

MAINE STATE LEGISLATURE

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RICHARD N. BERRY, DISTRICT 8
DONALD R. O'LEARY, DISTRICT 16

MARGUERITE S. CARTER, CLERK



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STATE OF MAINE

ONE HUNDRED AND SEVENTH LEGISLATURE

COMMITTEE ON ELECTION LAWS

January 11, 1977

The Honorable John L. Martin, Chairman
Legislative Council
State House
Augusta, Maine 04333

Re: H.P. 1646

Dear Mr. Speaker:

I am enclosing the report of the Election Laws Committee on its general review of the election laws, pursuant to Joint Order, H.P. 1646.

Very truly yours,

A handwritten signature in cursive script that reads "Anne M. Boudreau".

Anne M. Boudreau
House Chairman

REPORT OF THE JOINT STANDING COMMITTEE
ON ELECTION LAWS
107TH LEGISLATURE

REVIEW OF THE ELECTION LAWS
H.P. 1646

January 11, 1977

Senate

Neal C. Corson
Richard N. Berry
Donald R. O'Leary

House

Anne M. Boudreau
David W. Bustin
Thomas P. Albert
Gerald E. Talbot
Harvey E. Devane
George F. Call
Walter A. Birt
Edward H. Mackel
Lena C. Durgin
Melvin A. Shute

Legislative Assistant

Thomas P. Downing

Review of the Election Laws

The Joint Standing Committee on Election Laws of the 107th Legislature was directed, by Joint Order H.P. 1646, a copy of which is attached, to review the election laws in general and to report to the Legislative Council on any necessary changes.

The Committee held a number of meetings in the period between the regular and special sessions of the 107th Legislature. It met with a number of local election officials at those times and worked in continuous close cooperation with the Secretary of State and with the Election Division of his office.

As a result of these efforts, the committee presented eight bills for consideration by the special session. The committee made a brief interim report to the Legislative Council by letter dated February 24, 1976. The bills presented were the following:

1. H.P. 2004, L.D. 2183 - AN ACT Relating to Campaign Reports and Finances. This bill was a clarification and a revision of the chapter regulating campaign contributions and expenditures. As a result of the U.S. Supreme Court's decision in this area in January of 1976, the bill had to be completely re-drafted. As L.D. 2340, it was reported out and was enacted as Chapter 759 of the Public Laws.

2. H.P. 2029 - AN ACT to Clarify the Election Laws. This bill corrected a number of errors and inconsistencies and revised procedures in various areas. It was re-drafted, as L.D. 2344, to incorporate a number of additional changes, and enacted as Chapter 761.

3. H.P. 2039, L.D. 2212 - AN ACT Relating to the Registration of Voters. This change in the scheduling of voters, which would have repealed the provision for registration on election day died between houses. The committee had been divided on this bill.

4. H.P. 2062, L.D. 2232 - AN ACT Relating to Requests for Absentee Ballots. Under this bill, the issuance of a second absentee ballot for the same person is prohibited unless certain conditions are met. This became Chapter 684.

5. H.P. 2063, L.D. 2233 - AN ACT Relating to the Form of Ballots. The form of the ballot had been changed in recent years so that the box to be marked by the voter is now to the left of the candidate's name. A majority of the committee voted to place the box back on the right. A minority voted to move the box to the left in all cases. The minority view was accepted and became Chapter 730.

6. H.P. 1960, L.D. 2140 - AN ACT Relating to the Formation of Political Parties and to Political Designations. The committee had determined from its study that there was no way under present law that a new political party could form and earn a place on the ballot. This bill, which became Chapter 752, established a procedure for this purpose.

7. H.P. 1982, L.D. 2151 - AN ACT Relating to Voting Places in Certain Unorganized Townships. This bill was enacted as Chapter 774. It clarified the law on the means by which residents of unorganized townships vote.

8. H.P. 2122, L.D. 2271 - AN ACT Relating to Absentee Voting. A majority of the committee opposed this recommendation, which would have removed third persons from the absentee voting process.

