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An Act To Modify the Financial Disclosure Requirements for a Governor-elect

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

Sec. 1. 1 MRSA §1051, as enacted by IB 2015, c. 1, §1, is amended to read:

§ 1051. Gubernatorial transition committee

1. Definitions. As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Commission" means the Commission on Governmental Ethics and Election Practices.

B. "Election cycle" means the period beginning on the day after the general election for any state, county or municipal office and ending on the day of the next general election for that office.

C. "Governor-elect" means the candidate for the office of Governor elected at the most recent general election.

2. Transition and inaugural activities; funding. A person may solicit and accept donations for the purpose of financing costs related to the transition to office and inauguration of a ~~new Governor~~ Governor-elect. A person who accepts donations for these purposes must establish a committee and appoint a treasurer who is responsible for keeping records of donations and for filing a financial disclosure statement required by this section. All donations received must be deposited in a separate and segregated account and may not be commingled with any contributions received by any candidate or political committee or any personal or business funds of any person. ~~An individual who has served as a treasurer of any candidate committee or political action committee in the same election cycle may not serve as treasurer of a gubernatorial transition committee.~~ All donations received by the committee must be used for expenses related to the transition to office or inauguration; any surplus funds must be disposed of pursuant to subsection 7.

3. Registration with the commission and financial disclosure statements. A committee established pursuant to this section shall register and file a financial disclosure ~~statement~~ statements with the commission as required by this subsection.

A. The committee shall register with the commission within 10 days after appointment of a treasurer. The registration must include the name and mailing addresses of the members of the committee, its treasurer and all individuals ~~who are raising~~ designated by the committee to raise funds for the committee.

B. ~~The financial~~Financial disclosure ~~statement~~statements must contain the names, addresses, occupations and employers of all donors who have given money or anything of value in a total amount exceeding \$50 to the committee, including in-kind donations of goods or services, along with the amounts and dates of the donations. ~~Donors who have given donations~~Donations with a total value of \$50 or less may be disclosed in the aggregate without itemization or other identification.

C. ~~Any outstanding loan, debt or other obligation of the committee must be disclosed as a donation~~If the committee owes a debt or loan at the end of a time period for a financial disclosure statement, the committee shall report the debt or loan. If a creditor or lender forgives a debt or loan, the committee shall disclose the forgiven debt or loan as a donation.

D. ~~The financial~~Financial disclosure ~~statement~~statements must ~~identify~~include the amounts, dates, payees and purposes of all payments made by the committee during the statement period.

E. ~~An interim financial~~Financial disclosure ~~statement~~statements must be filed by 5:00 p.m. on January 1~~st~~2nd and February 15~~th~~ following the gubernatorial election and must be complete as of 10 days prior to that date. ~~The final financial disclosure statement must be filed by 5:00 p.m. on February 15th following the gubernatorial election and must be complete as of that date~~those filing deadlines. If the committee has surplus funds or an unpaid debt or loan after the end of the statement period for the February 15th statement, the committee shall file bimonthly financial disclosure statements beginning on April 15th until it disposes of all surplus funds.

F. The treasurer shall keep a detailed and exact account of all contributions made to the committee and all expenditures made by the committee for one year following the final financial disclosure statement filed by the committee.

4. Limitation on fund-raising activity. A committee established pursuant to this section may accept donations until ~~January~~March 31st of the year following the gubernatorial election. The commission may authorize the acceptance of donations after March 31st of the year following the gubernatorial election if the committee requests such authorization in order to pay a debt or loan related to the transition to office or inauguration.

5. Prohibited donations during a legislative session. A committee established pursuant to this section may not directly or indirectly solicit or accept a donation from a lobbyist, lobbyist associate or employer during any period of time in which the Legislature is convened before final adjournment. A lobbyist, lobbyist associate or employer may not directly or indirectly give, offer or promise a donation to a committee established pursuant to this section during any period of time in which the Legislature is convened before final adjournment. For purposes of this subsection, "lobbyist" has the same meaning as in Title 3, section 312-A, subsection 10; "lobbyist associate" has the same meaning as in Title 3, section 312-A, subsection 10-A; and "employer" has the same meaning as in Title 3, section 312-A, subsection 5.

6. Anonymous donations. A committee established pursuant to this section may not accept an anonymous donation in excess of \$50.

7. Disposing of surplus funds. ~~Prior to the filing of the final financial disclosure statement under subsection 3, paragraph E, any~~Any surplus funds remaining in the committee's account must be refunded to one or more donors, donated to a charitable organization that qualifies as a tax-exempt organization under 26 United States Code, Section 501(c)(3) or remitted to the State Treasurer.

8. Rulemaking. The commission may establish by routine technical rule, adopted in accordance with Title 5, chapter 375, subchapter 2-A, forms and procedures for ensuring compliance with this section.

9. Enforcement and penalty. The commission shall administer and enforce this subchapter. A person who violates this subchapter is subject to a civil penalty not to exceed \$10,000, payable to the State and recoverable in a civil action. In assessing a civil penalty under this subsection, the commission shall consider, among other things, whether the committee made a bona fide effort to comply with the requirements of this section, whether the violation occurred as the result of an error by a vendor, consultant or other party outside the control of the committee and whether evidence is present that the committee intended to conceal or misrepresent its financial activities.

SUMMARY

The bill makes changes to the law that regulates the financial activities of a committee established to finance a Governor-elect's transition to office and inauguration.

1. It requires that the committee spend all donations received for expenses related to the transition or inauguration.

2. It changes the deadline for the first required financial disclosure statement from January 1st after the general election to January 2nd.

3. It requires the committee to disclose in a financial disclosure statement any debt or loan that remains unpaid at the end of the time period for the statement and to disclose any debt or loan that was forgiven by the creditor or lender as a contribution.

4. It requires the committee to file bimonthly reports beginning on April 15th if the committee has any surplus funds or unpaid debts or loans as of February 15th.

5. It allows a committee to receive donations until March 31st of the year following the gubernatorial election and authorizes the Commission on Governmental Ethics and Election Practices to permit fundraising after March 31st of the year following the gubernatorial election if the committee requests additional time to pay a debt or loan.

6. It directs the Commission on Governmental Ethics and Election Practices to consider several factors in deciding whether to assess a penalty for violations of the law.