MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1417

S.P. 467

In Senate, April 12, 2021

An Act Regarding Campaign Finance Reform

Received by the Secretary of the Senate on April 8, 2021. 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. Cosponsored by Senator: President JACKSON of Aroostook. Be it enacted by the People of the State of Maine as follows:

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- Sec. 1. 21-A MRSA §1001, sub-§4 is enacted to read:
- 4. Leadership political action committee. "Leadership political action committee" means a political action committee other than a caucus political action committee for which a Legislator serves as a principal officer or treasurer.
 - Sec. 2. 21-A MRSA §1001, sub-§5 is enacted to read:
- <u>5. Separate segregated fund committee.</u> "Separate segregated fund committee" means a political action committee described in section 1052, subsection 5, paragraph A, subparagraph (1).
- **Sec. 3. 21-A MRSA §1004-A, sub-§2,** as enacted by PL 2003, c. 628, Pt. A, §1, is amended to read:
- **2. Contribution in excess of limitations.** A person that accepts or makes a contribution that exceeds the limitations set out in section 1015, subsections 1 and 2 this chapter may be assessed a penalty of no more than the amount by which the contribution exceeded the limitation.
- **Sec. 4. 21-A MRSA §1015, sub-§1,** as amended by PL 2019, c. 51, §1 and affected by §3, is further amended to read:
- Individuals Contributions to candidates and leadership political action committees by individuals. An individual may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$1,500 in any election for a gubernatorial candidate, more than \$350 for a legislative candidate, more than \$500 for a candidate for municipal office and beginning January 1, 2012 more than \$750 in any election for any other candidate. This limitation does not apply to contributions in support of a candidate by that candidate or that candidate's spouse or domestic partner. Beginning December 1, 2010, contribution limits in accordance with this subsection are adjusted every 2 years based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The commission shall post the current contribution limit and the amount of the next adjustment and the date that it will become effective on its publicly accessible website and include this information with any publication to be used as a guide for candidates. An individual may not make contributions to a leadership political action committee aggregating more than the amount that the individual may contribute to a legislative candidate under this subsection.
- **Sec. 5. 21-A MRSA §1015, sub-§2,** as amended by PL 2019, c. 51, §2 and affected by §3, is repealed and the following enacted in its place:
- 2. Contributions to candidates and leadership political action committees by committees and labor organizations. A candidate and a leadership political action committee may not accept contributions in violation of this subsection.
 - A. Except as provided in paragraphs B and C, a political committee; a political action committee, including a caucus political action committee; a party committee under section 1013-A, subsection 3; or any other committee may not make contributions to a candidate or to a leadership political action committee.

- B. A leadership political action committee, a separate segregated fund committee or a labor organization may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$1,500 in any election for a gubernatorial candidate, more than \$350 for a legislative candidate, more than \$500 for a candidate for municipal office and beginning January 1, 2012 more than \$750 in any election for any other candidate. Beginning December 1, 2010, contribution limits in accordance with this subsection are adjusted every 2 years based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The commission shall post the current contribution limit and the amount of the next adjustment and the date that it will become effective on its publicly accessible website and include this information with any publication to be used as a guide for candidates.
 - C. A leadership political action committee, a separate segregated fund committee or a labor organization may not make contributions to a leadership political action committee aggregating more than the amount that the committee may contribute to a legislative candidate under paragraph B.

Sec. 6. 21-A MRSA §1015, sub-§2-A is enacted to read:

- **2-A.** Contributions to candidates and leadership political action committees by business entities. A business entity may not make contributions to a candidate or a leadership political action committee. For purposes of this subsection, "business entity" includes a firm, partnership, corporation, incorporated association or other organization, whether organized as a for-profit or a nonprofit entity, but does not include a labor organization.
- **Sec. 7. 21-A MRSA §1015-A, first ¶,** as enacted by PL 1991, c. 839, §12, is amended to read:

Contributions Except for contributions made by a separate segregated fund committee, contributions made by a for-profit or a nonprofit corporation including a parent, subsidiary, branch, division, department or local unit of a corporation, and contributions made by a political committee or political action committee whose contribution or expenditure activities are financed, maintained or controlled by a corporation are considered to be made by that corporation, political committee or political action committee.

- **Sec. 8. 21-A MRSA §1015-A, sub-§1,** as amended by PL 2013, c. 334, §§5 and 6, is repealed.
- **Sec. 9. 21-A MRSA §1015-A, sub-§2,** as enacted by PL 2007, c. 443, Pt. A, §15, is repealed.
- **Sec. 10. 21-A MRSA §1052-A, sub-§1,** as amended by PL 2019, c. 563, §4, is further amended to read:
- 1. Deadlines to file and amend registrations. A political action committee shall register and file amendments with the commission according to the following schedule.
 - A. A political action committee as defined under section 1052, subsection 5, paragraph A, subparagraph (1) or (4) or a separate segregated fund committee that receives contributions or makes expenditures in the aggregate in excess of \$1,500 and a political action committee as defined under section 1052, subsection 5, paragraph A,

- subparagraph (5) that receives contributions or makes expenditures in the aggregate in excess of \$5,000 for the purpose of influencing the nomination or election of any candidate to political office shall register with the commission within 7 days of exceeding the applicable amount.
- B. A political action committee <u>required to register under paragraph A</u> shall amend the registration within 10 days of a change in the information that political action committees are required to disclose under this section.
- C. A political action committee <u>required to register under paragraph A</u> shall file an updated registration form between January 1st and March 1st of each year in which a general election is held. The commission may waive the updated registration requirement for a newly registered political action committee or other registered political action committee if the commission determines that the requirement would cause an administrative burden disproportionate to the public benefit of the updated information.

Sec. 11. 21-A MRSA §1056-C is enacted to read:

§1056-C. Leadership political action committees

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- 1. Contributions to leadership political action committee. A leadership political action committee may not accept contributions in excess of the limitations established in section 1015, subsection 1 and section 1015, subsection 2, paragraph C and may not accept any other contributions.
- 2. Contributions made by leadership political action committee. Except as provided in section 1015, subsection 2, paragraphs B and C and section 1054-B, a leadership political action committee may make unlimited contributions to any person.

24 SUMMARY

This bill makes the following changes to campaign finance and related laws:

- 1. It employs the phrase "separate segregated fund committee" to describe a political action committee that is a separate or segregated fund established by any corporation, membership organization, cooperative or labor or other organization and whose purpose is to initiate or influence a campaign.
- 2. It limits the contributions that a leadership political action committee, defined as a political action committee other than a caucus political action committee for which a Legislator serves as a principal officer or treasurer, may make and receive. A leadership political action committee may make contributions to candidates that do not exceed the contribution limitations applicable to individuals. A leadership political action committee may accept contributions from individuals, other leadership political action committees, labor organizations and separate segregated fund committees as long as those contributions do not exceed the amount that the contributor may contribute to a legislative candidate under current law.
- 3. It prohibits a business entity, defined as a firm, partnership, corporation, incorporated association or other organization other than a labor organization, whether organized as a for-profit or a nonprofit entity, from making contributions to a candidate or leadership political action committee. It also prohibits a political committee, political

- action committee, party committee or other committee, including a caucus political action committee, from making contributions to a candidate or leadership political action 1
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- 3 committee.