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Amend the bill by striking out all of sections 1 to 4 and inserting the following:

**Sec. 1. 5 MRSA §19, sub-§1, ¶E**, as repealed and replaced by PL 1989, c. 561, §13, is amended to read:

E. "Gift" means anything of value, including forgiveness of an obligation or debt, given to a person without that person providing equal or greater consideration to the giver. "Gift" does not include:

(1) Gifts received from a single source during the reporting period with an aggregate value of \$300 or less;

(2) A bequest or other form of inheritance; and

(3) A gift received from a relative or from an individual on the basis of a personal friendship as long as that individual is not a registered lobbyist or lobbyist associate under Title 3, section 313, unless the employee has reason to believe that the gift was provided because of the employee's official position and not because of a personal friendship.

**Sec. 2. 5 MRSA §19, sub-§2**, as amended by PL 2007, c. 704, §5, is further amended to read:

**2. Statement of sources of income.** Each executive employee shall annually file with the Commission on Governmental Ethics and Election Practices a ~~sworn and notarized~~ statement of finances for the preceding calendar year. The statement must indicate:

A. If the executive employee is an employee of another person, firm, corporation, association or organization, the name and address of the employer and each other source of income of \$1,000 or more;

B. If the executive employee is self-employed, the name and address of the executive employee's business and the name of each source of income derived from self-employment that represents more than 10% of the employee's gross income or \$1,000, whichever is greater, except that, if this form of disclosure is prohibited by statute, rule or an established code of professional ethics, the employee shall specify the principal type of economic activity from which the income is derived. With respect to all other sources of income, a self-employed executive employee shall name each source of income of \$1,000 or more. The employee shall also indicate major areas of economic activity and, if associated with a partnership, firm, professional association or similar business entity, the major areas of economic activity of that entity;

C. The specific source of each gift received;

D. The type of economic activity representing each source of income of \$1,000 or more that any member of the immediate family of the executive employee received and the name of the spouse or domestic partner of the executive employee. The disclosure must include the job title of the executive employee and immediate family members if the source of income is derived from employment or compensation;

E. The name of each source of honoraria that the executive employee accepted;

F. Each executive branch agency before which the executive employee or any immediate family member has represented or assisted others for compensation; and

G. Each executive branch agency to which the executive employee or the employee's immediate family has sold goods or services with a value in excess of \$1,000.

In identifying the source of income, it is sufficient to identify the name and address and principal type of economic activity of the corporation, professional association, partnership, financial institution, nonprofit organization or other entity or person directly providing the income to the individual.

With respect to income from a law practice, it is sufficient for attorneys-at-law to indicate their major areas of practice and, if associated with a law firm, the major areas of practice of the firm.

**Sec. 3. 5 MRSA §19, sub-§2-A**, as enacted by PL 2007, c. 704, §6, is amended to read:

**2-A. Statement of interests.** Beginning in 2010, each executive employee shall annually file with the Commission on Governmental Ethics and Election Practices a ~~sworn and notarized~~ statement of those positions set forth in this subsection for the preceding calendar year. The statement must include:

A. Any offices, trusteeships, directorships or positions of any nature, whether compensated or uncompensated, held by the executive employee with any for-profit or nonprofit firm, corporation, association, partnership or business; and

B. Any offices, trusteeships, directorships or positions of any nature, whether compensated or uncompensated, held by a member of the immediate family of the executive employee with any for-profit or nonprofit firm, corporation, association, partnership or business and the name of that member of the executive employee's immediate family.

**Sec. 4. 21-A MRSA §1003, sub-§1**, as amended by PL 2005, c. 301, §5, is further amended to read:

**1. Investigations.** The commission may undertake audits and investigations to determine the facts concerning the registration of a candidate, treasurer, political committee or political action committee and contributions by or to and expenditures by a person, candidate, treasurer, political committee or political action committee. For this purpose, the commission may subpoena witnesses and records whether located within or without the State and take evidence under oath. A person or political action committee that fails to obey the lawful subpoena of the commission or to testify before it under oath must be punished by the Superior Court for contempt upon application by the Attorney General on behalf of the commission.

