



# 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

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Legislative Document

No. 1561

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H.P. 1077

House of Representatives, May 2, 2017

### An Act To Enact the Maine Citizens' Initiatives Clean Election Act

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Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative COREY of Windham.  
Cosponsored by Senator ROSEN of Hancock and  
Representatives: BICKFORD of Auburn, CASÁS of Rockport, GROHMAN of Biddeford,  
HANINGTON of Lincoln, HILLIARD of Belgrade, LONGSTAFF of Waterville, NADEAU of  
Winslow, Senator: DIAMOND of Cumberland.

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

2 **Sec. 1. 21-A MRSA c. 14-A** is enacted to read:

3 **CHAPTER 14-A**

4 **THE MAINE CITIZENS' INITIATIVES CLEAN ELECTION ACT**

5 **§1131. Short title**

6 This chapter may be known and cited as "the Maine Citizens' Initiatives Clean  
7 Election Act."

8 **§1132. Definitions**

9 As used in this chapter, unless the context otherwise indicates, the following terms  
10 have the following meanings.

11 **1. Ballot question committee.** "Ballot question committee" or "committee" means a  
12 support group, opposition group or competing measure group:

13 A. Whose principal officers are Maine citizens, as determined by the commission by  
14 rule; or

15 B. That is a nonprofit corporation organized in this State under Title 13-B.

16 **2. Certified ballot question committee.** "Certified ballot question committee" or  
17 "certified committee" means a ballot question committee that is certified by the  
18 commission under this chapter.

19 **3. Citizens' initiative ballot question.** "Citizens' initiative ballot question" or  
20 "ballot question" means:

21 A. A direct initiative of legislation presented to the voters pursuant to the  
22 Constitution of Maine, Article IV, Part Third, Section 18, subsection 2; or

23 B. A people's veto presented to the voters pursuant to the Constitution of Maine,  
24 Article IV, Part Third, Section 17.

25 **4. Commission.** "Commission" means the Commission on Governmental Ethics and  
26 Election Practices established by Title 5, section 12004-G, subsection 33.

27 **5. Competing measure.** "Competing measure" means a recommendation by the  
28 Legislature submitted to the voters as a competing measure with a citizens' initiative  
29 ballot question pursuant to the Constitution of Maine, Article IV, Part Third, Section 18,  
30 subsection 2.

31 **6. Competing measure group.** "Competing measure group" means an organization  
32 supporting a competing measure.

33 **7. Contribution.** "Contribution" has the same meaning as in section 1012,  
34 subsection 2.

1           **8. Fund.** "Fund" means the Maine Citizens' Initiatives Clean Election Fund  
2 established in section 1134.

3           **9. In-state business.** "In-state business" means a corporation, partnership or other  
4 business entity that does business in this State through an office, retail space or other  
5 place of business located in this State, as determined in accordance with rules adopted by  
6 the commission.

7           **10. Opposition group.** "Opposition group" means an organization opposing a  
8 citizens' initiative ballot question.

9           **11. Participating committee.** "Participating committee" means a committee that is  
10 seeking to become a certified committee by filing a declaration of intent with the  
11 commission pursuant to this chapter.

12           **12. Qualifying contribution.** "Qualifying contribution" means a donation:

13           A. Of \$5 in the form of a check or a money order payable to the fund and signed by  
14 the contributor in support of a committee or made over the Internet in support of a  
15 committee according to the procedure established by the commission;

16           B. Made by a registered voter within the State whose voter registration has been  
17 verified according to procedures established by the commission;

18           C. Made during the relevant qualifying period;

19           D. That the contributor acknowledges was made with the contributor's personal  
20 funds and in support of the committee and was not given in exchange for anything of  
21 value;

22           E. The committee acknowledges was obtained with the committee's knowledge and  
23 approval and that nothing of value was given in exchange for the contribution; and

24           F. In the case of a committee that is a support group, that the contributor and  
25 committee both acknowledge was not solicited or made at the same time as the  
26 committee was collecting the signature of the contributor on the support group's  
27 petition.

