

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

SECOND REGULAR SESSION-2022

Legislative Document

No. 1754

S.P. 614

In Senate, December 2, 2021

An Act To Modify the Reporting Requirements for Major Contributors to Ballot Question Campaigns

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

Received by the Secretary of the Senate on November 30, 2021. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LUCHINI of Hancock.

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

2 **Sec. 1. 21-A MRSA §1060-A, sub-§1, ¶B**, as enacted by PL 2017, c. 418, §4, is
3 amended to read:

4 B. "Major contributor" means a person, other than an individual or a committee, that
5 makes one or more contributions aggregating in excess of \$100,000 to a ballot question
6 committee or political action committee for the purpose of initiating or influencing any
7 one people's veto referendum campaign or any one direct initiative campaign.

8 **Sec. 2. 21-A MRSA §1060-A, sub-§4, ¶E**, as enacted by PL 2017, c. 418, §4, is
9 amended to read:

10 E. The names of the 5 largest sources of funds received by the major contributor during
11 the period beginning 6 months prior to the first contribution made to the recipient
12 committee and ending on the date of the filing of the report. This paragraph does not
13 apply to funds received by the major contributor that are restricted to purposes that are
14 unrelated to a people's veto referendum or direct initiative campaign in the State. A
15 major contributor may request a modification to the requirements of this paragraph. In
16 considering a request for a modification, the commission shall consider the financial
17 and staffing resources of the major contributor, the financial cost and amount of time
18 it would reasonably take to gather the information, the public interest in having access
19 to the information and other relevant factors. The commission may accept a financial
20 disclosure report required under any other law to satisfy the requirements of a
21 modification to this provision; and

22 **Sec. 3. 21-A MRSA §1060-A, sub-§5**, as enacted by PL 2017, c. 418, §4, is
23 repealed and the following enacted in its place:

24 **5. Noncompliance.** The commission may assess a civil penalty against a person that
25 does not comply with the requirements of this section. The preliminary penalty is 10% of
26 the total contributions required to be reported or \$50,000, whichever is less, for:

27 A. A recipient committee that fails to provide timely notice to a major contributor under
28 subsection 2;

29 B. A recipient committee that fails to provide a copy of the notice to the commission
30 under subsection 2. If the commission assesses a penalty under paragraph A, the
31 commission may not also assess a penalty under this paragraph; and

32 C. A major contributor that fails to file a timely report required under this section or
33 that files a report that does not substantially conform to the disclosure requirements of
34 this section or rules adopted under this section.

35 **Sec. 4. 21-A MRSA §1060-A, sub-§6** is enacted to read:

36 **6. Waiver request; final penalty.** Not later than the 14th calendar day after the date
37 the person receives notice of the preliminary penalty from the commission under subsection
38 5, the person may request a waiver of the penalty in full or in part. In considering a request
39 for a waiver under this subsection, the commission shall consider:

40 A. For violations under subsection 5, paragraphs A and B:

41 (1) Whether, as a result of the late notice, the due date for a report required by this
42 subchapter is later than if a timely notice had been received;

1 (2) Whether the recipient committee made a bona fide effort to provide notice to
2 the major contributors;

3 (3) The amount of the contributions required to be reported; and

4 (4) Other relevant factors; and

5 B. For violations under subsection 5, paragraph C:

6 (1) The failure of the recipient committee to provide notice of the reporting
7 requirement to the major contributor;

8 (2) The number of days the report is late;

9 (3) The amount of the contributions required to be reported; and

10 (4) Other relevant factors.

11 A person requesting a determination on a waiver may either appear in person or designate
12 a representative to appear on the person's behalf or may submit a sworn statement
13 explaining the mitigating circumstances for consideration by the commission. After a
14 commission meeting, the commission shall mail notice of the final determination of the
15 commission and the penalty, if any, imposed pursuant to this subsection to the person
16 against whom the commission is assessing the penalty. If the person against whom the
17 commission is assessing the penalty does not request a waiver, the preliminary penalty
18 calculated by the commission is final. The commission shall mail final notice of the penalty
19 to the person against whom the commission is assessing the penalty. A final determination
20 by the commission on a waiver may be appealed to the Superior Court in accordance with
21 Title 5, chapter 375, subchapter 7 and the Maine Rules of Civil Procedure, Rule 80C.

22 **SUMMARY**

23 This bill amends the law requiring contributors giving more than \$100,000 to a political
24 action committee or ballot question committee for the purpose of influencing a ballot
25 question to file a statement with the Commission on Governmental Ethics and Election
26 Practices by:

27 1. Exempting political action committees and ballot question committees already
28 registered with the commission from filing the major contributor report;

29 2. Permitting a major contributor to request a modification of the requirement to
30 disclose its 5 largest sources of income in the previous 6 months; and

31 3. Clarifying the enforcement provisions regarding potential violations and the factors
32 the commission must consider for each potential violation.