

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1532

H.P. 1144

House of Representatives, March 8, 2001

**An Act to Amend the Governmental Ethics Laws Administered by the
Commission on Governmental Ethics and Election Practices.**

Reported by Representative TUTTLE for the Commission on Governmental Ethics and Election Practices pursuant to the Maine Revised Statutes, Title 1, section 1007.

Reference to the Joint Standing Committee on Legal and Veterans Affairs suggested and printing ordered under Joint Rule 218.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

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

2
4 **Sec. 1. 1 MRSA §1002, sub-§1, ¶¶A and C**, as repealed and replaced by IB 1995, c. 1, §1, are amended to read:

6 A. ~~By March 31, 1997, and as needed after that date~~ As needed, the Governor, the President or the President Pro Tempore 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.~~

16 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~~ Appointees are appointed to serve 4-year terms. A person may not serve more than 2 terms.

22 **Sec. 2. 1 MRSA §1003, sub-§2**, as enacted by PL 1975, c. 621, §1, is amended to read:

26 2. **Records.** Except as provided in section ~~1013~~ 1014-C, subsection 2 9, paragraph ~~J~~, all records of the commission, including business records, reports made to or by the commission, findings of fact and opinions, shall must be made available to any interested member of the public who may wish to review them. Any member of the public may request copies of any record held by the commission ~~which~~ that is available for public inspection. The commission shall furnish these copies upon payment of a fee covering the cost of reproducing them.

36 **Sec. 3. 1 MRSA §1004**, as amended by PL 1977, c. 252, §1, is further amended to read:

38 **§1004. Meetings**

40 ~~The President of the Senate and the Speaker of the House shall jointly call an organizational meeting of the commission within 10 days after the members have taken their oaths of office. Thereafter, the~~ The commission shall meet on the call of the Secretary of State or of the Speaker of the House or the President of the Senate to perform the duties required of it or as specifically provided in this chapter. The commission shall also meet at other times at the call of the ~~chairman~~ chair or at the call of a majority of the members, provided all members are

2 notified of the time, place and purpose of the meeting at least
24 hours in advance.

4 **Sec. 4. 1 MRSA §1005**, as amended by PL 1997, c. 562, Pt. D,
§1 and affected by §11, is further amended to read:

6 **§1005. Open meetings**

8
10 Notwithstanding ~~any other provision of law~~ chapter 13 and
12 section 1014-C, all meetings, hearings or sessions of the
commission shall be are open to the general public unless, by an
affirmative vote of at least 3 members, the commission requires
the exclusion of the public.

14
16 **Sec. 5. 1 MRSA §1008, sub-§2**, as amended by IB 1995, c. 1, §3,
is further amended to read:

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

26
28 **Sec. 6. 1 MRSA §1008, sub-§6**, as enacted by IB 1995, c. 1, §6,
is amended to read:

30 **6. Enhanced monitoring; source of revenue.** To provide for
enhanced monitoring and enforcement of election practices and to
32 institute electronic submission of reports and computerized
tracking of campaign, election and lobbying information under the
34 commission's jurisdiction. Funds to support enhanced monitoring
and computerized data collection must come from the Maine Clean
36 Election Fund established in Title 21-A, section 1124, the
commission's share of lobbyist registration fees, penalties and
38 other revenues pursuant to Title 3, ~~section 320~~ chapter 15 as
well as other revenue sources that may benefit from the
40 commission's acquisition and use of an electronic data collection
and disclosure system.

42
44 **Sec. 7. 1 MRSA §1012, sub-§§1-A, 1-B and 3-A** are enacted to
read:

46 **1-A. Anything of value.** "Anything of value" means any
48 money, property, favor, service, payment, advance, forbearance,
loan or promise of future employment. "Anything of value" does
not include compensation and expenses paid by the State,
50 political contributions that are reported pursuant to Title 21-A,

2 chapter 13, payment for an appearance or speech that is unrelated
3 to a Legislator's duties or hospitality extended for a purpose
4 unrelated to state business by a person acting as an individual.

5 **1-B. Associated.** "Associated," when used with reference to
6 an organization, means any organization of which an individual or
7 a member of that individual's immediate family:

8 A. Is a director, officer or trustee; or

9 B. Individually or in aggregate owns or controls, directly
10 or indirectly, 10% or more of the outstanding equity.

11 **3-A. Employee of another.** "Employee of another" means a
12 person in any compensated service under an expressed, implied,
13 oral or written contract for hire. "Employee of another"
14 includes employment with a public, private, nonprofit, religious,
15 charitable or educational organization. "Employee of another"
16 does not include a self-employed person.

