| 1 | L.D. 726 |
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| 2 | Date: (Filing No. S-) |
| 3 | VETERANS AND LEGAL AFFAIRS |
| 4 | Reproduced and distributed under the direction of the Secretary of the Senate. |
| 5 | STATE OF MAINE |
| 6 | SENATE |
| 7 | 131ST LEGISLATURE |
| 8 | FIRST SPECIAL SESSION |
| 9 10 11 | COMMITTEE AMENDMENT "" to S.P. 284, L.D. 726, "An Act to Amend the Laws Governing Political Action Committees Relating to Union, Business and Nonprofit Organizations" |
| 12 13 | Amend the bill by striking out everything after the enacting clause and inserting the following: |
| 14 15 | 'Sec. 1. 21-A MRSA §1004-A, sub-§2, as amended by PL 2021, c. 274, §1 and affected by §13, is further amended to read: |
| 16 17 18 19 | 2. Contribution in excess of limitations. A person that accepts or makes a contribution that exceeds the limitations set out in this chapter section 1015, subsections 1 and 2-B may be assessed a penalty of no more than the amount by which the contribution exceeded the limitation. |
| 20 21 | Sec. 2. 21-A MRSA §1012, sub-§4-B, as enacted by PL 2021, c. 274, §2 and affected by §13, is repealed. |
| 22 23 | Sec. 3. 21-A MRSA §1012, sub-§6, as enacted by PL 2021, c. 274, §3 and affected by §13, is repealed. |
| 24 25 | Sec. 4. 21-A MRSA §1015, sub-§1, as amended by PL 2021, c. 274, §4 and affected by §13, is further amended to read: |
| 26 27 28 29 30 31 32 33 34 35 | 1. Contributions by individuals. An individual may not make contributions to a candidate in support of the candidacy of one person aggregating more than $\frac{1,500 \\ 1,950}{1}$ in any election for a gubernatorial candidate, more than $\frac{3350 \\ 475}{5}$ for a legislative candidate, more than $\frac{5500 \\ 575}{5}$ for a candidate for municipal office and beginning January $\frac{1,2012}{5}$ more than $\frac{570 \\ 975}{5}$ 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, $\frac{2010 \\ 2024}{5}$, 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 |

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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.

4 Sec. 5. 21-A MRSA §1015, sub-§2, as amended by PL 2021, c. 607, §1 and 5 affected by §5, is repealed.

6 Sec. 6. 21-A MRSA §1015, sub-§2-A, as enacted by PL 2021, c. 274, §6 and 7 affected by §13, is repealed.

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Sec. 7. 21-A MRSA §1015, sub-§2-B is enacted to read:

9 2-B. Committees; corporations; associations. A political committee, political action 10 committee, ballot question committee or other committee, firm, partnership, corporation, 11 association or organization may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$1,950 in any election for a gubernatorial 12 13 candidate, more than \$475 for a legislative candidate, more than \$575 for a candidate for municipal office and more than \$975 in any election for any other candidate. Beginning 14 15 December 1, 2024, 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 16 Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The 17 18 commission shall post the current contribution limit and the amount of the next adjustment 19 and the date that it will become effective on its publicly accessible website and include this 20 information with any publication to be used as a guide for candidates.

Sec. 8. 21-A MRSA §1015, sub-§10, as enacted by PL 2021, c. 274, §7 and
 affected by §13, is repealed.

