

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

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Legislative Document

No. 1122

H.P. 786

House of Representatives, March 21, 2017

An Act To Amend the Campaign Reports and Finances Law and the Maine Clean Election Act

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

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in cursive script that reads "R(t) B. Hunt".

ROBERT B. HUNT
Clerk

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

2 **Sec. 1. 21-A MRSA §1001, sub-§1-A** is enacted to read:

3 **1-A. Caucus political action committee.** "Caucus political action committee"
4 means a political action committee designated under section 1053-C to promote the
5 election of nominees of a political party to the House of Representatives or the Senate.

6 **Sec. 2. 21-A MRSA §1001, sub-§2,** as amended by PL 1995, c. 483, §1, is
7 further amended to read:

8 **2. Election.** "Election" means any primary, general or special election for state,
9 county or municipal offices ~~as defined in~~ municipalities subject to Title 30-A, section
10 2502, subsection 1 and any referendum, including a municipal referendum in
11 municipalities subject to Title 30-A, section 2502, subsection 2.

12 **Sec. 3. 21-A MRSA §1006** is enacted to read:

13 **§1006. Statistical report**

14 By April 1, 2019, and annually thereafter, the commission shall submit to the joint
15 standing committee of the Legislature having jurisdiction over legal affairs a statistical
16 report summarizing campaign finance activity to influence state elections. The report
17 must cover the preceding 5 election years in which statewide ballot questions were
18 scheduled and the 5 election years in which primary and general elections for legislative
19 offices were held. The report must include total spending by committees to influence
20 candidate and ballot question elections, median and total spending by candidates, total
21 independent expenditures by office, sources of contributions to candidates and
22 committees and any other information regarding campaign finance and political activity
23 as determined by the executive director of the commission.

24 **Sec. 4. 21-A MRSA §1013-A, sub-§3,** as amended by PL 1995, c. 483, §5, is
25 further amended to read:

26 **3. Party committees.** ~~The state, district and, county and municipal~~ committees of
27 parties shall submit to the commission their state party committees the names and
28 addresses of all their officers and of their treasurers and the name and address of the
29 principal paid employee, if any, within ~~30~~ 10 days after the appointment, election or
30 hiring of these persons. Municipal committees must file copies of the same information
31 with ~~the commission and~~ the municipal clerk. ~~District, county and municipal committees~~
32 ~~that provide their state party committees with the information required by this subsection~~
33 ~~to be submitted to the commission have met that requirement.~~ No later than ~~the 2nd~~
34 ~~Monday in April~~ June 15th of each year in which a general election is scheduled, the state
35 party committee ~~of a party~~ shall submit to the commission a consolidated report,
36 ~~including the information required under this subsection, for~~ of the names, mailing
37 addresses and e-mail addresses of the chair and treasurer of the district, county and
38 municipal committees of that party or of another officer if a chair or treasurer has not
39 been appointed.

1 **Sec. 5. 21-A MRSA §1017, sub-§2, ¶D**, as amended by PL 2013, c. 334, §10, is
2 further amended to read:

3 D. ~~Any~~ If the candidate has an opponent who is on the ballot or who is a declared
4 write-in candidate, any single contribution of \$1,000 or more received or any single
5 expenditure of \$1,000 or more made after the 14th day before the election and more
6 than 24 hours before 11:59 p.m. on the day of the election must be reported within 24
7 hours of that contribution or expenditure. The candidate or treasurer is not required
8 to include in this report expenditures for overhead expenses or compensation paid to
9 an employee or other member of the campaign staff who has received payments at
10 regular intervals that have been disclosed in previously filed campaign finance
11 reports. As used in this paragraph, "overhead expenses" includes, but is not limited
12 to, rent, utility payments, taxes, insurance premiums or similar administrative
13 expenses.