17 **Sec. 8. 1 MRSA §1012, sub-§4**, as amended by PL 1995, c. 33,
18 §§1 and 2, is further amended to read:

19 **4. Gift.** "Gift" means anything of value, including
20 forgiveness of an obligation or debt, given to a person without
21 that person providing equal or greater consideration to the
22 giver. "Gift" does not include:

23 ~~A. Gifts received from a single source during the reporting~~
24 ~~period with an aggregate value of \$300 or less;~~

25 B. A bequest or other form of inheritance;

26 C. A gift received from a relative; and

27 D. A Informational material, a publication or a
28 subscription to a newspaper, news magazine or other news
29 publication, related to the recipient's performance of
30 official duties; and

31 E. A meal, if the meal is provided:

32 (1) By an industry or special interest organization as
33 part of an informational program presented to a group
34 of public servants; or

35 (2) As part of a prayer breakfast or during a meeting
36 to establish a prayer breakfast.

2 **Sec. 9. 1 MRSA §1012, sub-§7**, as enacted by PL 1989, c. 561,
§4, is amended to read:

4 **7. Income.** "Income" means economic gain to a person from
6 any source, including, but not limited to, compensation for
services, including fees, commissions and payments in kind;
8 income derived from business; gains derived from dealings in
property, rents and royalties; income from investments including
10 interest, capital gains and dividends; annuities; income from
life insurance and endowment contracts; pensions; income from
12 discharge of indebtedness; distributive share of partnership
income; income from an interest in an estate or trust; prizes;
14 and grants, but does not include gifts. Income received in kind
includes, but is not limited to, the transfer of property and
16 options to buy or lease, and stock certificates. "Income" does
not include ~~alimony and separate maintenance payments.~~

18 A. Alimony and separate maintenance payments; or

20 B. Campaign contributions recorded and reported as required
22 by Title 21-A, chapter 13.

24 **Sec. 10. 1 MRSA §1012, sub-§§7-A, 7-B and 8-A** are enacted to
read:

26 7-A. Informational program. "Informational program" means
28 a program offered to educate Legislators and members of the
public on a matter relating to the duties of the Legislature.

30 7-B. Organization. "Organization" means any corporation,
32 partnership, proprietorship, firm, business, enterprise,
franchise, association, trust or other legal entity other than an
individual or governmental entity.

34 8-A. Reportable liability. "Reportable liability" means
36 any unsecured loan of \$5,000 or more received from a person who
is not a relative of the Legislator. "Reportable liability" does
38 not include:

40 A. A credit card liability;

42 B. An education loan made or guaranteed by a governmental
44 entity, educational institution or nonprofit organization; or

46 C. A loan made by a state or federally regulated financial
institution for business purposes.

48 **Sec. 11. 1 MRSA §1013, sub-§2**, as amended by PL 1977, c. 252,
50 §2, is repealed.

2 **Sec. 12. 1 MRSA §1013, sub-§3.** as enacted by PL 1989, c. 561,
§6, is repealed.

4 **Sec. 13. 1 MRSA §1014,** as enacted by PL 1975, c. 621, §1, is
repealed.

6 **Sec. 14. 1 MRSA §§1014-A, 1014-B and 1014-C** are enacted to
8 read:

10 **§1014-A. Standards of conduct**

12 In addition to their legislative duties, Legislators may
14 engage in employment or professional or business activities to
16 support themselves and their families in order to maintain
18 continuity of professional or business activity, as long as the
20 activity does not conflict with specific provisions of this
22 subchapter. Legislators also may maintain investments as long as
those investments do not conflict with specific provisions of
this subchapter. This subchapter does not prevent a Legislator
from accepting other employment or following any pursuit that
does not interfere with the full and faithful discharge of the
Legislator's duties to this State.

24 1. Use of position. A Legislator may not use the
26 Legislator's public position or office to obtain financial gain
or anything of value for the private benefit of the Legislator,
28 the Legislator's immediate family or an organization with which
the Legislator is associated.