28           **13. Qualifying period.** "Qualifying period" means the following.

29           A. For a participating committee that is a support group, the qualifying period begins  
30 after the support group registers as a petition organization under chapter 11 but no  
31 sooner than 6 months prior to filing a petition under chapter 11 and ends 120 days  
32 after a petition has been filed under chapter 11.

33           B. For a participating committee that is an opposition group or competing measure  
34 group, the qualifying period begins upon filing a declaration of intent with the  
35 commission under this chapter to become a participating committee and ends 120  
36 days after the petition has been filed under chapter 11.

37           **14. Seed money contribution.** "Seed money contribution" means a contribution by  
38 a resident individual or an in-state business of no more than \$750 per resident individual

1 or in-state business made to a participating committee. "Seed money contribution"  
2 includes staff time contribution.

3 **15. Staff time contribution.** "Staff time contribution" means the value, as  
4 determined in accordance with rules adopted by the commission, of staff time or  
5 resources contributed to a committee promoting or opposing a citizens' initiative ballot  
6 question or a competing measure including:

7 A. Staff time spent at public or press events;

8 B. Staff time spent in direct contact with voters or potential voters;

9 C. Staff travel expenses;

10 D. Staff time or resources spent in preparation of promotional or other related written  
11 materials; and

12 E. Staff time or resources spent in research or analysis.

13 **16. Support group.** "Support group" means an organization supporting a citizens'  
14 initiative ballot question that is the registered petition organization under section 903-C.

15 **§1133. Alternative campaign financing option**

16 This chapter establishes an alternative campaign financing option available to  
17 committees. This alternative campaign financing option is available to committees for  
18 ballot questions sent to referendum in 2018 or thereafter. The commission shall  
19 administer this chapter and the fund. Nothing in this chapter exempts a committee from  
20 complying with any other applicable laws, including chapter 11.

21 **§1134. The Maine Citizens' Initiatives Clean Election Fund established; sources of**  
22 **funding**

23 The Maine Citizens' Initiatives Clean Election Fund is established to finance certified  
24 committees and to pay administrative and enforcement costs of the commission under this  
25 chapter. The fund is a nonlapsing fund and any interest generated by the fund is credited  
26 to the fund. The commission shall administer the fund.

27 **1. Sources of funding.** The following must be deposited in the fund:

28 A. All qualifying contributions submitted to the commission;

29 B. Three million dollars of the revenues from the taxes imposed under Title 36, Parts  
30 3 and 8 and credited to the General Fund, transferred to the fund by the State  
31 Controller on or before January 1st of each year, beginning January 1, 2018. These  
32 revenues must be offset in an equitable manner by an equivalent reduction in tax  
33 expenditures as defined in Title 36, section 199-A, subsection 2. This section may  
34 not affect the funds distributed to the Local Government Fund under Title 30-A,  
35 section 5681;

36 C. Revenue from a tax checkoff program under Title 36, section 5286-A allowing a  
37 resident of the State who files a tax return with the State Tax Assessor to designate  
38 that \$3 be paid into the fund. In the case of a joint return, each spouse may designate

1 that \$3 be paid. The State Tax Assessor shall report annually the amounts designated  
2 for the fund to the State Controller, who shall transfer that amount to the fund;

3 D. Seed money contributions remaining unspent after a committee has become a  
4 certified committee;

5 E. Fund revenues that remain unspent after the referendum on the ballot question;

6 F. Voluntary donations made directly to the fund; and

7 G. Fines collected under this chapter.

8 Unspent qualifying contributions received on behalf of a committee default to the fund if  
9 the petition for a ballot question fails to qualify for submission to the voters under chapter  
10 11 or if the committee is a support group and files the petition for the ballot question with  
11 the Secretary of State more than 6 months after becoming a participating committee.

