, subsection 5 and prior to certification, a  
9 participating candidate may not accept contributions, except for  
10 seed money contributions. A participating candidate must limit  
11 the candidate's seed money contributions to the following amounts:

12 A. Fifty thousand dollars for a gubernatorial candidate;

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

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

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

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

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

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

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

40 A payment, gift or anything of value may not be given in exchange  
41 for a qualifying contribution.

44 **4. Filing with commission.** A participating candidate must  
45 submit qualifying contributions to the commission during the  
46 qualifying period according to procedures developed by the  
47 commission, except as provided under subsection 11.

48 **5. Certification of Maine Clean Election Act candidates.**  
49 Upon receipt of a final submittal of qualifying contributions by  
50 the candidate, the commission shall certify the candidate as

2 a participating candidate, the commission shall determine whether  
or not the candidate has:

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

6 B. Submitted the appropriate number of valid qualifying  
8 contributions;

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

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

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

20 The commission shall certify a candidate complying with the  
requirements of this section as a Maine Clean Election Act  
22 candidate as soon as possible and no later than 3 days after  
final submittal of qualifying contributions.

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

30 6. Restrictions on contributions and expenditures for  
certified candidates. After certification, a candidate must  
32 limit the candidate's campaign expenditures and obligations,  
including outstanding obligations, to the revenues distributed to  
34 the candidate from the fund and may not accept any contributions  
unless specifically authorized by the commission. All revenues  
36 distributed to certified candidates from the fund must be used  
for campaign-related purposes. The commission shall publish  
38 guidelines outlining permissible campaign-related expenditures.

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

44 A. Within 3 days after certification, for candidates  
certified prior to March 16th of the election year, revenues  
46 from the fund must be distributed as if the candidates are  
in an uncontested primary election.

48 B. Within 3 days after March 16th of the election year, for  
50 primary election certified candidates, revenues from the

2 fund must be distributed according to whether the candidate  
3 is in a contested or uncontested primary election, reduced  
4 by any amounts previously distributed under paragraph A.

6 C. Within 3 days after the primary election, for general  
7 election certified candidates, revenues from the fund must  
8 be distributed according to whether the candidate is in a  
9 contested general election. Funds may not be distributed  
10 for uncontested general elections.

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

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

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

30 B. For uncontested primary elections, the amount of  
31 revenues distributed is the average amount of campaign  
32 expenditures made by each candidate during all uncontested  
33 primary election races, or for contested races if that  
34 amount is lower, for the immediately preceding 2 primary  
35 elections as reported in the initial filing period  
36 subsequent to the primary election for the respective  
37 offices of Governor, State Senate and State House of  
38 Representatives.

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

48 D. Revenues may not be distributed for uncontested general  
49 elections.

2 If the immediately preceding two election cycles do not contain  
3 sufficient electoral data, the commission shall use information  
4 from the most recent applicable elections. For only the initial  
5 computations under subsections A to C that are conducted by July  
6 1, 1999, the commission shall reduce the amounts to be  
7 distributed by 25%.

8 **9. Matching funds.** When any campaign, finance or election  
9 report shows that the sum of a candidate's expenditures or  
10 obligations, or funds raised or borrowed, whichever is greater,  
11 alone or in conjunction with independent expenditures reported  
12 under section 1019, exceeds the distribution amount under  
13 subsection 8, the commission shall issue immediately to any  
14 opposing Maine Clean Election Act candidate an additional amount  
15 equivalent to the reported excess. Matching funds are limited to  
16 2 times the amount originally distributed under subsection 8,  
17 paragraph A or C, whichever is applicable.

18 **10. Candidate not enrolled in a party.** An unenrolled  
19 candidate certified by March 16th preceding the primary election  
20 is eligible for revenues from the fund in the same amounts and at  
21 the same time as an uncontested primary election candidate and a  
22 general election candidate as specified in subsections 7 and 8.  
23 For an unenrolled candidate not certified by March 16th at 5:00  
24 p.m. the deadline for filing qualifying contributions is 5:00  
25 p.m. on June 2nd preceding the general election. An unenrolled  
26 candidate certified after March 16th at 5:00 p.m. is eligible for  
27 revenues from the fund in the same amounts as a general election  
28 candidate, as specified in subsections 7 and 8.

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

34 **12. Reporting; unspent revenue.** Notwithstanding any other  
35 provision of law, participating and certified candidates shall  
36 report any money collected, all campaign expenditures,  
37 obligations and related activities to the commission according to  
38 procedures developed by the commission. Upon the filing of a  
39 final report for any primary election in which the candidate was  
40 defeated and for all general elections that candidate shall  
41 return all unspent fund revenues to the commission. In  
42 developing these procedures, the commission shall utilize  
43 existing campaign reporting procedures whenever practicable. The  
44 commission shall ensure timely public access to campaign finance  
45 data and may utilize electronic means of reporting and storing  
46 information.

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

15       14. Appeals. A candidate who has been denied certification  
16       as a Maine Clean Election Act candidate or the opponent of a  
17       candidate who has been granted certification as a Maine Clean  
18       Election Act candidate may challenge a certification decision by  
19       the commission as follows.

20               A. A challenger may appeal to the full commission within 3  
21               days of the certification decision. The appeal must be in  
22               writing and must set forth the reasons for the appeal.