30 2. Offer or receipt of anything of value prohibited. A
32 person may not offer or give to a Legislator, directly or
indirectly, and a Legislator may not solicit or accept from any
34 person, directly or indirectly, anything of value if it could
reasonably be:

36 A. Expected to influence the Legislator's vote, official
38 actions or judgment; or

40 B. Considered as a reward for any official action or
inaction on the part of the Legislator.

42 3. Misuse of information. A Legislator may not
44 intentionally use or disclose information gained through that
Legislator's official position or activities that could result in
46 the receipt of anything of value by the Legislator, the
Legislator's immediate family or any other person associated with
48 the Legislator if the information has not been communicated to
the public or is not public information.

2 4. Abuse of office. A Legislator may not use or attempt to
4 use the Legislator's public position to influence or gain
 unlawful benefits, advantages or privileges for the Legislator or
 others.

6 5. Representation before state agency or state employee. A
8 Legislator may not represent a person before a state agency or
 authority for compensation or represent an employee of a state
 agency or authority, except:

10 A. When the Legislator is an attorney or other professional
12 person engaged in professional conduct; or

14 B. At an open hearing.

16 This subsection does not apply to representation by a Legislator
18 acting in that Legislator's official capacity.

20 6. Contract with governmental agency or department. A
22 Legislator or business with which a Legislator is associated may
24 not enter into any contract with the State or an agency of the
 State that is to be paid out of governmental funds unless that
 contract has been awarded through a process of public notice and
 competitive bidding.

26 7. Unlawful compensation. A Legislator may not directly or
28 indirectly ask for, give, receive or agree to receive any
30 compensation, gift, reward or gratuity from a source except the
 State for performing, omitting or deferring the performance of
 any official duty unless otherwise authorized by law.

32 8. Prohibitions; former Legislators. Except as provided in
34 subsection 5, for 12 months following the date on which an
36 individual ceases to be a Legislator, that individual may not
38 make, on behalf of any person other than a governmental entity,
 any formal or informal appearance before or negotiate with any
 officer, member or employee of a state agency or quasi-state
 agency with which that Legislator conducted official business as
 a Legislator.

40 9. Personal business. This section does not prohibit
42 former Legislators from conducting personal business with the
 State.

44 §1014-B. Conflict of interest

46 1. Conflict of interest prohibited. Except as provided in
48 subsection 2, a Legislator may not:

50 A. Take any official action substantially affecting a
 matter in which the Legislator, a member of the Legislator's

2 immediate family or an organization with which the
3 Legislator is associated has a substantial financial
4 interest; or

6 B. Use the Legislator's office or position in a way that
7 produces a substantial benefit, directly or indirectly, for
8 the Legislator, a member of the Legislator's immediate
9 family or an organization with which the Legislator is
10 associated.

12 2. Exceptions. A Legislator may propose or act on
13 legislation, a rule or general policy, even though the
14 legislation, rule or general policy may affect the Legislator or
15 a member of the Legislator's immediate family or an organization
16 with which the Legislator is associated if:

18 A. The legislation, rule or policy proposed by or acted
19 upon by a Legislator affects a whole class of similar
20 interests;

22 B. Neither a Legislator's interest nor the interest of a
23 member of the Legislator's immediate family nor the interest
24 of an organization with which the Legislator is associated
25 is significant when compared to all affected interests in
26 the class; and

28 C. The effect of the legislation, rule or policy proposed
29 by or acted upon by a Legislator on the interests of the
30 Legislator or of a member of the Legislator's immediate
31 family or of the related organization is neither
32 significantly greater nor significantly less than the effect
33 upon other members of the class.

34 3. Membership on board, authority or commission. It is not
35 a conflict of interest for a Legislator to serve on a public
36 board, authority or commission created by the Legislature as long
37 as compensation is not paid to the Legislator other than that
38 allowed under the law establishing that board, authority or
39 commission.

42 4. Advisory opinions. A Legislator may request the
43 commission to provide an advisory opinion regarding the propriety
44 of any matter to which the Legislator is or may become a party.

46 The commission shall review a request for an advisory opinion and
47 may advise the Legislator making the request.

48 A. Requests for advisory opinions and advisory opinions
49 must be in writing.

2 B. At the request of the Legislator who requested an
4 advisory opinion, the commission's deliberations and actions
may be held in executive session and may not be open to the
public.

6 C. It is prima facie evidence of intent to comply with this
8 subchapter when a Legislator refers a matter to the
commission and abides by the commission's advisory opinion.