12 **2. Report on fund amount; operating margin.** By January 1st of each year the  
13 commission shall provide to the Legislature and the Governor a report of its projection of  
14 the revenues collected for and expenditures from the fund for the subsequent 4-year  
15 period. The commission shall include in the report an operating margin of 20% to ensure  
16 sufficient funds in the event of higher-than-expected participation of committees under  
17 this chapter. If the report shows that the projected revenue for the subsequent 4-year  
18 period exceeds the projected expenses for that 4-year period plus the 20% operating  
19 margin, the commission shall notify the Legislature and the Governor and request that the  
20 amount of expected funding that exceeds the expected demand on the fund plus the  
21 operating margin be transferred to the General Fund. The Department of Administrative  
22 and Financial Services, Bureau of Revenue Services shall assist the commission with  
23 revenue projections required by this subsection. If at any time the commission  
24 determines that projected revenue is not sufficient to cover the projected demand for  
25 funds in the 4-year period plus the operating margin, the commission may submit  
26 legislation to request additional funding.

27 **§1135. Terms of participation**

28 For any citizens' initiative ballot question, 3 ballot question committees, including the  
29 support group and no more than one opposition group and one competing measure group,  
30 may be certified under this section. The commission by rule shall establish a process for  
31 selecting among committees in the event that more than 3 seek certification under this  
32 section.

33 **1. Declaration of intent.** A committee seeking to become a participating committee  
34 shall file a declaration of intent to seek certification as a certified committee and to  
35 comply with the requirements of this chapter. Except as otherwise provided by rule by  
36 the commission, the declaration of intent must be filed with the commission prior to the  
37 qualifying period on forms and in accordance with procedures developed by the  
38 commission. The declaration of intent must include the clearly stated mission of the  
39 committee with respect to whether it is supporting or opposing a ballot question or  
40 supporting a competing measure.

1           **2. Special limits for petition support groups.** A committee that is a support group  
2 that wishes to participate under this chapter:

3           A. May not accept contributions or make expenditures exceeding in total more than  
4 \$100,000 or accept contributions from any entity other than a resident individual or  
5 an in-state business with respect to an effort to collect signatures for the ballot  
6 question the support group will support and may not receive or accept a contribution  
7 of more than \$750 from any one resident individual or in-state business with respect  
8 to funding that effort. Staff time contributions are considered contributions under this  
9 subsection. Staff time contributions may not exceed 20% of the total contributions.  
10 The limits imposed under this paragraph are in addition to all other limits imposed  
11 under this section; and

12           B. May not support or be involved in collecting signatures for more than one ballot  
13 question.

14           **3. Contribution limits for participating committees.** Subsequent to becoming a  
15 participating committee and prior to certification, a participating committee may not  
16 accept contributions, except for seed money contributions. A participating committee  
17 may accept no more than \$100,000 in seed money contributions, including the value of  
18 staff time contributions.

19           **4. Seed money restrictions.** To be eligible for certification, a participating  
20 committee may collect and spend only seed money contributions subsequent to becoming  
21 a participating committee and prior to certification. A participating committee may not  
22 solicit, accept or collect seed money contributions after certification.

23           A. All goods and services received prior to certification must be paid for with seed  
24 money contributions, except for goods and services that are excluded from the  
25 definition of contribution in section 1012, subsection 2, paragraph B. A participating  
26 committee may not use fund revenues received after certification to pay for goods  
27 and services received prior to certification.

28           B. Prior to certification, a participating committee may obligate an amount greater  
29 than the seed money collected, but may receive only that portion of goods and  
30 services that has been paid for or will be paid for with seed money. A participating  
31 committee that has accepted contributions or made expenditures that do not comply  
32 with the seed money restrictions under this chapter may petition the commission to  
33 remain eligible for certification in accordance with rules of the commission, if the  
34 failure to comply was unintentional and does not constitute a significant infraction of  
35 these restrictions.

36           C. Upon requesting certification, a participating committee shall file a report of all  
37 seed money contributions and expenditures. If the committee is certified, any  
38 unspent seed money must be deducted from the amount distributed under subsection  
39 11 to the committee.

40           **5. Qualifying contributions.** Participating committees must obtain qualifying  
41 contributions during the qualifying period in accordance with the following requirements.