14 **Sec. 6. 21-A MRSA §1017, sub-§3-A, ¶C**, as amended by PL 2013, c. 334, §11,
15 is further amended to read:

16 C. ~~Any~~ If the candidate has an opponent who is on the ballot or who is a declared
17 write-in candidate, any single contribution of \$1,000 or more received or any single
18 expenditure of \$1,000 or more made after the 14th day before any election and more
19 than 24 hours before 11:59 p.m. on the day of any election must be reported within
20 24 hours of that contribution or expenditure. The candidate or treasurer is not
21 required to include in this report expenditures for overhead expenses or compensation
22 paid to an employee or other member of the campaign staff who has received
23 payments at regular intervals that have been disclosed in previously filed campaign
24 finance reports. As used in this paragraph, "overhead expenses" includes, but is not
25 limited to, rent, utility payments, taxes, insurance premiums or similar administrative
26 expenses.

27 **Sec. 7. 21-A MRSA §1017, sub-§5**, as amended by PL 2011, c. 522, §1, is
28 further amended to read:

29 **5. Content.** A report required under this section must contain the itemized accounts
30 of contributions received during that report filing period, including the date a contribution
31 was received, and the name, address, occupation, principal place of business, if any, and
32 the amount of the contribution of each person who has made a contribution or
33 contributions aggregating in excess of \$50. The report must contain the itemized
34 expenditures made or authorized during the report filing period, the date and purpose of
35 each expenditure and the name and address of each payee and creditor and any refund
36 that a payee has made to the candidate or an agent of the candidate. If the payee is a
37 member of the candidate's household or immediate family, the candidate must disclose
38 the candidate's relationship to the payee in a manner prescribed by the commission. The
39 report must contain a statement of any loan to a candidate by a financial institution in
40 connection with that candidate's candidacy that is made during the period covered by the
41 report, whether or not the loan is defined as a contribution under section 1012, subsection
42 2, paragraph A. The candidate and the treasurer are jointly and severally responsible for
43 the timely and accurate filing of each required report.

1 **Sec. 8. 21-A MRSA §1017, sub-§8**, as amended by PL 2007, c. 443, Pt. A, §16,
2 is further amended to read:

3 **8. Disposition of surplus.** A candidate or treasurer of a candidate registered under
4 section 1013-A or qualified under sections 335 and 336 or sections 354 and 355 must
5 dispose of a surplus exceeding \$100 within 4 years of the election for which the
6 contributions were received by:

7 A. Returning contributions to the candidate's or candidate's authorized political
8 committee's contributors, as long as no contributor receives more than the amount
9 contributed;

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

12 C. An unrestricted gift to the State. A candidate for municipal office may dispose of
13 a surplus by making a restricted or unrestricted gift to the municipality;

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

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

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

23 F. Repaying any loans or retiring any other debts incurred to defray campaign
24 expenses of the candidate;

25 G. Paying for any expense incurred in the proper performance of the office to which
26 the candidate is elected, as long as each expenditure is itemized on expenditure
27 reports; ~~and~~

28 H. A gift to a charitable or educational organization that is not prohibited, for tax
29 reasons, from receiving such a gift; and

30 I. Spending the funds to pay expenses related to a recount of ballots of the
31 candidate's election.

32 The choice must be made by the candidate for whose benefit the contributions were
33 made.

34 **Sec. 9. 21-A MRSA §1017-A, sub-§4-A**, as amended by PL 2013, c. 334, §12, is
35 further amended to read:

36 **4-A. Filing schedule.** A state party committee shall file its reports according to the
37 following schedule. All reports required under paragraphs A, B and C must be filed by
38 11:59 p.m. on the day of the filing deadline.

1 A. ~~Quarterly reports must be filed by 11:59 p.m.~~ A state party committee shall file
2 quarterly reports:

- 3 (1) On January 15th and must be complete up to December 31st;
4 (2) On April 10th and must be complete up to March 31st;
5 (3) On July 15th and must be complete up to June 30th; and
6 (4) On October 5th and must be complete up to September 30th.

7 B. ~~General and primary election reports must be filed by 11:59 p.m.~~ During any year
8 in which primary and general elections are held, a state party committee shall file
9 primary and general election reports:

- 10 (1) On the 11th day before the date on which the election is held and must be
11 complete up to the 14th day before that date; and
12 (2) On the 42nd day after the date on which the election is held and must be
13 complete up to the 35th day after that date.