10 D. The commission may authorize the executive director of
12 the commission, in consultation with the Attorney General,
14 to act in its stead when delay is of substantial
16 inconvenience or detriment to the requesting party. At the
earliest opportunity thereafter, the commission shall
consider the advice given by the executive director and
ratify that advice, as appropriate.

18 E. A member of the commission or an employee hired pursuant
20 to section 1002, subsection 5 may not make public the
22 identity of the individual requesting an advisory opinion or
of individuals or organizations mentioned in the opinion.

24 F. A copy of the advisory opinion must be sent to the
26 Legislator concerned. A copy also must be sent to the
presiding officer of the body of the Legislature of which
the Legislator is a member.

28 **§1014-C. Complaints**

30 1. Request for investigation by individuals. Any person,
32 organization or governmental body may submit a written complaint
34 under oath to the commission that states the name of any person
alleged to have committed a violation of this subchapter and the
manner in which that violation has occurred.

36 A. If the commission determines that a complaint under this
38 subsection alleges facts sufficient to constitute a
violation of this subchapter, it may investigate the alleged
violation.

40 B. If the commission determines that a complaint under this
42 subsection does not allege facts sufficient to constitute a
44 violation of this subchapter, it must dismiss the complaint
and notify the complainant and the subject of the complaint.

46 C. If the commission determines that a complaint under this
48 subsection was brought for harassment purposes, the
commission may so state.

2 2. Request for investigation by Legislator. A Legislator
3 may request the commission to make an investigation of that
4 Legislator's own conduct or of allegations made by other persons
5 as to the Legislator's conduct. The request must be written and
6 include detailed reasons for the request.

7 3. Investigation initiated by commission. When the
8 commission receives information that makes allegations sufficient
9 to constitute a violation of this subchapter:
10

11 A. If a complaint under this section has not been filed,
12 the commission may make upon its own motion a written
13 complaint stating the name of the Legislator who is alleged
14 to have committed a violation of this subchapter and setting
15 forth the particulars of the violation in accordance with
16 the information received by the commission; or

17 B. If a complaint under this section has been filed and the
18 commission finds probable cause to believe that a violation
19 of this subchapter has occurred, other than one contained in
20 the complaint, the commission may amend the complaint upon
21 its own motion to include that violation.
22

23 4. Notice to subject of complaint. Within 10 days of
24 receipt of a complaint under this section or the initiation of a
25 complaint by the commission on its own motion, the commission
26 must forward a copy of the complaint, a copy of the applicable
27 statutes and a statement enumerating the sources of information
28 upon which the complaint is based to the subject of that
29 complaint. An investigation under subsection 5 may not be
30 initiated until the subject of the complaint has been notified.
31

32 5. Investigations. The commission has the authority
33 through its chair or any member designated by the chair to
34 administer oaths, subpoena witnesses and compel the production of
35 books, records, papers, documents, correspondence and other
36 material and records that the commission considers relevant.
37

38 A. The commission shall subpoena witnesses requested by a
39 complainant or the subject of a complaint.
40

41 B. The commission may order testimony to be taken by
42 deposition before any individual who is designated by the
43 commission and may administer oaths, compel testimony and
44 order the production of evidence.
45

46 C. The State, its agencies and instrumentalities shall
47 furnish to the commission any information, records or
48 documents that the commission designates as being necessary
49 for the exercise of its functions and duties.
50

2 D. If any person refuses to obey an order or subpoena from
4 the commission, the Superior Court, upon application by the
6 commission, has jurisdiction and authority to require
compliance with the order or subpoena.

8 6. Probable cause of violation. The commission shall
10 determine whether probable cause of a violation of this
12 subchapter exists at the conclusion of its investigation.

14 A. If the commission determines that probable cause of a
16 violation of this subchapter does not exist, it shall
18 immediately send written notice of that determination,
20 supported by findings of fact and conclusions, to the
22 complainant and the subject of the complaint.

24 B. If the commission determines that probable cause of a
26 violation of this subchapter exists, it shall prepare
28 preliminary findings of fact and conclusions that must
30 contain, but are not limited to:

32 (1) An order setting a date for a hearing before the
34 commission to determine whether a violation of this
36 subchapter has occurred.

38 (a) That order must be served upon the subject of
40 the complaint by certified mail.