After the special session, the committee held three meetings during the Fall of 1976. The meetings were on several subjects with the most emphasis on reviewing the campaign finances law mentioned above. The committee agreed on a number of necessary changes in that law and recommends a bill to revise the law for these purposes to be presented to the 108th Legislature. A copy of the proposal is attached to this report as an appendix. The detailed Statement of Fact in that bill outlines the proposed changes.

This committee extensively discussed with Secretary of State Markham L. Gartley his proposals for changes in the law relating to primary and nomination petitions for candidates. His proposals resulted from disputes over petitions in some recent cases. Legislation in this area will be introduced in the 108th Legislature, either as a committee bill resulting from the study or as an individual legislator's bill.

STATE OF MAINE

concurrent

In House May 30, 1975

Ordered,

Whereas, there have been many bills introduced this session concerning the election laws of this State; and

Whereas, some of these bills interact with other introduced bills in possibly unforeseen ways, some of these will duplicate parts of other bills and many of these bills represent differing legislative policies concerning the conduct of state and local elections; and

Whereas, it is desirable to have one uniform legislative policy concerning the election laws of Maine; and

Whereas, it is desirable that the Joint Standing Committee on Election Laws, which is currently studying this problem, needs more time during the interim to reach a set of firm conclusions; now, therefore, be it

Ordered, the Senate concurring, that the Legislative Council be authorized, through the Joint Standing Committee on Election Laws, to continue to examine the election laws of this State as provided in Title 21 of the Maine Revised Statutes and related Titles for the purpose of ascertaining as economically as possible all necessary repealers, amendments and modifications of existing laws as, in the judgment of the Council, are necessary and appropriate; and be it further

Ordered, that the Council report the results of its findings, together with any proposed recommendations and necessary implementing legislation, to the next special or regular session of the Legislature; and be it further

~~Name:~~

~~Signature:~~

R O B R.

Ordered, upon passage in concurrence, that suitable copies of this order be transmitted forthwith to said agencies as notice of this directive.

IN SENATE CHAMBER
TABLED BY SEN. SPEERS
OF KENNEBEC

JUN 2 1975

PENDING
HARRY N. STARRBRANCH, Secretary

HOUSE OF REPRESENTATIVES
READ AND PASSED
MAY 30 1975
SENT UP FOR CONCURRENCE

[Signature]
CLERK

(Mrs. Boudreau)

NAME: *Anne M. Boudreau*

TOWN: Portland

HP1646

AN ACT Relating to Campaign Reports and Finances

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

Sec. 1. 21 MRSA §1, sub-§4-A, as enacted by PL 1973, c. 591, §2, is amended to read:

4-A. Candidate. "Candidate" means any person who has filed a petition pursuant to either sections 445 and 446 or sections 492 and 493 and has qualified as a candidate by either procedure or any person who has received contributions or made expenditures or has given his consent for any other person to receive contributions or make expenditures with the intent of qualifying as a candidate.

Sec. 2. 21 MRSA §1392, sub-§1-A, is enacted to read:

1-A. Clearly Identified. "Clearly identified", with respect to a candidate, means that:

- A. The name of the candidate appears;
- B. A photograph or drawing of the candidate appears; or
- C. The identity of the candidate is apparent by unambiguous reference.

Sec. 3. 21 MRSA §1392, sub-§2, ¶ A, as last repealed and replaced by PL 1976, c. 759, §1, is amended to read:

A. A gift, subscription, loan, advance, or deposit of money or anything of value, except a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business, made for the purpose of influencing the nomination or election of any person to state or county office or for the purpose of liquidating any campaign deficit of a candidate;

Sec. 4. 21 MRSA §1392, sub-§2, ¶E, sub-¶(5), as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

(5) The payment by a state, district, county or ~~local~~ municipal committee of a ~~political~~ party of the costs of preparation, display or mailing or other distribution incurred by such committee with respect to a printed slate card, sample ballot or other printed listing of 3 or more candidates for any political office.

Sec. 5. 21 MRSA §1392, sub-§4, ¶C, sub-¶(7), as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

(7) The payment by a state, district, county or ~~local~~ municipal committee of a ~~political~~ party of the costs of preparation, display or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any political office for which an election is held; or

Sec. 6. 21 MRSA §1393, sub-§1, 1st and 2nd sentences, as last repealed and replaced by PL 1975, c. 759, §1, are amended to read:

A candidate may accept contributions personally or make ~~or authorize~~ expenditures personally. A candidate may appoint a treasurer to accept contributions or to make ~~or authorize~~ expenditures.

