



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 951

S.P. 406

In Senate, March 11, 2025

An Act to Require Disclosure of Campaign Funding Sources

Received by the Secretary of the Senate on March 6, 2025. 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 BENNETT of Oxford.
Cosponsored by Representative RIELLY of Westbrook and
Senator: GROHOSKI of Hancock, Representative: SUPICA of Bangor.

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

2 **Sec. 1. 21-A MRSA §1017-A, sub-§1-A** is enacted to read:

3 **1-A. Disclosure of sources of original funds.** A party committee shall comply with
4 the requirements of section 1065.

5 **Sec. 2. 21-A MRSA §1065** is enacted to read:

6 **§1065. Sources of campaign funds**

7 **1. Legislative findings and intent.** The Legislature finds and declares that an informed
8 electorate is the cornerstone of a healthy democracy. Transparency in the funding of
9 political campaigns is essential to ensuring that voters can make informed decisions and
10 hold elected officials accountable. The increasing influence of undisclosed financial
11 contributions, commonly referred to as "dark money," undermines public confidence in the
12 integrity of elections, distorts the democratic process and conceals the identities of those
13 seeking to influence public policy for their own interests.

14 The Legislature further finds that the public has a compelling interest in knowing the
15 sources of all significant campaign-related expenditures to prevent corruption, undue
16 influence and the appearance thereof. Full disclosure of political spending promotes
17 fairness, accountability and trust in government, while safeguarding the fundamental
18 principle that government derives its legitimacy from the consent of the governed.

19 It is therefore the intent of the Legislature to require the greatest possible transparency of
20 campaign expenditures, including the identification of all contributors to entities that spend
21 or contribute money to influence candidate elections in order to restore public confidence
22 in elections, protect the integrity of democratic institutions and ensure that the voices of all
23 citizens, not just the wealthy and powerful, are heard.

24 **2. Definitions.** As used in this section, unless the context otherwise indicates, the
25 following terms have the following meanings.

26 A. "Covered committee" means a committee required to file a report under section
27 1017-A or 1059 that makes, in one election cycle, more than \$50,000 in expenditures
28 and receives a contribution from a covered contributor.

29 B. "Covered contribution" means the total amount contributed by a covered contributor
30 to a covered committee in an election cycle.

31 C. "Covered contributor" means a person that contributes more than \$10,000 to a
32 covered committee in an election cycle.

33 D. "Election cycle" means the 2-year period beginning the day after a general election
34 and ending the day of the next general election.

35 E. "Original funds" means funds over which a person has legal control and to which
36 the person holds title that the person receives from:

37 (1) Salary, wages or other earned income from employment;

38 (2) Investment income, sale of assets or bequests;

39 (3) Distributions from a partnership, limited liability company or trust in which the
40 person holds a legal interest;

1 (4) Commercial transactions; or

2 (5) Membership dues, union dues or other similar periodic payments to an
3 organization, association or group as long as the payments do not exceed \$10,000
4 per year per person.

5 F. "Original source" means the person who directly received the original funds.

6 G. "Pass-through funds" means funds over which a person has legal control and to
7 which the person holds title that are not that person's original funds.

8 **3. Notice to disclose or opt out.** A covered committee shall notify each contributor in
9 writing that the funds may be used to make expenditures to influence a campaign in this
10 State and that information about the sources of pass-through funds may be required and
11 reported under this section. The notice may be provided to the contributor before or after
12 the covered committee receives the contribution, but the contribution may be used or
13 transferred only in accordance with this subsection and subsection 6. The notice must
14 provide that the contributor has 21 days in which the contributor may state that those funds
15 are solely the contributor's original funds, that the funds include pass-through funds or that
16 the contributor opts out of allowing the funds to be used by the covered committee to
17 influence a campaign in this State. Any contributor that has not responded to the notice
18 within 21 days is presumed to have opted out of allowing the contribution to be used to
19 influence a campaign in this State. The commission shall develop a form that a covered
20 committee may use to provide the notice required under this subsection.