42 (b) A hearing ordered under this subparagraph
44 must take place within 30 days of the date it is
46 ordered unless the subject of the complaint
48 petitions for and the commission consents to a
later date.

(c) Prior to any hearing ordered under this
subparagraph, the subject of the complaint is
entitled to full disclosure of all information
that will be presented to the commission for its
consideration. The disclosure must include the
opportunity to interview any witness who will
testify at the hearing. Any interviews must be
conducted at a time approved by the commission
before the date of the hearing.

(d) The commission shall inform the subject of a
complaint or the subject's counsel of any
exculpatory evidence in the possession of the
commission.

2 **7. Hearings.** The subject of a complaint has the right to a
3 hearing if requested.

4 A. All witnesses at a hearing under this subsection are
5 subject to cross-examination. A witness at an investigation
6 or hearing, subject to rules adopted by the commission under
7 section 1016-G, is entitled to a copy of that witness's
8 testimony when that testimony becomes relevant to a
9 subsequent investigation, hearing or criminal proceeding.

10 B. All witnesses at a hearing under this subsection must be
11 sworn. The commission may sequester witnesses as
12 necessary. The commission is not bound by the strict rules
13 of evidence, but its findings and conclusions must be based
14 upon clear and convincing evidence.

15 C. Any person whose name is mentioned in an investigation
16 or hearing under this subsection and who believes that
17 testimony has been given that adversely affects that person
18 has the right to testify in that proceeding or, at the
19 discretion of the commission and under circumstances the
20 commission determines appropriate to protect the rights of
21 the subject of the complaint under inquiry, to file a
22 statement of fact under oath relating solely to the adverse
23 testimony that has been given or about facts relevant to
24 that testimony.

25 D. Time periods for and notices of a hearing under this
26 subsection may be waived by agreement of the commission and
27 the subject of the complaint.

28 E. After the conclusion of a hearing under this subsection
29 and as soon as practicable, the commission shall begin
30 deliberations on the evidence presented at that hearing and
31 determine whether sufficient credible evidence was presented
32 to warrant the conclusion that the subject of the complaint
33 violated this subchapter.

34 **8. Findings of fact and conclusions.** If the commission
35 determines that:

36 A. A violation of this subchapter has not occurred, the
37 commission shall immediately send written notice of that
38 determination to the subject of the complaint and to the
39 complainant; or

40 B. A violation of this subchapter has occurred, the
41 commission shall immediately send written notice of that
42 determination, including its findings of fact and
43 conclusions:

2 (1) To the subject of the complaint by certified mail;
3 and

4 (2) To the presiding officer of the body of the
5 Legislature of which the subject of the complaint is a
6 member.

8 **9. Confidentiality.** Notwithstanding chapter 13, all
9 complaints filed under this subchapter and the fact that a
10 complaint has been filed are confidential until the investigation
11 is complete and a hearing ordered. The records of the commission
12 and all information received by the commission acting under this
13 section in the course of its investigation and the conduct of its
14 affairs are confidential, excluding:

16 A. That evidence or information disclosed at public
17 hearings;

18 B. The commission's findings of fact; and

20 C. The commission's opinions and guidelines.

22 **10. Penalties.** Any person, except the subject of the
23 complaint, who knowingly breaches the confidentiality
24 requirements of this subchapter is guilty of a Class D crime.

26 A. This section does not limit the application of any
27 provisions of Title 17-A, chapter 25.

30 B. If other statutory conflict of interest provisions
31 pertaining to the conduct of any Legislator are more
32 stringent than the provisions of this subchapter, the more
33 stringent provisions apply.

34 C. A violation of this subchapter for which no other
35 penalty has been prescribed is a civil violation for which a
36 forfeiture of not more than \$1,000 may be adjudged.

38 **11. Limitation.** A complaint may not be filed more than 4
39 years after the conduct that is the subject of that complaint is
40 alleged to have occurred.

42 **Sec. 15. 1 MRSA §1016-A,** as amended by PL 1989, c. 734, is
43 repealed.

46 **Sec. 16. 1 MRSA §1016-B,** as amended by PL 1991, c. 331, §1,
47 is repealed.