Sec. 7. 21 MRSA §1393, sub-§2, 2nd and 4th sentences, as last repealed and replaced by PL 1975, c. 759, §1, are amended to read:

Each such political committee shall appoint a treasurer before accepting any contributions or making ~~or-authorizing~~ any expenditures.

In addition to the registration of its treasurer, a political committee authorized by a candidate shall submit to the commission the names and addresses of all of its officers, whether or not said committee accepts any contributions or makes ~~or-authorizes~~ any expenditures.

Sec. 8. 21 MRSA §1393, sub-§3, 1st sentence, as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

A political committee which is not authorized by a candidate but which accepts any contributions or makes ~~or authorizes~~ any expenditures for the purpose of promoting or defeating a candidate or candidates shall appoint a treasurer before accepting any contributions or making ~~or-authorizing~~ any expenditures.

Sec. 9. 21 MRSA §1393, sub-§4 is enacted to read:

4. Party committees. The state, district and county committees of parties shall submit to the commission the names and addresses of all their officers and of their treasurers and the name and address of the principal paid employee, if any, of such committees.

The municipal committees of parties shall, on or before April 30 of each year in which a general election is held, submit to the commission the names and addresses of their chairmen, secretaries and treasurers.

Sec. 10.21 MRSA §1394, as last repealed and replaced by PL 1975, c. 759, §1, is repealed and the following enacted in place thereof:

§1394. Publication or distribution of political statements

Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate through broadcasting stations, newspapers, magazines, outdoor advertising facilities, direct mails and other similar types of general public political advertising and through flyers, handbills, bumper stickers and other nonperiodical publications, such communication, if authorized by a candidate, a candidate's authorized political committee or their agents, shall clearly and conspicuously state that the communication has been so authorized and shall clearly state the name and address of the person who made or financed the expenditure for the communication.

If such communication is not authorized by a candidate, a candidate's authorized political committee or their agents, the communication shall clearly and conspicuously state that the communication is not authorized by any candidate, and state the name and address of the person who made or financed the expenditure for the communication.

No person operating a broadcasting station within this State shall broadcast any such communication without announcing verbally the name of the person who made or financed the expenditure for the communication.

Sec. 11. 21 MRSA §1395, sub-§1, as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

1. Individuals. No individual other than a candidate or a ~~member-of-a-candidate's-immediate-family~~ candidate's spouse, shall make contributions to a candidate, in support of the candidacy of one person, in an aggregate amount greater than \$1,000 in any election. ~~For-the-purposes-of-this-sub-section, "immediate-family" includes a candidate's spouse and any child, parent, grandparent, brother or sister of the candidate and the spouse of such persons.~~

Sec. 12. 21 MRSA §1395, sub-§3, as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

3. Aggregate contributions. No individual, other than a candidate or a ~~member-of-a-candidate's-immediate-family~~ candidate's spouse, shall make contributions to candidates aggregating more than \$25,000 in any calendar year.

Sec. 13. 21 MRSA §1395, sub-§5, 2nd sentence, as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

The financing by any person of the dissemination, distribution or republication, in whole or in part, of any broadcast or any written or other campaign materials prepared by the candidate, the candidate's campaign political committee or committees or their authorized agents shall be considered to be a contribution to such candidate.

Sec. 14. 21 MRSA §1395, sub-§6, as last repealed and replaced by PL 1975, c. 759, §1, is repealed and the following enacted in place thereof:

6. Certain expenditures prohibited. A candidate, a political committee, a party or a committee thereof, a person required to file a report under this chapter or their authorized agents shall not make any expenditure for liquor to be distributed to or consumed by voters while the polls are open on election day.

Sec. 15. MRSA §1396, 1st sentence, as enacted by PL 1975, c. 759, §1, is amended to read:

Each treasurer or each candidate shall keep detailed records of all contributions received and of each expenditure which such treasurer or candidate makes ~~or authorizes~~, as provided in this section.