21 **4. Covered contributor disclosure.** If a covered contributor in response to the notice
22 under subsection 3 states that the funds include pass-through funds, the covered contributor
23 shall provide the covered committee with the following information:

24 A. The identity of each source of original funds that directly or indirectly contributed
25 \$2,500 or more in funds included in the contribution;

26 B. The amounts from each source, which must total at least as much as the
27 contribution; and

28 C. The identity of all 3rd parties that transferred \$2,500 or more of the original funds
29 from the original source until the funds were received by the covered contributor,
30 including the dates and amounts of the transfers.

31 A covered contributor that received pass-through funds exceeding the amount of the
32 covered contribution may choose which original sources to disclose as long as the covered
33 contributor discloses a total amount of original funds at least equal to the amount of the
34 covered contribution and identifies all persons that transferred those original funds from
35 the original sources to the covered contributor.

36 **5. Records of disclosures.** A covered committee shall maintain records of the
37 information required under subsection 4 for at least 5 years and provide the records to the
38 commission upon request.

39 **6. Restrictions.** A contribution may be used or transferred by the covered committee
40 immediately upon the covered committee's receipt of information from the contributor that
41 states that those funds are solely the contributor's original funds or, if the funds include
42 pass-through funds, the information required under subsection 4. A covered committee
43 may not use or transfer funds received from a contributor for the purpose of influencing a

1 campaign in this State if the contributor has opted out or is presumed to have opted out
2 pursuant to subsection 3. Funds of a contributor that has opted out or is presumed to have
3 opted out pursuant to subsection 3 must be segregated from funds in the covered
4 committee's campaign account described in section 1054. This subsection may not be
5 construed to prohibit the use or transfer of such funds for other purposes.

6 **7. Sources of original funds; report to commission.** A covered committee shall
7 include the following information received from a covered contributor pursuant to
8 subsection 4 in an appropriate report required under section 1017-A or 1059:

9 A. The name and mailing address of each original source whose aggregate direct or
10 indirect contributions exceed \$10,000 during the election cycle. For an original source
11 who is an individual, the report must include that individual's occupation and place of
12 business;

13 B. The date and amount of original funds received from each original source identified
14 in accordance with paragraph A; and

15 C. The identity of all 3rd parties that transferred \$5,000 or more of the original funds
16 from the original source until the funds were received by the covered committee,
17 including the dates and amounts of the transfers.

18 A covered committee is not responsible for reporting the information required by this
19 subsection for the funds of a covered contributor that has opted out or is presumed to have
20 opted out pursuant to subsection 3. In reporting the required information under this
21 subsection, a covered committee may rely upon the information it received pursuant to
22 subsection 4, unless the covered committee knows or has reason to know that the
23 information is false or incomplete.

24 **8. Top 3 funders; original sources.** For a communication made by a covered
25 committee that is an independent expenditure, as defined in section 1019-B, subsection 1,
26 or a communication subject to section 1055-A, the communication must include the
27 statement described in section 1014, subsection 2-B. The top 3 funders included in the
28 statement must be the funders that, since the day following the most recent general election,
29 are the original sources of the highest dollar amounts of original funds directly or indirectly
30 contributed to the covered committee making the communication. Section 1014,
31 subsection 2-B, paragraph E does not apply to the statement required by this subsection.

32 **9. Prior funds.** For the purposes of disclosing original sources under this section, a
33 covered contributor that received funds that are not its own original funds prior to January
34 1, 2026 or that has held an amount of funds at least equal to \$10,000 without interruption
35 for a period of 5 years may consider those funds its own original funds.

36 **10. Penalties.** Notwithstanding section 1004-A, subsections 4 and 5 and section 1014,
37 subsection 4, the commission may assess a penalty for a violation of this section of not
38 more than \$20,000, in addition to any penalty assessed under sections 1020-A and 1062-A.
39 When determining the amount of any penalty, the commission shall consider the amount
40 of the original funds not disclosed, the harm suffered by the public from the lack of
41 disclosure and the covered committee's compliance record. If the commission determines
42 that adjusting the statutory maximum penalty amount would serve the purposes of this
43 section, it may recommend adjustments in a report to the joint standing committee of the
44 Legislature having jurisdiction over campaign finance reporting matters.