1 A. At least 2,500 verified registered voters of this State must support the committee  
2 by providing a qualifying contribution to that committee. Of these, at least 1,250  
3 must be verified registered voters in the State's First Congressional District and at  
4 least 1,250 must be verified registered voters in the State's Second Congressional  
5 District.

6 B. A payment, gift or anything of value may not be given in exchange for a  
7 qualifying contribution. A committee may pay the fee for a money order that is a  
8 qualifying contribution in the amount of \$5 as long as the donor making the  
9 qualifying contribution pays the \$5 amount reflected on the money order. Any  
10 money order fees paid by a participating committee must be paid for with seed  
11 money and reported in accordance with commission rules. A money order must be  
12 signed by the contributor to be a valid qualifying contribution.

13 C. The commission may establish by rule a procedure for a qualifying contribution to  
14 be made by a credit or debit transaction and by electronic funds transfer over the  
15 Internet. Records containing information provided by individuals who have made  
16 qualifying contributions over the Internet are confidential and may not be disclosed  
17 by the commission, except for the name of the individual making the contribution, the  
18 date of the contribution, the individual's residential address and the name of the  
19 committee in whose support the contribution was made.

20 D. A participating committee or an agent of the participating committee may not  
21 misrepresent the purpose of soliciting qualifying contributions and obtaining the  
22 contributor's signed acknowledgement.

23 **6. Filing with commission.** A participating committee must submit qualifying  
24 contributions, receipt and acknowledgement forms, proof of verification of voter  
25 registration and a seed money report to the commission during the qualifying period  
26 according to procedures developed by the commission.

27 **7. Certification of committees.** Upon receipt of a final submittal of qualifying  
28 contributions by a participating committee, the executive director of the commission shall  
29 determine whether the committee has:

30 A. Met all the requirements for participation under this chapter, including signing  
31 and filing a declaration of intent to participate under this chapter and submitting the  
32 appropriate numbers of valid qualifying contributions;

33 B. Not violated the provisions of this chapter or chapter 11; and

34 C. Not failed to pay any civil penalty assessed by the commission under this Title,  
35 except that a committee has 3 business days from the date of the request for  
36 certification to pay an outstanding penalty and remain eligible for certification.

37 The executive director shall certify a committee complying with the requirements of this  
38 section as a certified committee as soon as possible and no later than 5 business days after  
39 the committee's final submittal of qualifying contributions and other supporting  
40 documents required under this section. The executive director may take additional time if  
41 further investigation is necessary to verify compliance with this Act as long as the  
42 commission notifies the committee regarding the anticipated schedule for conclusion of

1 the investigation. A committee or other interested person may appeal the decision of the  
2 executive director to the members of the commission in accordance with section 1143.

3 **8. Restrictions on contributions and expenditures for certified committees.** A  
4 certified committee must limit the committee's campaign expenditures and obligations,  
5 including outstanding obligations, to the revenues distributed to the committee from the  
6 fund and may not accept any contributions unless specifically authorized by the  
7 commission. Certified committees may also accept and spend interest earned on fund  
8 revenues in campaign bank accounts. All revenues distributed to a certified committee  
9 from the fund must be used for the purposes of the committee's stated mission as  
10 provided in its declaration of intent. A certified committee may not provide resources,  
11 including but not limited to staff resources, funds, lists of voters, campaign materials or  
12 other resources, to any other entity supporting or opposing the citizens' initiative ballot  
13 question. The commission shall publish guidelines outlining permissible expenditures.

14 **9. Expenditures for television advertising.** A certified committee shall include  
15 closed-captioning within any television advertisement that the committee provides to a  
16 broadcasting or cable television station for broadcast to the public, except for an  
17 advertisement aired in the final 4 days before the vote on the ballot question if inclusion  
18 of closed-captioning during that period is impractical or would materially affect the  
19 timing of the committee's advertisement.

20 **10. Deposit into account; release of bank records.** A certified committee shall  
21 deposit all revenues from the fund and all seed money contributions in an account,  
22 referred to in this subsection as a "campaign account," with a bank or other financial  
23 institution. The funds must be segregated from, and may not be commingled with, any  
24 other funds.