Sec. 16. 21 MRSA §1396, sub-§3, last sentence, as last repealed and replaced by PL 1975, c. 759, §1, is amended to read:

The treasurer or candidate shall preserve all receipted bills and accounts required to be kept by this section for ~~periods-of-time-to-be-determined-by-the-commission~~ 2 years following the final report required to be filed for the election to which they pertain, unless otherwise ordered by the commission or a court.

Sec. 17. 21 MRSA §1397, as last repealed and replaced by PL 1975, c. 759, §1, is repealed and the following enacted in place thereof:

§1397. Reports.

1. Party committees. When a state, district, county or municipal committee of a party makes contributions or expenditures expressly advocating the election or defeat of a candidate, other than by contribution to a candidate or a candidate's authorized political committee, in an

aggregate amount in excess of \$50 with respect to one candidate in an election shall file a report with the commission. Such report shall contain an itemized account of each such expenditure in any election of an aggregate amount of \$50 or more, the purpose of each and the name of each payee or creditor. Such report shall contain an itemized account of each such contribution in any election of an aggregate amount of \$50 or more received, the name and address of each such contributor and the occupation and principal place of business, if any, of such contributor.

Reports required by this subsection in relation to a candidate for Governor shall be filed on the same dates on which reports for such candidates are to be filed under subsection 3. Reports required by this subsection in relation to a candidate for state or county office other than the office of Governor shall be filed on the same dates on which reports for such candidates are to be filed under subsection 4.

2. Federal candidates; parties. The state committee of each party, each candidate for federal office and the treasurer of the political committee or committees of each such candidate shall file with the commission, on the same date that such reports are required to be filed under federal law, a copy of the complete report required of them under federal law.

3. Gubernatorial candidates. Each candidate for the office of Governor or the candidate's treasurer and the treasurer of each political committee authorized by such a candidate shall file reports with the commission as follows:

A. In any calendar year other than a year in which an election for Governor is held and in which the candidate and the candidate's political committee or committees received contributions in excess of \$1,000 or made expenditures in excess of \$1,000, reports shall be filed not later than 5:00 P.M. on January 15 of the following calendar year, or if that date falls on a Saturday or Sunday, not later than 5:00 P.M. on the following Monday, and shall be complete as of the close of the calendar year with respect to which the report is filed.

B. Reports shall be filed not later than 5:00 P.M. on the 42nd day before the date on which an election is held and shall be complete as of the 49th day before such date. If no report was filed under paragraph A, the report required under this paragraph shall cover the 6 months immediately preceding the completion date.

C. Reports shall be filed not later than 5:00 P.M. on the 7th day before the date on which an election is held and shall be complete as of the 11th day before such date.

D. Any contribution or expenditure of \$1,000 or more, made after the 11th day and more than 48 hours before any election, shall be reported within 48 hours of such contribution or expenditure.

E. Reports shall be filed not later than 5:00 P.M. on the 42nd day after the date on which an election is held and shall be complete for the entire election campaign as of the 35th day after such date.

F. Unless further reports shall be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit shown in the reports described in paragraph E shall be reported to the commission every 90 days from the date of such reports, until such surplus shall have been disposed of or such deficit shall have been liquidated. Such reports shall set forth any contributions for the purpose of liquidating such deficit, in the same manner as contributions are set forth in other reports required in this section.

G. Unless otherwise specified in this subsection, reports shall be complete back to the completion date of the previous report. The report described in paragraph E, if filed with respect to a primary election, shall be considered a previous report in relation to reports with respect to a general election.

H. Reports with respect to a candidate who seeks nomination by petition for the office of Governor shall be filed on the same dates that reports must be filed with respect to a candidate who seeks that nomination by primary election.

4. Other candidates. Each candidate for state or county office, other than for the office of Governor, or such candidate's treasurer and the treasurer of each political committee authorized by such a candidate shall file reports with the commission as follows:

A. Reports shall be filed not later than 5:00 P.M. on the 7th day before the date on which an election is held and shall be complete as of the 11th day before such date. The first reports filed in a year in which an election is held shall cover the 6 months immediately preceding the completion date. Other reports shall be complete from the completion date of any previous report with respect to any election in the same year.