**Sec. 5. 21-A MRSA §1017, sub-§3-B**, as amended by PL 2009, c. 190, Pt. A, §6, is further amended to read:

**3-B. Accelerated reporting schedule.** Additional reports are required from nonparticipating candidates, as defined in section 1122, subsection 5, pursuant to this subsection.

A. In addition to other reports required by law, any candidate for Governor, State Senate or State House of Representatives who is not certified as a Maine Clean Election Act candidate under chapter 14 and who receives, spends or obligates more than the primary or general election distribution amounts for a Maine Clean Election Act candidate in the same race shall file by any means acceptable to the commission, within 48 hours of that event, a report with the commission detailing the candidate's total campaign contributions, including any campaign balance from a previous election, obligations and expenditures to date.

B. A nonparticipating candidate who is required to file a report under paragraph A shall file no later than 5:00 p.m.:

- (1) For legislative candidates in a primary election only, a report on the 42nd day before the date on which a primary election is held that is complete as of the 44th day before that date;
- (2) For gubernatorial candidates only, a report on the 25th day before the date on which an election is held that is complete as of the 27th day before that date;
- (3) A report on the 18th day before the date on which an election is held that is complete as of the 20th day before that date; and
- (4) A report on the 6th day before the date on which an election is held that is complete as of the 8th day before that date.

The reports must contain the candidate's total campaign contributions, including any campaign balance from a previous election, obligations and expenditures as of the end date of the reporting period.

The nonparticipating candidate shall file only those reports that are due after the date on which the candidate filed the report required under paragraph A.

C. A candidate who is required to file a report under paragraph A must file with the commission an updated report that reports single expenditures in the following amounts that are made after the 14th day before an election and more than 24 hours before 11:59 p.m. on the date of that election:

- (1) For a candidate for Governor, a single expenditure of \$1,000;

(2) For a candidate for the state Senate, a single expenditure of \$750; and

(3) For a candidate for the state House of Representatives, a single expenditure of \$500.

A report filed pursuant to this paragraph must be filed within 24 hours of the expenditure.

The commission shall provide forms to facilitate compliance with this subsection. The commission shall notify a candidate within 48 hours if an amount reported on any report under paragraph B exceeds the primary or general election distribution amounts for a Maine Clean Election Act candidate in the same race and no report has been received under paragraph A. If all Maine Clean Election Act candidates in the same race have received authorization to spend the maximum matching funds under section 1125, section 9, the commission may waive the reports required by this section.

**Sec. 6. 21-A MRSA §1019-B, sub-§3**, as enacted by PL 2003, c. 448, §3 and amended by PL 2009, c. 366, §5 and affected by §12, is repealed and the following enacted in its place:

**3. Report required; content; rules.** A person, party committee, political committee or political action committee that makes independent expenditures aggregating in excess of \$100 during any one candidate's election shall file a report with the commission. In the case of a municipal election, a copy of the same information must be filed with the municipal clerk.

A. A report required by this subsection must be filed with the commission according to a reporting schedule that the commission shall establish by rule that takes into consideration existing campaign finance reporting requirements and matching fund provisions under chapter 14. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2A.

B. A report required by this subsection must contain an itemized account of each expenditure aggregating in excess of \$100 in any one candidate's election, the date and purpose of each expenditure and the name of each payee or creditor. The report must state whether the expenditure is in support of or in opposition to the candidate and must include, under penalty of perjury, as provided in Title 17A, section 451, a statement under oath or affirmation whether the expenditure is made in cooperation, consultation or concert with, or at the request or suggestion of, the candidate or an authorized committee or agent of the candidate.

C. A report required by this subsection must be on a form prescribed and prepared by the commission. A person filing this report may use additional pages if necessary, but the pages must be the same size as the pages of the form.

This subsection is repealed August 1, 2011.

**Sec. 7. 21-A MRSA §1019-B, sub-§4** is enacted to read:

**4. Report required; content; rules.** A person, party committee, political committee or political action committee that makes independent expenditures aggregating in excess of \$100 during any one candidate's election shall file a report with the commission. In the case of a municipal election in a town or city that has chosen to be governed by this subchapter, a copy of the same information must be filed with the municipal clerk.

A. A report required by this subsection must be filed with the commission according to a reporting schedule that the commission shall establish by rule that takes into consideration existing campaign finance reporting requirements and matching fund provisions under chapter 14. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2A.

