An Act To Amend the Laws Governing the Maine Clean Election Act

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

Sec. 1. 21-A MRSA §1017, sub-§5, as amended by PL 2009, c. 302, §4, is further amended to read:

5. Content. A report required under this section must contain the itemized accounts of contributions received during that report filing period, including the date a contribution was received, and the name, address, occupation, principal place of business, if any, and the amount of the contribution of each person who has made a contribution or contributions aggregating in excess of $50. The report must contain the itemized expenditures made or authorized during the report filing period, the date and purpose of each expenditure and the name of each payee and creditor and any refund that a payee has made to the candidate or an agent of the candidate. If the payee is a member of the candidate's household or immediate family, the candidate must disclose the candidate's relationship to the payee in a manner prescribed by the commission. The report must contain a statement of any loan to a candidate by a financial institution in connection with that candidate's candidacy that is made during the period covered by the report, whether or not the loan is defined as a contribution under section 1012, subsection 2, paragraph A. The candidate and the treasurer are jointly and severally responsible for the timely and accurate filing of each required report.

Sec. 2. 21-A MRSA §1125, sub-§7-A, as amended by PL 2007, c. 443, Pt. B, §6, is repealed and the following enacted in its place:

7-A. Deposit into account; release of bank records. A candidate or a committee authorized pursuant to section 1013-A, subsection 1 shall deposit all revenues from the fund and all seed money contributions in an account, referred to in this subsection as a "campaign account," with a bank or other financial institution. The campaign funds must be segregated from, and may not be commingled with, any other funds.

A. A participating candidate shall provide to the commission a signed written authorization allowing the bank or other financial institution administering a campaign account to release to the commission all records held by that bank or institution pertaining to the campaign account, including, but not limited to, campaign account statements, records of payments or transfers from the campaign account and deposits of funds to the campaign account.

B. The executive director of the commission or its auditor, during an audit or during an investigation authorized by the commission or the chair of the commission of potential noncompliance with the requirements of this chapter, chapter 13 or a rule of the commission, may request that a candidate provide the records of a campaign account. If the candidate fails to comply with the request within 30 days of receiving it, the executive director or auditor may use the authorization obtained pursuant to paragraph A to obtain the records directly from the bank or other financial institution.

Sec. 3. 21-A MRSA §1125, sub-§12, as amended by PL 2009, c. 302, §20, is further amended to read:

12. Reporting; unspent revenue. Notwithstanding any other provision of law, participating and certified candidates shall report any money collected, all campaign expenditures, obligations, refunds received by a candidate or agent of that candidate and related activities to the commission according to procedures developed by the commission. If a certified candidate pays fund revenues to a member of the candidate's immediate family or household or a business or nonprofit entity affiliated with a member of the candidate's immediate family or household, the candidate must disclose the candidate's relationship to the payee in a manner prescribed by the commission. ~~Upon the filing of a final report for any primary election in which the candidate was defeated and for all general elections that candidate shall return all unspent fund revenues to the commission.~~ In developing these procedures, the commission shall utilize existing campaign reporting procedures whenever practicable. The commission shall ensure timely public access to campaign finance data and may utilize electronic means of reporting and storing information. Upon the filing of a final report for any primary election in which the candidate was defeated and for all general elections, that candidate shall return all unspent fund revenues to the commission. If the candidate or agent of the candidate receives a refund from a vendor or subvendor after filing the final report, the candidate shall return those funds to the fund within 14 days of receiving the refund.

Sec. 4. 21-A MRSA §1125, sub-§12-D is enacted to read:

12-D. Purchase by vendors on behalf of a certified candidate. A vendor that is paid more than $500 by a certified candidate and uses Maine Clean Election Act funds to purchase goods or services relating to campaign advertising from a subvendor on behalf of the candidate shall provide to the candidate an accounting of all purchases made, including the date and amount of the purchases, the goods or services purchased and the name of the subvendor. The certified candidate shall itemize these purchases in the candidate's campaign finance reports according to the procedures established by the commission. For all purchases of $50 or more, the vendor shall obtain and provide to the candidate an invoice or receipt from the subvendor stating the particular goods or services purchased and a record proving that the subvendor received payment. The vendor shall return to the candidate all refunds received from subvendors.

Sec. 5. Effective date. That section of this Act that repeals and replaces the Maine Revised Statutes, Title 21-A, section 1125, subsection 7-A takes effect January 1, 2013.

SUMMARY

Under current law, all Maine Clean Election Act candidates are required to deposit seed money and Maine Clean Election Act funds in a campaign account with a bank or other financial institution. The candidates are not allowed to commingle these campaign funds with any personal funds. This bill, beginning January 1, 2013, requires a candidate seeking Maine Clean Election Act funds to file with the Commission on Governmental Ethics and Election Practices a written authorization allowing the financial institution to release to the commission account statements and other financial records held by the financial institution. If a candidate does not provide the records of the campaign account within 30 days after receiving the request from the commission during an audit or an investigation of potential

noncompliance by the candidate, the commissioner's executive director or auditor may obtain the records directly from the financial institution.

This bill also requires candidates to disclose in their campaign finance reports any refund of campaign funds received from vendors and requires Maine Clean Election Act candidates to return all refunds received after the filing of the candidate’s final report to the commission within 14 days of receiving the refund.

Finally, this bill requires a vendor that is paid more than $500 in Maine Clean Election Act funds, and that uses those funds to make purchases on behalf of the candidate relating to campaign advertising, to provide the candidate with an accounting of all purchases. The vendor is also required to keep and to provide to the candidate records of the payments made on behalf of the candidate.