14 C. ~~Preelection and post-election reports for special elections, referenda, initiatives,~~
15 ~~bond issues or constitutional amendments must be filed by 11:59 p.m.~~ In an election
16 year other than a year described in paragraph B, if a state party committee has
17 received contributions or made expenditures for the purpose of influencing a ballot
18 question election, a special election or a municipal candidate or referendum election
19 subject to Title 30-A, section 2502, the committee shall file preelection and post-
20 election reports:

- 21 (1) On the 11th day before the date on which the election is held and must be
22 complete up to the 14th day before that date; and
23 (2) On the 42nd day after the date on which the election is held and must be
24 complete up to the 35th day after that date.

25 D. A state party committee that files an election report under paragraph B or C is not
26 required to file a quarterly report under paragraph A when the deadline for that
27 quarterly report falls within 10 days of the filing deadline established in paragraph B
28 or C.

29 E. ~~A~~ If a state party committee is required to file a report 11 days before an election
30 pursuant to paragraph B or C, the state party committee shall report any single
31 contribution of \$5,000 or more received or any single expenditure of \$1,000 or more
32 made after the 14th day before the election and more than 24 hours before 5:00 p.m.
33 on the day of the election within 24 hours of that contribution or expenditure. The
34 committee is not required to include in this report expenditures for overhead expenses
35 or compensation paid to an employee or other member of the campaign staff who has
36 received payments at regular intervals that have been disclosed in previously filed
37 campaign finance reports. As used in this paragraph, "overhead expenses" includes,
38 but is not limited to, rent, utility payments, taxes, insurance premiums or similar
39 administrative expenses.

40 **Sec. 10. 21-A MRSA §1017-A, sub-§4-B, ¶C,** as amended by PL 2013, c. 334,
41 §13, is further amended to read:

1 C. A committee shall report any single contribution of \$5,000 or more received or
2 any expenditure of \$1,000 or more made after the 14th day before ~~any~~ a general
3 election and more than 24 hours before 11:59 p.m. on the day of the election within
4 24 hours of that contribution or expenditure. The committee is not required to
5 include in this report expenditures for overhead expenses or compensation paid to an
6 employee or other member of the campaign staff who has received payments at
7 regular intervals that have been disclosed in previously filed campaign finance
8 reports. As used in this paragraph, "overhead expenses" includes, but is not limited
9 to, rent, utility payments, taxes, insurance premiums or similar administrative
10 expenses.

11 **Sec. 11. 21-A MRSA §1018-B, sub-§2**, as amended by PL 2013, c. 334, §14, is
12 further amended to read:

13 **2. Limitations.** After an election, candidates may receive donations for purposes of
14 a recount. The donations must be within the limitations of section 1015, except that no
15 limitation applies to donations from party committees and caucus ~~campaign~~ political
16 action committees and from attorneys, consultants and their firms that are donating their
17 services without reimbursement. Candidates may not spend revenues received under
18 chapter 14 for recount expenditures.

19 **Sec. 12. 21-A MRSA §1020-A, sub-§1**, as enacted by PL 1995, c. 483, §15, is
20 amended to read:

21 **1. Registration.** A candidate that fails to register the name of a candidate, treasurer
22 or political committee with the commission within the time allowed by section 1013-A,
23 subsection 1 may be assessed a forfeiture of ~~\$10~~ \$100. The commission shall determine
24 whether a registration satisfies the requirements for timely filing under section 1013-A,
25 subsection 1.

26 **Sec. 13. 21-A MRSA §1051**, as amended by PL 2009, c. 190, Pt. A, §15, is
27 further amended to read:

28 **§1051. Application**

29 This subchapter applies to the activities of political action committees and ballot
30 question committees organized in and outside this State that accept contributions, incur
31 obligations or make expenditures ~~for~~ to influence the nomination or election of a
32 candidate to state, county or municipal officers, office or for the support or defeat of any
33 to initiate or influence a campaign, as defined in this subchapter.

34 **Sec. 14. 21-A MRSA §1052, sub-§2**, as amended by PL 2007, c. 443, Pt. A, §27,
35 is further amended to read:

36 **2. Committee.** "Committee" means any political action committee, as defined in
37 this subchapter, or any ballot question committee, as described in section 1056-B, and
38 includes any agent of a political action committee or ballot question committee.