23               B. Within 5 days after an appeal is properly made and after  
24               notice is given to the challenger and any opponent, the  
25               commission shall hold a hearing. The appellant has the  
26               burden of providing evidence to demonstrate that the  
27               commission decision was improper. The commission must rule  
28               on the appeal within 3 days after the completion of the  
29               hearing.

30               C. A challenger may appeal the decision of the commission  
31               in paragraph B by commencing an action in Superior Court  
32               according to the procedure set forth in section 356,  
33               subsection 2, paragraphs D and E.

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

41       §1126. Commission to adopt rules

42       The commission shall adopt rules to ensure effective  
43       administration of this chapter. These rules must include but  
44       must not be limited to procedures for obtaining qualifying  
45



2 contributions, certification as a Maine Clean Election Act  
3 candidate, circumstances involving special elections, vacancies,  
4 recounts, withdrawals or replacements, collection of revenues for  
5 the fund, distribution of fund revenue to certified candidates,  
6 return of unspent fund disbursements and compliance with the  
7 Maine Clean Election Act.

8 **§1127. Violations**

10 **1. Civil penalty.** In addition to any other penalties that  
11 may be applicable, a person who violates any provision of this  
12 chapter is subject to a civil penalty not to exceed \$10,000 per  
13 violation payable to the fund. This penalty is recoverable in a  
14 civil action. In addition to any fine, for good cause shown, a  
15 candidate found in violation of this chapter may be required to  
16 return to the fund all amounts distributed to the candidate from  
17 the fund. If the commission makes a determination that a  
18 violation of this chapter has occurred, the commission shall  
19 assess a fine or transmit the finding to the Attorney General for  
20 prosecution. Fines paid under this section must be deposited in  
21 the fund. In determining whether or not a candidate is in  
22 violation of the expenditure limits of this chapter, the  
23 commission may consider as a mitigating factor any circumstances  
24 out of the candidate's control.

26 **2. Class E crime.** A person who willfully or knowingly  
27 violates this chapter or rules of the commission or who willfully  
28 or knowingly makes a false statement in any report required by  
29 this chapter commits a Class E crime and, if certified as a Maine  
30 Clean Election Act candidate, must return to the fund all amounts  
31 distributed to the candidate.

32 **§1128. Study report**

34 By January 30, 2002 and every four years after that date,  
35 the commission shall prepare for the joint standing committee of  
36 the Legislature having jurisdiction over legal affairs a report  
37 documenting, evaluating and making recommendations relating to  
38 the administration, implementation and enforcement of the Maine  
39 Clean Election Act and Maine Clean Election Fund.

42 **Sec. 18. 36 MRSA §5286 is enacted to read:**

44 **§5286. Contribution to Maine Clean Election Fund; voluntary**  
45 **checkoff**

46 **1. Designation.** Resident taxpayers may designate that \$3  
47 of their taxes be deposited in the Maine Clean Election Fund in  
48 accordance with Title 21-A, section 1124.

50

2        2. Forms. The State Tax Assessor shall provide on the  
first page of the income tax form a space for the filing  
individual to indicate whether that filer wishes to pay \$3, or \$6  
if filing a joint return, from the General Fund of the State to  
finance the Maine Clean Election Fund.

6  
8        3. Transfer of Funds. The State Tax Assessor shall  
transfer funds from the General Fund in accordance with Title  
21-A, section 1124.

10        **Sec. 19. Transition clause.** The revised Commission on  
12 Governmental Ethics and Election Practices is the successor in  
interest to the existing Commission on Governmental Ethics and  
14 Election Practices. The members of the existing commission shall  
serve until appointment and confirmation of members to the  
16 revised commission. Members of the revised commission must be  
appointed and confirmed by June 15, 1997.

18  
20  
**STATEMENT OF FACT**

22  
24        This initiative amends existing campaign and election  
practices as follows.

26        1. The initiative establishes an alternative, publicly  
financed campaign financing option by passage of the Maine Clean  
28 Election Act. This option is available to candidates running for  
Governor, State Senator and State Representative. A candidate  
30 may voluntarily choose to participate in the Maine Clean Election  
Act and be certified as a Maine Clean Election Act candidate  
32 after a qualifying process. A participating candidate may not  
accept or spend private contributions during the primary or  
34 general elections and must abide by other campaign contribution  
and spending restrictions.

36        2. The Maine Clean Election Fund is established to finance  
election campaigns of Maine Clean Election Act candidates.  
38 Sources of revenue for the fund are qualifying contributions  
obtained by participating candidates, a reduction in legislative  
40 and executive agencies' administrative division budgets, a  
voluntary \$3 income tax checkoff, voluntary donations, unspent  
42 Maine Clean Election Act campaign funds and fines.

44        3. The laws regarding the Commission on Governmental Ethics  
and Election Practices are amended by changing the process by  
46 which commission members are selected. The commission  
administers the Maine Clean Election Act and the Maine Clean  
48 Election Fund and conducts rulemaking to effectively implement  
these programs. The commission is provided resources to better  
50

2 monitor campaign finance data by increasing lobbyist registration  
fees.

4 4. Election campaign spending is reduced by limiting the  
amount of money that political action committees, committees,  
6 corporations, associations and individuals may contribute to  
candidates not participating in the Maine Clean Election Act and  
8 by capping campaign expenditures of certified Maine Clean  
Election Act candidates.