MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

SECOND REGULAR SESSION-2020

Legislative Document

No. 1868

S.P. 640

In Senate, December 23, 2019

An Act To Improve the Reporting of Grassroots Lobbying

Submitted by the Commission on Governmental Ethics and Election Practices pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 19, 2019. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator LUCHINI of Hancock.

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

- Sec. 1. 3 MRSA §312-A, sub-§7-B, as enacted by PL 2009, c. 282, §1, is amended to read:
 - 7-B. Indirect Grassroots lobbying. "Indirect Grassroots lobbying" means to communicate with members of the general public to solicit them to communicate directly with any covered official for the purpose of influencing legislative action, other than legislation that is before the Legislature as a result of a direct initiative in accordance with the Constitution of Maine, Article IV, Part Third, Section 18, when that solicitation is made by:
 - A. A broadcast, cable or satellite transmission;
 - B. A communication delivered by print media; or
- C. A letter or other written communication delivered by mail or by comparable delivery service. E-mail is not considered a letter for the purposes of this paragraph.;
 - D. A communication delivered by e-mail, a website or any other digital format;
- 15 <u>E. Telephone; or</u>

- F. A method of communication similar to those listed in paragraphs A to E.
- "Grassroots lobbying" does not include a person communicating with the person's
 stockholders, employees, board members, officers or dues-paying members.
 - **Sec. 2. 3 MRSA §312-A, sub-§11-A,** as amended by PL 2009, c. 282, §2, is further amended to read:
 - 11-A. Original source. "Original source" means any person who contributes or pays \$1,000 or more in any lobbying year directly or indirectly to any employer of a lobbyist for purposes of lobbying or indirect grassroots lobbying or to any other person for purposes of grassroots lobbying, except that contributions payments of membership dues to nonprofit corporations formed under Title 13-B, under any equivalent state law or by legislative enactment are not considered contributions payments by an original source.
 - **Sec. 3. 3 MRSA §317, sub-§1, ¶E-1,** as enacted by PL 2009, c. 282, §4, is amended to read:
 - E-1. When expenditures for the purposes of indirect grassroots lobbying exceed \$15,000 \$2,000 during the month that is the subject of the report, the specific dollar amount of expenditures for indirect grassroots lobbying made or incurred during the month by a lobbyist, lobbyist associate or employer, with separate totals for expenditure categories as determined by the commission, and the legislative actions that are the subject of the indirect grassroots lobbying and a general description of the intended recipients. Salaries paid to the employer's employees are not expenditures for the purposes of this paragraph and are exempt from disclosure under this paragraph;
 - Sec. 4. 3 MRSA §317-A is enacted to read:

§317-A. Grassroots lobbying report

 Except for a lobbyist filing a monthly report under section 317, subsection 1, paragraph E-1, a person who makes or incurs expenditures in excess of \$2,000 during a calendar month for purposes of grassroots lobbying shall file with the commission a report no later than 11:59 p.m. on the 15th day of the calendar month following the date on which that amount was exceeded. For purposes of this section, expenditures include payments of money made to independent contractors and other vendors to purchase goods and services such as advertising, graphic or website design, video or audio production services, telecommunications services, printing and postage. Salaries paid to the person's employees are not expenditures for the purposes of this section and are exempt from disclosure under this section.

- **1. Report.** A grassroots lobbying report filed pursuant to this section must include:
- A. The name of the person required to file the report;
 - B. The name of an individual serving as the contact for the person;
 - C. The business address and other contact information for the person;
- D. A description of the business activity or mission of the person;
- E. The specific amount of expenditures for grassroots lobbying made or incurred during the month that is the subject of the report, with separate totals for expenditure categories as determined by the commission;
 - F. The legislative actions that are the subject of the grassroots lobbying; and
- G. A list of all of the person's original sources and a statement of the amount paid by each original source. If an original source is a corporation formed under Title 13 or former Title 13-A, a nonprofit corporation formed under Title 13-B or a limited partnership under Title 31, the corporation, nonprofit organization or limited partnership, not the individual members, must be listed as the original source.
- Sec. 5. Effective date. This Act takes effect December 1, 2020.

27 SUMMARY

This bill amends the requirement for lobbyists to report expenditures for communications with members of the public urging them to contact elected officials to support or oppose legislation. The bill changes the term "indirect lobbying" to "grassroots lobbying" and amends its definition. Current law requires lobbyists to report payments by their clients for indirect lobbying if those payments exceed \$15,000 in a month. The bill reduces the reporting threshold to \$2,000 in a calendar month. The communications subject to the report are expanded to include digital communications, including e-mails, telephone calls and communications by a website or other digital format. The bill also establishes a requirement for persons who have not engaged a lobbyist to report their financial activities related to grassroots lobbying. The \$2,000 threshold applies only to payments to independent contractors and vendors for purposes of grassroots lobbying, such as advertising or website design. The salaries paid by the person to employees for working on grassroots communications are not applied to the

- \$2,000 threshold and are exempt from disclosure. The effective date is December 1,
- 2 2020.