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

31 B. The executive director of the commission or its auditor, during an audit or during  
32 an investigation authorized by the commission or the chair of the commission of  
33 potential noncompliance with the requirements of this chapter, chapter 11 or a rule of  
34 the commission, may request that a committee provide the records of a campaign  
35 account. If the committee fails to comply with the request within 30 days of  
36 receiving it, the executive director or auditor may use the authorization obtained  
37 pursuant to paragraph A to obtain the records directly from the bank or other  
38 financial institution.

39 **11. Distributions to certified committees.** Distributions from the fund to certified  
40 committees must be made as follows.

41 A. The initial distribution for the 2,500 qualifying contributions necessary to become  
42 certified is \$600,000 per committee.

1           B. For each increment of 240 additional qualifying contributions a committee  
2           collects and submits, \$50,000 may be distributed to the committee. Certified  
3           committees may collect and submit additional qualifying contributions in accordance  
4           with rules adopted by the commission. Any supplemental distributions made  
5           pursuant to this paragraph must be made within 3 business days of certification by the  
6           commission of the required number of additional qualifying contributions.

7           C. No more than \$1,000,000 may be distributed to any committee.

8           Funds may be distributed to certified committees under this subsection by any mechanism  
9           that is expeditious, ensures accountability and safeguards the integrity of the fund.

10           **12. Coordination with political committees.** A certified committee may not  
11           cooperate or coordinate with a political action committee or a noncertified committee in  
12           making expenditures, except that, in accordance with rules adopted by the commission, a  
13           certified committee may accept in-kind contributions from a political action committee or  
14           a noncertified committee.

15           **§1136. Relinquishment of certification**

16           The commission shall establish by rule procedures for return to the fund of unspent  
17           money distributed from the fund if a committee chooses to relinquish its certification. As  
18           determined appropriate by the commission, the rule may include a requirement that all  
19           funds distributed to the committee be returned to the fund.

20           **§1137. Revocation of certification**

21           **1. Revocation; standards.** The certification of a committee may be revoked at any  
22           time if the commission determines that the committee or an agent of the committee:

23           A. Did not submit the required number of valid qualifying contributions or failed to  
24           qualify as a committee for any other reason;

25           B. Submitted fraudulent qualifying contributions, including but not limited to  
26           qualifying contributions that were not made by the named contributors;

27           C. Misrepresented to a contributor the purpose of the qualifying contribution or the  
28           purpose of the contributor's signature on the receipt and acknowledgement form;

29           D. Knowingly made a false statement or material misrepresentation in any report or  
30           other document required to be filed under this chapter or chapter 11; or

31           E. Otherwise substantially violated any provision of this chapter or chapter 11.

32           **2. Process.** The determination to revoke the certification of a committee must be  
33           made by a vote of the members of the commission after an opportunity for a hearing. A  
34           committee whose certification is revoked shall return all unspent funds to the commission  
35           within 3 days of the commission's decision and may be required to return all funds  
36           distributed to the committee.

1           **§1138. Reporting; unspent revenue**

2           Notwithstanding any other provision of law, the treasurer or deputy treasurer of a  
3 participating committee or certified committee shall report any money collected, all  
4 expenditures, obligations, refunds received by that committee or agent of that committee  
5 and related activities to the commission according to procedures developed by the  
6 commission. In developing these procedures, the commission shall use existing  
7 campaign reporting procedures whenever practicable. The commission shall ensure  
8 timely public access to finance data and may use electronic means of reporting and  
9 storing information. Upon the filing of a final report, the committee shall return to the  
10 fund all unspent money received from the fund. If the committee or agent of the  
11 committee receives a refund of an expenditure made for the committee after filing the  
12 final report, the committee shall return those funds to the fund within 14 days of receiving  
13 the refund.