B. Any contribution or expenditure of \$1,000 or more, made after the 11th day and more than 48 hours before any election, shall be reported within 48 hours of such contribution or expenditure.

C. Reports shall be filed not later than 5:00 P.M. on the 42nd day after the date on which an election is held and shall be complete for the entire election campaign as of the 35th day after such date.

D. Unless further reports shall be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit shown in the reports described in paragraph C shall be reported to the commission every 90 days from the date of such reports, until such surplus should have been disposed of or such deficit

shall have been liquidated. Such reports shall set forth any contributions for the purpose of liquidating such deficit, in the same manner as contributions are set forth in other reports required in this section.

5. Other persons. Each person, other than a candidate or a candidate's authorized political committee, who makes contributions or expenditures expressly advocating the election or defeat of a clearly identified candidate, other than by contribution to a candidate or a candidate's authorized political committee, in an aggregate amount in excess of \$50 with respect to an election shall file a report with the commission. Such report shall contain an itemized account of each such expenditure in any election of an aggregate amount of \$50 or more, the purpose of each and the name of each payee or creditor. Such report shall contain an itemized account of each such contribution in any election of an aggregate amount of \$50 or more received, the name and address of each such contributor and the occupation and principal place of business, if any, of such contributor. Such report shall state whether the contribution or expenditure is in support of or in opposition to the candidate and shall include, under penalty of perjury as provided in Title 17-A, section 451, a statement under oath or affirmation whether such expenditure is made in cooperation, consultation or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate.

Any membership organization or corporation which makes a communication to its members or stockholders expressly advocating the election or defeat of a clearly identified candidate shall report any expenditures in an aggregate amount of \$50 or more for such communication in any election, whether or not such communication is defined as an expenditure under section 1392, subsection 4, paragraph C, subparagraph (3).

Reports required by this subsection in relation to a candidate for Governor shall be filed on the same dates on which reports for such candidates are to be filed under subsection 3. Reports required by this subsection in relation to a candidate for state or county office other than the office of Governor shall be filed on the same dates on which reports for such candidates are to be filed under subsection 4.

6. Content. A report required under this section shall contain the itemized accounts of contributions received and the name, address, occupation and principal place of business, if any, of each person who has made a contribution of an aggregate amount of \$50 or more for that election.

It shall contain the itemized expenditures made or authorized, the purpose of each and the name of each payee and creditor. Total contributions with respect to an election of less than \$500, except when contributions in any election by one person in an aggregate amount of \$50 or more are included, and total expenditures of less than \$500 need not be itemized. Such report shall contain a statement of any loan of money in an aggregate amount of \$500 or more

to a candidate by a financial institution made during the period covered by the report, whether or not such loan is defined as a contribution under section 1392, subsection 2, paragraph A.

7. Forms. The Secretary of State shall prepare for the reports required by this chapter. A person preparing such reports may use additional pages if necessary, but such pages shall be of the same size as the pages of the form.

Sec. 18. 21 MRSA §1399, as enacted by PL 1975, c. 759, §1, is repealed and the following enacted in place thereof:

§1399. Meetings.

The commission shall meet for the purposes of this chapter and of chapter 35-A in Augusta at least 4 times during any year in which primary and general elections are held and at other times at the call of the chairman or at the call of a majority of the members provided all members are notified of the time, place and purpose of the meeting at least 24 hours in advance.

Sec. 19. 21 MRSA c. 35-A is enacted to read:

CHAPTER 35-A

Reports on Referendum Campaigns

§1411. Application

This chapter applies to campaigns for the initiation, promotion or defeat of questions.

§1412. Definitions

As used in this chapter, unless the context indicates otherwise, the following terms have the following meaning:

1. Campaign. "Campaign" means a campaign for the ini-

tiation, promotion or defeat of a question, including:

- A. The referendum procedure pursuant to the Constitution, Article IV, Part 3, Section 17;
- B. The initiative procedure pursuant to the Constitution, Article IV, Part 3, Section 18;
- C. An amendment to the Constitution pursuant to the Constitution, Article 10, section 4;
- D. Legislation expressly conditioned upon ratification by a referendum vote pursuant to the Constitution, Article IV, Part 3, Section 19; and
- E. The ratification of the issue of bonds by the State or any agency thereof.