48 **Sec. 17. 1 MRSA §1016-C,** as enacted by PL 1991, c. 880, §2,
49 is amended to read:

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§1016-C. Reports by legislative candidates

A candidate, as defined in Title 21-A, section 1, subsection 5, for the Legislature who is not required to file a report under section ~~1016-A or 1016-B~~ 1016-D shall file a ~~report~~ statement containing the same information required of Legislators under ~~sections 1016-A and 1016-B~~ section 1016-D. The statement must be filed no later than 5 p.m. on the first Monday in August preceding the general election unless the candidate withdraws from the election in accordance with Title 21-A, section 374-A by that date.

Sec. 18. 1 MRSA §§1016-D to 1016-G are enacted to read:

§1016-D. Financial disclosure by Legislators

Annually, each Legislator shall file with the commission a statement of specific sources of income received in the preceding calendar year. No later than one month before the statement is due, the commission shall mail or deliver forms prescribed and prepared by the commission to each Legislator. Completed statements must be notarized. The statement is a public record.

1. Time for filing. Each member of the Legislature shall file the statement required under this section with the commission no later than 5:00 p.m. on February 15th of each year.

2. Updating statement. Each Legislator whose sources of income change after submitting the statement required under this section shall file a report of that change with the commission. That report must be filed within 30 days of any addition, deletion or change to the information relating to the preceding year supplied under this section.

3. Disclosure of Legislator's income. The Legislator filing the statement required under this section shall provide the name and address of each specific source of income received as follows.

A. A Legislator who is an employee of another shall name on the statement required under this section each employer from whom that Legislator received \$1,000 or more and include the principal type of economic activity of that employer.

B. A Legislator employed by an organization in which the Legislator or a member of the Legislator's immediate family, individually or in the aggregate, has an interest of 10% or more shall state the principal type of economic activity from which the Legislator's income is derived as a result of employment by the organization and the principal type of

2 economic activity of the organization on the statement
3 required under this section. The Legislator also shall
4 identify each source from which the organization received
5 \$2,000 or more of its income for the preceding taxable year,
6 except that, if this form of disclosure is prohibited by
7 law, rule or an established code of professional ethics, the
8 Legislator shall specify the principal type of economic
9 activity from which the income is derived.

10 C. A Legislator who is an attorney-at-law shall state on
11 the statement required under this section the major areas of
12 practice of the Legislator's firm and the major areas of
13 practice of the Legislator. The Legislator shall state if
14 that Legislator is self-employed.

16 D. A Legislator shall list on the statement required under
17 this section each other source from which \$1,000 or more of
18 income has been derived during the reporting period and
19 state the type of income derived from each source.

20 E. Campaign contributions duly recorded and reported as
21 otherwise required by law are not considered income for the
22 purposes of this section.

24 **4. Disclosure of organizational affiliations.** Each
25 Legislator shall disclose on the statement required under this
26 section the identity of each organization with which the
27 Legislator is associated and the nature of that association with
28 the exception of the following:

30 A. Any organization that is organized and operated
31 primarily to influence voting at an election, including
32 support for or opposition to an individual's present or
33 future candidacy or to a present or future referendum
34 campaign;

36 B. Any nonprofit organization that is formed exclusively
37 for social purposes, any nonprofit community service
38 organization and any religious organization; and

40 C. Any organization already disclosed under subsection 3,
41 paragraph B.

44 **5. Disclosure of interest in real property.** Each
45 Legislator shall disclose on the statement required under this
46 section the real property located in this State in which the
47 Legislator or the Legislator's immediate family holds an interest
48 and the nature of the interest held. The principal residence of
49 the Legislator or the Legislator's immediate family is exempt
50 from this requirement. A Legislator's or a Legislator's
immediate family's interest in real property does not include a

2 proportional share of interest in real property if the
3 individual's proportional share is less than 10% of the
4 outstanding shares or has a value of less than \$5,000.

6 6. Disclosure of gifts. Each Legislator shall name on the
7 statement required by this section the specific source of each
8 gift that the Legislator receives unless the source is the
9 Legislator's parent, grandparent, spouse, child, grandchild,
10 brother, sister, parent-in-law, grandparent-in-law,
11 brother-in-law, sister-in-law, uncle, aunt, great aunt, great
12 uncle, first cousin, nephew, niece, daughter-in-law, son-in-law,
13 stepfather, stepmother, stepson, stepdaughter, stepbrother,
14 stepsister, half-brother, half-sister, fiance or fiancée.

16 7. Disclosure of income of immediate family. Each
17 Legislator shall disclose on the statement required under this
18 section the type of economic activity representing each source of
19 income of \$1,000 or more that any member of the immediate family
20 of the Legislator receives.