23 Sec. 9. 21-A MRSA §1015-A, as repealed by PL 2021, c. 274, §8 and affected by §13, is reenacted to read:

25 §1015-A. Corporate contributions

26 <u>Contributions made by a for-profit or a nonprofit corporation including a parent,</u> 27 <u>subsidiary, branch, division, department or local unit of a corporation, and contributions</u> 28 <u>made by a political committee or political action committee whose contribution or</u> 29 <u>expenditure activities are financed, maintained or controlled by a corporation are</u> 30 <u>considered to be made by that corporation, political committee or political action</u> 31 <u>committee.</u>

1. Single entities. Two or more entities are treated as a single entity if the entities:

- 33 <u>A. Share the majority of members of their boards of directors;</u>
- 34 <u>B. Share 2 or more officers;</u>
- 35 <u>C. Are owned or controlled by the same majority shareholder or shareholders;</u>
- 36 <u>C-1. Are limited liability companies that are owned or controlled by the same majority</u>
 37 <u>member or members; or</u>
- 38 D. Are in a parent-subsidiary relationship.
- 39 2. Sole proprietorships. A sole proprietorship and its owner are treated as a single
 40 entity.

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1 Sec. 10. 21-A MRSA §1015-B, as enacted by PL 2013, c. 334, §7, is amended to 2 read: 3 §1015-B. Donations to an individual considering whether to become a candidate 4 If an individual receives funds, goods or services for the purpose of deciding whether to become a candidate, the funds, goods or services may not exceed the limitations in 5 6 section 1015, subsections 1 and 2 2-B. The individual shall keep an account of such funds, goods or services received and all payments and obligations incurred in deciding whether 7 8 to become a candidate. If the individual becomes a candidate, the funds, goods and services 9 received are contributions and the payments and obligations are expenditures. The candidate shall disclose the contributions and expenditures in the first report filed by the 10 11 candidate or the candidate's authorized campaign committee, in accordance with the 12 commission's procedures. 13 Sec. 11. 21-A MRSA §1052, sub-§4-C, as enacted by PL 2021, c. 217, §3 and c. 274, §9 and affected by §13, is repealed. 14 Sec. 12. 21-A MRSA §1052, sub-§6, as enacted by PL 2021, c. 274, §10 and 15 16 affected by §13, is repealed. 17 Sec. 13. 21-A MRSA §1052-A, sub-§3, ¶E, as amended by PL 2021, c. 217, §4, is further amended to read: 18 19 E. The name of the account that the committee will use to deposit contributions and 20 make expenditures pursuant to section 1054, and the name and address of the financial 21 institution at which the account is established; and 22 Sec. 14. 21-A MRSA §1052-A, sub-§3, ¶E-1, as enacted by PL 2021, c. 217, §4, 23 is repealed. 24 Sec. 15. 21-A MRSA §1056-C, as amended by PL 2021, c. 607, §2 and affected by §5, is repealed. 25 Sec. 16. 21-A MRSA §1056-D, as amended by PL 2021, c. 607, §§3 and 4 and 26 27 affected by §5, is repealed.' 28 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section 29 number to read consecutively. 30 **SUMMARY** 31 This amendment, which is the unanimous report of the committee, repeals the changes 32 made in Public Law 2021, chapter 274 and Public Law 2021, chapter 607. The amendment 33 makes the following changes to the campaign finance laws.

It removes the definitions of "business entity," "leadership political action
 committee" and "separate segregated fund committee."

36 2. It removes the prohibition on business entities making contributions to candidates.

37 3. It provides that a political committee, political action committee, ballot question
38 committee, other committee, firm, partnership, corporation, association or organization
39 may not make contributions to a candidate in support of the candidacy of one person
40 aggregating more than the amount that an individual may contribute to that candidate.

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4. It updates the limits on contributions to candidates based on the current limits, which
 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.

5 5. It provides that contributions made by a for-profit or nonprofit corporation, including 6 a parent, subsidiary, branch, division, department or local unit of a corporation, and 7 contributions made by a political committee or political action committee whose 8 contribution or expenditure activities are financed, maintained or controlled by a 9 corporation are considered to be made by that corporation, political committee or political 10 action committee. It also clarifies when 2 or more entities are treated as a single entity and 11 provides that a sole proprietorship and its owner are treated as a single entity.

6. It removes the limits on contributions to leadership political action committees and
limits on contributions to separate segregated fund committees.

14 7. It makes a change to a cross-reference to conform to a change made in the 15 amendment.

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FISCAL NOTE REQUIRED

(See attached)

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