2. Commission. "Commission" means the Commission on Governmental Ethics and Campaign Practices established pursuant to Title I, section 1002.

3. Contribution. "Contribution" includes:

- A. A gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of influencing a campaign or referendum;
- B. A contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make a contribution for such purposes;
- C. Funds received by a person for such purposes which are transferred to such person from another person, a political committee or other source; and
- D. The payment, by any person other than a person required to make a report under this chapter, of compensation for the personal services of other persons which are rendered to such campaign without

charge for any such purpose; but does not include:

(1) The value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a campaign;

(2) The use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual in rendering voluntary personal services for campaign-related activities, if the cumulative value of such activities by such individual on behalf of any campaign does not exceed \$50 with respect to any campaign;

(3) The sale of any food or beverage by a vendor for use in a campaign at a charge less than the normal comparable charge, if such charge for use in a campaign is at least equal to the cost of such food or beverages to the vendor and if the cumulative value of such food or beverage does not exceed \$50 with respect to any campaign; or

(4) Any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a campaign if the cumulative amount for such individual incurred with respect to such campaign does not exceed \$50 with respect to any campaign.

4. Expenditure. "Expenditure" includes:

A. A purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value made for the purpose of influencing a campaign or referendum;

B. A contract, promise, or agreement, expressed or implied whether or not legally enforceable, to make any expenditures; and

C. The transfer of funds to another person for purposes of influencing a campaign or referendum; but does not include:

(1) Nonpartisan activity designed to encourage individuals to register to vote, or to vote;

(2) Any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing a campaign or referendum;

(3) The use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual in rendering voluntary personal services for campaign-related activities by such individual on behalf of any campaign do not exceed \$50 with respect to any campaign; or

(4) Any reimbursed payment for travel expenses made by an individual who, on his own behalf, volunteers his personal services to a campaign if the cumulative amount for such individual incurred with respect to such campaign does not exceed \$50 with respect to any campaign.

5. Person. "Person" means an individual, committee, firm, partnership, corporation, association, public utility, governmental agency or any other group or organization of persons.

§1413. Reports

1. Who must file. Any person who accepts contributions in an aggregate amount in excess of \$50 or makes expenditures in excess of \$50 with respect to any campaign shall file a report with the commission, as provided in this section. Any person who is required under this subsection to file a report shall file a report for each filing period in subsection 3, whether or not contributions or expenditures are in excess of \$50 in any one period.

2. Filing dates. Reports shall be filed with the commission according to the schedule in this section. A report shall cover the 6 months immediately preceding the reporting date or the period since the completion date of a previous report on the same campaign.

A. In the case of the referendum procedure pursuant to the Constitution, Article IV, Part 3, Section 17, and of the initiative procedure pursuant to the Constitution, Article IV, Part 3, Section 18, a report shall be filed with the commission not later than 5:00 P.M. on the 14th day after the final date provided in the Constitution for filing petitions under such procedure and shall be complete as of such final date.

B. A report shall be filed with the commission not later than 5:00 P.M. on the 42nd day before the date of the referendum and shall be complete as of the 49th day before the date of the referendum.

C. A report shall be filed with the commission not later than 5:00 P.M. on the 7th day before the date of the referendum and shall be complete as of the 11th day before the date of the referendum.

D. Any contribution or expenditure of \$1,000 or more, made after the 11th day and more than 48 hours before any referendum, shall be reported within 48 hours of such contribution or expenditure.

E. A report shall be filed not later than 5:00 P.M. on the 42nd day after the date on which a referendum is held and shall be complete for the entire campaign as of the 35th day after such date.

F. The disposition of any surplus or deficit shown in the reports described in paragraph E shall be reported to the commission every 90 days from the date of such report, until such surplus shall have been disposed of or such deficit shall have been liquidated. Such reports shall set forth any contributions for the purpose of liquidating such deficit, in the same manner as contributions are set forth in other reports required in this section.

3. Content. A report required under this section shall contain the itemized accounts of contributions received and the name, address, occupation and principal place of business, if any, of each person who has made a contribution of an aggregate amount of \$50 or more for that campaign.