B. A report required by this subsection must contain an itemized account of each expenditure aggregating in excess of \$100 in any one candidate's election, the date and purpose of each expenditure and the name of each payee or creditor. The report must state whether the expenditure is in support of or in opposition to the candidate and must include, under penalty of perjury, as provided in Title 17A, section 451, a statement under oath or affirmation whether the expenditure is made in cooperation, consultation or concert with, or at the request or suggestion of, the candidate or an authorized committee or agent of the candidate.

C. A report required by this subsection must be on a form prescribed and prepared by the commission. A person filing this report may use additional pages if necessary, but the pages must be the same size as the pages of the form.

This subsection takes effect August 1, 2011.

**Sec. 8. 21-A MRSA §1056-B, first ¶**, as amended by PL 2009, c. 190, Pt. A, §20 and c. 366, §7 and affected by §12, is repealed and the following enacted in its place:

A person not defined as a political action committee who receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a campaign as defined by section 1052, subsection 1, must file reports with the commission in accordance with this section. For the purposes of this section, "campaign" does not include activities to promote or defeat or in any way influence the nomination or election of a candidate. Within 7 days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the commission as a ballot question committee. For the purposes of this section, expenditures include paid staff time spent for the purpose of influencing in any way a campaign. The commission must prescribe forms for the registration, and the forms must include specification of a treasurer for the committee, any other principal officers and all individuals who are the primary fund-raisers and decision makers for the committee. Until July 31, 2011, in the case of a municipal election, the registration and reports must be filed with the clerk of that municipality. Beginning August 1, 2011, in the case of a municipal election, the registration and reports must be filed with the commission.

**Sec. 9. 21-A MRSA §1056-B, sub-§2**, as amended by PL 2009, c. 190, Pt. A, §20, is further amended to read:

**2. Content.** A report must contain an itemized account of each expenditure made to and contribution received from a single source aggregating in excess of \$100 in any election; the date of each contribution; the date and purpose of each expenditure; the name and address of each contributor, payee or creditor; and the occupation and principal place of business, if any, for any person who has made contributions exceeding \$100 in the aggregate. The filer is required to report only those contributions made to the filer for the purpose of initiating, promoting, defeating or influencing in any way a ~~ballot question~~campaign and only those expenditures made for those purposes. The definitions of "contribution" and "expenditure" in section 1052, subsections 3 and 4, respectively, apply to persons required to file ballot question reports.

**Sec. 10. 21-A MRSA §1056-B, sub-§2-A, ¶A**, as enacted by PL 2007, c. 477, §4, is amended to read:

A. Funds that the contributor specified were given in connection with a ~~ballot question~~campaign;

**Sec. 11. 21-A MRSA §1056-B, sub-§2-A, ¶B**, as enacted by PL 2007, c. 477, §4, is amended to read:

B. Funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used specifically for the purpose of initiating, promoting, defeating or influencing in any way a ~~ballot question~~campaign;

**Sec. 12. 21-A MRSA §1056-B, sub-§2-A, ¶C**, as enacted by PL 2007, c. 477, §4, is amended to read:

C. Funds that can reasonably be determined to have been provided by the contributor for the purpose of initiating, promoting, defeating or influencing in any way a ~~ballot question~~campaign when viewed in the context of the contribution and the recipient's activities regarding a ~~ballot question~~campaign; and

**Sec. 13. 21-A MRSA §1056-B, sub-§4, ¶A**, as enacted by PL 2007, c. 477, §4, is amended to read:

A. The filer shall keep a detailed account of all contributions made to the filer for the purpose of initiating, promoting, defeating or influencing in any way a ~~ballot question~~campaign and all expenditures made for those purposes.