39 **Sec. 15. 21-A MRSA §1053-C** is enacted to read:

1 **§1053-C. Caucus political action committees**

2 Each appointed leader of a political party in the House of Representatives or the
3 Senate may designate one caucus political action committee to promote the election of
4 nominees of that appointed leader's political party to the body of the Legislature of which
5 that appointed leader is a member. The designation must be made in a letter to the
6 commission and remains effective until it is amended by the appointed leader of that
7 political party in that body of the Legislature in writing.

8 **Sec. 16. 21-A MRSA §1059**, as amended by PL 2013, c. 334, §§27 and 28, is
9 further amended to read:

10 **§1059. Report; filing requirements**

11 ~~Committees~~ A committee required to register under section 1052-A, 1053-B or
12 1056-B shall file an initial campaign finance report ~~at the time~~ within 7 days of
13 registration and thereafter shall file reports in compliance with this section. All reports
14 must be filed by 11:59 p.m. on the day of the filing deadline, except that reports
15 submitted to a municipal clerk must be filed by the close of business on the day of the
16 filing deadline.

17 **2. Reporting schedule.** ~~Committees~~ A committee shall file reports according to the
18 following schedule.

19 A. ~~All committees~~ A committee shall file quarterly reports:

- 20 (1) On January 15th, and the report must be complete as of December 31st;
21 (2) On April 10th, and the report must be complete as of March 31st;
22 (3) On July 15th, and the report must be complete as of June 30th; and
23 (4) On October 5th, and the report must be complete as of September 30th.

24 B. ~~General and primary election reports must be filed~~ During any year in which
25 primary and general elections are held, a committee shall file primary and general
26 election reports:

- 27 (1) On the 11th day before the date on which the election is held and must be
28 complete as of the 14th day before that date; and
29 (2) On the 42nd day after the date on which the election is held and must be
30 complete as of the 35th day after that date.

31 A committee shall file primary and general election reports even if the committee did
32 not engage in financial activity to influence the primary or general election.

33 C. ~~Preelection and post-election reports for special elections or ballot measure~~
34 ~~campaigns must be filed~~ In an election year other than a year described in paragraph
35 B, if a committee has received contributions or made expenditures for the purpose of
36 influencing a ballot question election, a special election or a municipal candidate or
37 referendum election subject to Title 30-A, section 2502, the committee shall file
38 preelection and post-election reports:

1 (1) On the 11th day before the date on which the election is held and must be
2 complete as of the 14th day before that date; and

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

5 D. A committee that files an election report under paragraph B or C is not required to
6 file a quarterly report when the deadline for that quarterly report falls within 10 days
7 of the filing deadline established in paragraph B or C.

8 E. ~~A~~ If a committee is required to file a report 11 days before an election pursuant
9 to paragraph B or C, the committee shall report any single contribution of \$5,000 or
10 more received or single expenditure of \$1,000 or more made after the 14th day before
11 the election and more than 24 hours before 5:00 p.m. on the day of the election within
12 24 hours of that contribution or expenditure. The treasurer is not required to include
13 in this report expenditures for overhead expenses or compensation paid to an
14 employee or other member of the campaign staff who has received payments at
15 regular intervals that have been disclosed in previously filed campaign finance
16 reports. As used in this paragraph, "overhead expenses" includes, but is not limited
17 to, rent, utility payments, taxes, insurance premiums or similar administrative
18 expenses.

19 **5. Electronic filing.** ~~Committees~~ A committee shall file each report required by this
20 section through an electronic filing system developed by the commission. The
21 commission may make an exception to this electronic filing requirement if a committee
22 submits a written request that states that the committee lacks access to the technology or
23 the technological ability to file reports electronically. The request for an exception must
24 be submitted within 30 days of the registration of the committee. The commission shall
25 grant all reasonable requests for exceptions.

26 **Sec. 17. 21-A MRSA §1122, sub-§1-A** is enacted to read:

27 **1-A. Caucus political action committee.** "Caucus political action committee" has
28 the same meaning as in section 1001, subsection 1-A.

29 **Sec. 18. 21-A MRSA §1125, sub-§2-A, ¶A,** as enacted by PL 2007, c. 443, Pt.
30 B, §6, is amended to read:

31 A. All goods and services received prior to certification must be paid for with seed
32 money contributions, except for goods and services that are excluded from the
33 definition of contribution in section 1012, subsection 2, paragraph B. It is a violation
34 of this chapter for a ~~participating~~ certified candidate to use fund revenues received
35 after certification to pay for goods and services received prior to certification.