It shall contain the itemized expenditures made or authorized, the purpose of each and the name of each payee and creditor. Total contributions of less than \$500, except when contributions in any campaign by one person in an aggregate amount of \$50 or more are included, and total expenditures of less than \$500 need not be itemized.

4. Forms. The Secretary of State shall prepare forms for the reports required by this chapter. A person preparing such reports may use additional pages if necessary, but such pages shall be of the same size as the pages of the form.

§1414. Records

Any person who accepts contributions in an aggregate amount in excess of \$50 or makes expenditures in excess of \$50 with respect to any campaign shall keep records as provided in this section.

1. Account of contributions; segregated funds. Every person who receives a contribution in excess of \$10 for a political committee shall, on demand of the treasurer, and in any event within 5 days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount of the contribution and the identification of the person making such contribution, and the date on which received. All funds of a committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

2. Recordkeeping. It shall be the duty of a person or a treasurer to keep a detailed and exact account of:

A. All contributions made to or for such campaign or to or for a committee;

B. The identification of every person making a contribution in excess of \$10, and the date and amount thereof and, if a person's contributions in any campaign aggregate more than \$50, the account shall include occupation, and the principal place of business, if any;

C. All expenditures made by or on behalf of such campaign or committee; and

D. The identification of every person to whom any expenditure is made and the date and amount thereof.

3. Receipts preservation. It shall be the duty of a person or treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a campaign in excess of \$50 in amount, and for any such expenditure in a lesser amount if the aggregate amount of any such expenditures to the same person in any exceeds \$50. The person shall preserve all receipted bills and accounts required to be kept by this section for 2 years following the final report required to be filed for the referendum to which they pertain, unless otherwise ordered by the commission or a court.

§1415. Committees

Any political committee which is formed with respect to a campaign shall appoint a treasurer before accepting any contributions or making any expenditures. Such committee shall inform the commission of the name and address of such treasurer within 7 days after such appointment, the name or title of the committee making the appointment and the treasurer's term of office. In addition to the registration of its treasurer, such committee shall submit to the commission the names and addresses of all of its officers.

§1416. Publication or distribution of statements

Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the

initiation, promotion or defeat of a question through broad-
casting stations, newspapers, magazines, outdoor advertising
facilities, direct mails and other similar types of general
public political advertising and through flyers, handbills,
bumper stickers and other nonperiodical publications, such
communication shall clearly and conspicuously state the name
and address of the person who made or financed the ex-
penditure for the communication.

No person operating a broadcasting station within this
State shall broadcast any such communication without announc-
ing verbally the name of the person who made or financed the
expenditure for the communication.

§1417. Failure to file report on time

The failure of any person required to file a report
under this chapter within the time required by this chapter
is a civil violation. There shall be a penalty of \$10 for
each day that the report is late. The commission shall re-
port any such failure to the Attorney General, who may en-
force such violation in a civil action to collect the amount
of the penalty. Such action shall be brought in the Superior
Court for the County of Kennebec or in the District Court,
7th District, Division of Southern Kennebec.

§1418. Investigations

1. Investigations. The commission may investigate to
determine the facts concerning contributions by or to and
expenditures by any person. For this purpose, the commission
may subpoena witnesses and records and take evidence under
oath. A person who fails to obey the lawful subpoena of
the commission or to testify before it under oath shall be

punished by the Superior Court for contempt on application by the Attorney General on behalf of the commission.

2. Investigation requested. Any person may make written application to the commission requesting an investigation and stating the reasons for the request. The commission shall review the application and shall make the investigation if the reasons stated show sufficient grounds for believing that a violation may have occurred.

3. State Auditor; Secretary of State. The State Auditor and the Secretary of State shall assist the commission in making investigations and in other phases of the commission's duties under this chapter, as requested by the commission, and shall have all necessary powers to carry out such responsibilities.

4. Attorney General. The Attorney General shall be the counsel for the commission and may examine any witnesses before the commission. The commission shall refer any apparent violations of this chapter to the Attorney General for prosecution.

§1419. Violations

1. Contributions. No person shall knowingly accept any contribution or make any expenditure in violation of the provisions of this chapter.