**Sec. 14. 21-A MRSA §1125, sub-§2-B**, as enacted by PL 2009, c. 363, §3, is amended to read:

**2-B. Seed money required for gubernatorial candidates; documentation.** For seed money contributions that a candidate for Governor collects to satisfy the requirement in subsection 5, paragraph C1, the candidate shall obtain the contributor's name, residence address, mailing address, telephone number if provided by the contributor and other information required for reporting under section 1017, subsection 5. For these contributions, the candidate shall submit to the commission during the qualifying period:

A. A contribution acknowledgment form as determined by the commission, to be completed by each person that contributes seed money, that includes the name, residence address, mailing address, optional telephone number and signature of the person making the seed money contribution acknowledging that the contribution was made with the person's personal funds and will not be reimbursed by any source;

B. A list of the seed money contributions in a format determined by the commission that includes the name and mailing address of the contributor;

C. For seed money contributions received by check or money order, photocopies of the check or money order; and

D. For seed money contributions received by debit or credit card, a bank or merchant account statement that contains the cardholder's name and that otherwise meets the requirements specified by the commission in order to verify compliance with subsection 5, paragraph C1.

The commission may permit the submission of an online or electronic acknowledgment form as required by paragraph A for seed money contributions made via the Internet. The telephone numbers, e-mail addresses and bank account and credit card information of contributors that candidates have submitted to the commission pursuant to this subsection are confidential, except that the commission may disclose this information in a final audit or investigation report or determination if the information or record is materially relevant to a finding of fact or violation.'

Amend the bill by inserting after section 6 the following:

**'Sec. 7. 21-A MRSA §1125, sub-§13,** as enacted by IB 1995, c. 1, §17 and amended by PL 2009, c. 302, §22 and affected by §24, is repealed and the following enacted in its place:

**13. Distributions not to exceed amount in fund.** The commission may not distribute revenues to certified candidates in excess of the total amount of money deposited in the fund as set forth in section 1124. Notwithstanding any other provisions of this chapter, if the commission determines that the revenues in the fund are insufficient to meet distributions under subsection 8 or 9, the commission may permit certified candidates to accept and spend contributions, reduced by any seed money contributions, aggregating no more than \$750 per donor per election for gubernatorial candidates and \$350 per donor per election for State Senate and State House candidates, up to the applicable amounts set forth in subsections 8 and 9 according to rules adopted by the commission.

This subsection is repealed September 1, 2011.

**Sec. 8. 21-A MRSA §1125, sub-§13-A** is enacted to read:

**13-A. Distributions not to exceed amount in fund.** The commission may not distribute revenues to certified candidates in excess of the total amount of money deposited in the fund as set forth in section 1124. Notwithstanding any other provisions of this chapter, if the commission determines that the revenues in the fund are insufficient to meet distributions under subsection 8-A or 9, the commission may permit certified candidates to accept and spend contributions, reduced by any seed money contributions,

aggregating no more than \$750 per donor per election for gubernatorial candidates and \$350 per donor per election for State Senate and State House candidates, up to the applicable amounts set forth in subsections 8-A and 9 according to rules adopted by the commission.

This subsection takes effect September 1, 2011.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

## **SUMMARY**

This amendment strikes the provisions in the bill that change the reporting thresholds for political action committees, party committees and ballot question committees. The amendment exempts certain personal gifts from disclosure in the statement of sources of income that executive branch employees file with the Commission on Governmental Ethics and Election Practices. The exemption is for gifts made to the employee on the basis of personal friendship from sources other than lobbyists, as long as the employee has no reason to believe that the gift was made because of the employee's official position. The amendment also removes the requirement that the employee swear to the statement before filing it with the commission.

The amendment permits the commission to subpoena records and testimony of witnesses from sources outside the State. It also permits the commission to waive the filing of trigger and accelerated campaign finance reports by traditionally financed candidates whose Maine Clean Election Act opponents have received the maximum amount of matching funds. For individuals or groups who are required to file independent expenditure reports of expenditures made to influence candidate elections, the amendment deletes the requirement to report contributions received.

Under the amendment, if the commission receives a document from a gubernatorial candidate seeking Maine Clean Election Act funding that contains telephone numbers, e-mail addresses or bank account or credit card information of the candidate's contributors, the commission shall keep that information confidential, with limited exceptions. Also, the amendment clarifies that, starting in the 2010 elections, if there is insufficient money in the Maine Clean Election Fund, the commission may permit publicly funded candidates to raise contributions in the same amounts as traditionally financed candidates.

The amendment clarifies what triggers reporting under the laws governing ballot question committees by replacing language with a cross-reference to an existing definition of "campaign."

The amendment also corrects conflicts in current law.