36 **Sec. 19. 21-A MRSA §1125, sub-§3,** as amended by IB 2015, c. 1, §18, is
37 repealed and the following enacted in its place:

38 **3. Qualifying contributions.** The collection of qualifying contributions by
39 participating candidates is governed by this subsection.

1 A. To be eligible to receive Maine Clean Election Act funding, participating
2 candidates must obtain qualifying contributions during the qualifying period as
3 follows:

4 (1) For a gubernatorial candidate, at least 3,200 verified registered voters of this
5 State must support the candidacy by providing a qualifying contribution to that
6 candidate;

7 (2) For a candidate for the State Senate, at least 175 verified registered voters
8 from the candidate's electoral division must support the candidacy by providing a
9 qualifying contribution to that candidate; or

10 (3) For a candidate for the State House of Representatives, at least 60 verified
11 registered voters from the candidate's electoral division must support the
12 candidacy by providing a qualifying contribution to that candidate.

13 B. If a contributor has made a check or money order payable to a participating
14 candidate in error, the candidate may remedy the error by endorsing the check or
15 money order to the Maine Clean Election Fund, according to the procedures of the
16 commission.

17 C. A payment, gift or anything of value may not be given in exchange for a
18 qualifying contribution.

19 D. A contributor may make a qualifying contribution to a participating candidate in
20 the form of cash, as long as the candidate submits a money order in the same amount
21 to the commission. The money order must be signed by the contributor to be a valid
22 qualifying contribution. The cash received from the contributor must be used to
23 reimburse the person who provided the money order.

24 E. Any money order fees paid with seed money or Maine Clean Election Act funds
25 must be reported as an expenditure in campaign finance reports submitted to the
26 commission. If a participating candidate uses personal funds to pay fees for the
27 purchase of money orders, those fees are not a contribution to the candidate and are
28 not required to be disclosed in campaign finance reports. Prior to certification, the
29 candidate must report any money order fees paid by anyone other than the candidate
30 as an in-kind contribution subject to seed money limitations.

31 F. The commission may establish by routine technical rule, adopted in accordance
32 with Title 5, chapter 375, subchapter 2-A, a procedure for a qualifying contribution to
33 be made by a credit or debit transaction and by electronic funds transfer over the
34 Internet. Records containing information provided by individuals who have made
35 qualifying contributions over the Internet are confidential, except for the name of the
36 individual making the contribution, the date of the contribution, the individual's
37 residential address and the name and office sought of the candidate in whose support
38 the contribution was made.

39 G. It is a violation of this chapter for a participating candidate or an agent of the
40 participating candidate to misrepresent the purpose of soliciting qualifying
41 contributions and obtaining the contributor's signed acknowledgment.

42 **Sec. 20. 21-A MRSA §1125, sub-§3-A,** as enacted by IB 2015, c. 1, §19, is
43 amended to read:

1 reports are due every year; committees must file preelection and post-election reports on
2 the 11th day before and the 42nd day after an election for both the primary and general
3 elections during a candidate election year; and for elections held in other years,
4 committees must file the preelection and post-election reports only if they received
5 contributions or made expenditures for the purpose of influencing the election;

6 8. Clarifying that municipal, district and county party committees are not required to
7 report large contributions and expenditures within 24 hours during the last 13 days before
8 a primary election;

9 9. Increasing the potential penalty for an individual's failure to register as a candidate
10 with the commission from \$10 to \$100;

11 10. Defining "caucus political action committee" to mean a committee designated by
12 a party leader in the Legislature to promote the election of the nominees of their political
13 party to the House or Senate;

14 11. Eliminating the requirement for candidates to report money order fees paid by
15 the candidate with personal funds when seeking Maine Clean Election Act funding; and

16 12. Prohibiting candidates and others from signing the name of a contributor on a
17 receipt and acknowledgment form submitted to the commission, except when a
18 contributor's immediate family member, domestic partner or live-in caregiver signs on
19 behalf of the contributor due to a physical impairment or disability.