2. False statement in report. No person shall make a false statement in any report required by this chapter.

§1420. Penalty

Any violation of any provision of this chapter for which a penalty is not otherwise provided shall be a Class E crime. The Attorney General shall prosecute any such violation.

Sec. 20. 21 MRSA §1423, sub-§1, 2nd sentence, as enacted by PL 1975, c. 621, §10, is amended to read:

Such hearing shall be held within 40 15 days after ~~completion-of-the-recount~~ receipt of the appeal.

Sec. 21. 21 MRSA §1424, 1st sentence, as enacted by PL 1975, c. 621, §10, is amended to read:

An appeal from ~~a-final-determination~~ findings of the commission may be taken to the Supreme Judicial Court on questions of law, if taken within 3 days of certification of the final result by the commission, as follows:

Sec. 22. 21 MRSA §1424, sub-§2, as enacted by PL 1975, c. 621, §10, is amended to read:

2. Commission's duties. The commission shall review its ~~determination~~ finding in conformity to the court's decision and orders, and if that ~~determination~~ finding is changed, shall certify the new ~~determination~~ finding in the manner provided under section 1423.

Sec. 23. 21 MRSA §1425, 2nd sentence, as enacted by PL 1975, c. 621, §10, is repealed.

STATEMENT OF FACT

This bill is one of the results of the Election Laws Committee's continuing review of the laws. It improves and corrects parts of the major revision of the campaign finance law that the committee recommended as a result of the U.S. Supreme Court decision of January, 1976, and that was passed in the special session of the 107th Legislature.

Section I expands the definition of "candidate" in accordance with the expanded reporting requirements for gubernatorial candidates in section 15.

Section 2 establishes a definition of the phrase "clearly identified", in reference to candidates, as it is used in certain provisions on reporting that are now in the law. It clarifies the meaning of these provisions.

Section 3 closes a potential loophole by expanding the definition of "contribution" to include contributions made after an election to pay off a campaign deficit.

Sections 4 through 8 are intended to correct certain terms or to make the terms of the bill consistent.

Section 9 is a new provision requiring committees of political parties to report the names of their officers to the Commission on Governmental Ethics and Election Practices, as an aid to the commission's review of reports. There is no such reporting now.

Section 10 is a new version of the section on campaign advertising. It removes the provisions on advertising in referendum campaigns, which are transferred to a new chapter (see section 17), and clarifies the wording of the statute.

Sections 11 and 12 together restrict the amount of contributions that can be made by members of a candidate's family, other than a spouse. Such family members would be subject to the same restrictions as other persons. Such restrictions are allowed under the Supreme Court's decision on campaign finances. The candidate can still spend an unlimited amount of his or her own money, in accordance with that decision.

Sections 13 and 15 correct inconsistent uses of terms.

Section 14, which re-drafts the prohibition on spending for liquor on election day, makes clear what persons are subject to that restriction.

Section 16 establishes a time limit on the retention of certain records, instead of leaving this to a commission regulation. It also

makes this provision accord with existing law.

Section 17 is a new version of the statute on campaign reports. Parts of this statute are new and other parts are intended to clarify existing law. Subsection 1 clarifies the reporting requirements for state, county and municipal committees of political parties. In subsection 2, the reference to gubernatorial candidates is taken out and placed in subsection 3, which sets out an expanded reporting schedule for those candidates, as compared to other candidates. The provisions on referendum campaign reports that are now in subsection 3 of the statute would be transferred to a new chapter. Subsection 4 clarifies the reporting for other state and local candidates. Subsection 5 clarifies the reporting requirements of persons who make contributions or expenditures independently of the candidate. The new subsection 5 would add a requirement that bank loans of over \$500 to a candidate be reported, even if they are not considered contributions for other purposes.

Section 18 changes the requirement on meetings of the commission. Under the present statute, the commission must meet as a body after every reporting date, even if there are no problems with the reports that were filed.

Section 19 clarifies an ambiguous area in the present law. It would enact a separate chapter on referendum campaign reporting, and establishes specific definitions and reporting requirements in this area. The differences between these campaigns and campaigns for election to office require separate treatment, although the new chapter is modeled on the present chapter.

Section 20 clarifies the time for hearings on appeals from recount proceedings.

Sections 21 through 23 clarify the terminology of certain provisions.