22 8. Disclosure of representation before state agencies.
23 Each Legislator shall identify on the statement required under
24 this section each executive branch agency before which the
25 Legislator has represented others or assisted others for
26 compensation.

28 9. Disclosure of business with state agencies. Each
29 Legislator shall identify on the statement required under this
30 section each executive branch agency to which the Legislator or
31 the Legislator's immediate family has sold goods or services with
32 a value in excess of \$1,000.

34 **§1016-E. Reportable liabilities**

36 Each Legislator shall list on the statement required under
37 section 1016-D the source of any reportable liability of \$5,000
38 or more owed by the Legislator or the Legislator's immediate
39 family, individually or in the aggregate, and list the major
40 areas of economic activity of that source. A supplementary
41 report to the commission must be filed by a Legislator within 30
42 days of incurring a reportable liability. The report must
43 identify the creditor.

44 **§1016-F. Preservation of sources of income statements**

46 The commission shall file statements of the sources of
47 income required under section 1016-D and of reportable
48 liabilities required under section 1016-E for 10 years from the
49 date of receipt in a manner to facilitate document retention and
50 retrieval.

2 **§1016-G. Rules**

4 The commission shall adopt or periodically amend rules to
6 specify the categories, procedures and forms for reporting
8 sources of income and liabilities and to administer this
10 subchapter. Rules adopted pursuant to this section are routine
12 technical rules as defined in Title 5, chapter 375, subchapter
14 II-A.

16 **Sec. 19. 1 MRSA §1018**, as repealed and replaced by PL 1977,
18 c. 252, §4, is amended to read:

20 **§1018. Updating statement**

22 A Legislator shall file an updating statement with the
24 commission on a form prescribed and prepared by the commission
26 ~~and prepared by the Secretary of State.~~ Such The statement shall
28 must be filed within 30 days of addition, deletion or change to
30 the information relating to the preceding year supplied under
32 this subchapter.

34 **Sec. 20. 1 MRSA §1019**, as amended by PL 1977, c. 696, §12, is
36 repealed.

38 **Sec. 21. 1 MRSA §1019-A** is enacted to read:

40 **§1019-A. Penalties**

42 1. False statement; willful failure to file. A Legislator
44 who willfully files a false statement or willfully fails to file
46 a statement required under this subchapter commits a Class E
48 crime. If the commission determines that a Legislator has
50 willfully filed a false statement or has willfully failed to file
52 a statement required by this subchapter, the commission shall
54 refer its findings to the Attorney General.

56 2. Civil penalties; late and incomplete statements. A
58 Legislator may be assessed a forfeiture of \$10 for each business
60 day a statement required under this subchapter is filed late. A
62 statement is not considered to be filed unless it substantially
64 conforms to the requirements of this subchapter and is properly
66 signed. The commission shall determine whether a statement
68 substantially conforms to the requirements of this subchapter.

70 3. Conflict of interest. If the commission determines that
72 a Legislator has willfully failed to file a statement required by
74 this subchapter or has willfully filed a false statement, the

2 Legislator is presumed to have a conflict of interest on every
3 question and is punishable as provided in section 1015.

4 **Sec. 22. 30-A MRSA §4992, sub-§2,** as enacted by PL 1991, c.
5 622, Pt. J, §23 and affected by §25, is amended to read:

6
7 **2. Conflict of interest standards.** Standards that prohibit
8 conflicts of interest by local program operators and
9 administrators. These standards must, at a minimum, meet the
10 standards that apply to Legislators as defined in Title 1,
11 section ~~1014~~ 1014-A;

12
13
14 **SUMMARY**

15 **16** This bill amends the governmental ethics laws. The bill
17 defines "anything of value," "associated" and "employer of
18 another." The bill also amends the definition of "gift" by
19 excluding informational material, a publication and a meal, under
20 certain circumstances, from the definition of "gifts." The bill
21 defines "information program," "organization" and "reportable
22 liability." The bill also amplifies the standards of conduct
23 expected from a Legislator and clarifies what is considered a
24 conflict of interest, how complaints are to be filed and handled,
25 what financial information must be disclosed by a Legislator,
26 what is a reportable liability and for how long income statements
27 must be retained. The bill also states what constitutes a
28 violation of the ethics laws.