14           **§1139. Required records**

15           **1. Record keeping.** A certified committee shall obtain and keep:

16           A. Bank or other account statements covering the duration of the campaign;

17           B. A vendor invoice stating the particular goods or services purchased for every  
18 expenditure in excess of \$50;

19           C. A record proving that a vendor received payment for every expenditure in excess  
20 of \$50 in the form of a cancelled check, cash receipt from the vendor or bank or  
21 credit card statement identifying the vendor as the payee; and

22           D. A contemporaneous document such as an invoice, contract or timesheet that  
23 specifies in detail the services provided by a vendor who was paid in excess of \$500  
24 for providing staff or consulting services to a committee.

25           **2. Period of retention and submission.** A certified committee shall preserve  
26 records for 3 years following the committee's final finance report. The committee shall  
27 submit photocopies of the records to the commission upon its request.

28           **§1140. Audit requirements**

29           The commission shall audit the activities of certified committees to verify compliance  
30 with applicable laws and rules and the mission of a committee. Within one month of  
31 filing a declaration of intent to become a certified committee, the committee's treasurer  
32 and any other relevant staff shall meet with the staff of the commission to discuss audit  
33 standards, expenditure guidelines and record-keeping requirements.

34           **§1141. Financial report filings; liability**

35           **1. Filing.** A certified committee may enter financial transactions in an electronic  
36 reporting system or on paper forms of the commission. The treasurer of a certified  
37 committee shall file all finance reports required by this chapter and commission rules,  
38 unless the treasurer delegates the filing of reports to the deputy treasurer designated on  
39 the committee's certification.

1           **2. Responsibility and liability.** The treasurer is jointly responsible with the  
2           committee for ensuring that the campaign keeps all records required by this chapter and  
3           commission rules. If the deputy treasurer files reports for the campaign, the deputy  
4           treasurer is jointly responsible with the treasurer and the committee for ensuring that the  
5           campaign keeps all records required by this chapter and commission rules. The treasurer  
6           and, if designated, the deputy treasurer are jointly and severally liable with the committee  
7           for any penalties related to violations of this chapter or rules adopted under this chapter  
8           relating to financial record keeping and reporting.

9           **§1142. Distributions not to exceed amount in fund**

10           The commission may not distribute revenues to certified committees in excess of the  
11           total amount of money deposited in the fund. Notwithstanding any other provisions of  
12           this chapter, if the commission determines that the revenues in the fund are insufficient to  
13           meet distributions under this chapter, the commission may permit certified committees to  
14           accept and spend contributions, reduced by any seed money contributions, up to the  
15           applicable amounts set forth in this chapter according to rules adopted by the  
16           commission.

17           **§1143. Appeals**

18           **1. Appeal.** A committee that has been denied certification by the commission's  
19           executive director or an interested person who wishes to challenge a certification by the  
20           executive director may appeal the executive director's decision in accordance with the  
21           following procedures.

22           A. A challenger may appeal to the commission within 7 days of the certification  
23           decision. The appeal must be in writing and must set forth the reasons for the appeal.

24           B. Within 5 days after an appeal is properly made, the commission shall hold a  
25           hearing. The commission may extend this 5-day period in response to the request of  
26           the committee or a challenger upon a showing of good cause. The commission shall  
27           provide adequate notice of the hearing to the committee, the challenger and all other  
28           participating and certified committees opposing or supporting the same ballot  
29           question or supporting a competing measure to the same ballot question.

30           C. The challenger has the burden of proving that the certification decision was in  
31           error as a matter of law or was based on factual error.

32           D. The commission must rule on the appeal within 5 business days after the  
33           completion of the hearing.

34           E. An appeal from a decision of the commission under paragraph D may be made to  
35           Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure  
36           except that that appeal must be made within 5 days of the date of the commission's  
37           decision and the court shall issue its written decision within 20 days of the date of the  
38           commission's decision. An appeal of the decision of the Superior Court may be made  
39           by filing a notice of appeal to the Law Court within 3 days of that decision. The  
40           record on appeal must be transmitted to the Law Court within 3 days after the notice  
41           of appeal is filed. After filing the notice of appeal, the parties have 4 days to file  
42           briefs and appendices with the clerk of the court. The court shall consider the case as

1           soon as possible after the record and briefs have been filed and shall issue its decision  
2           within 14 days of the decision of the Superior Court.

3           **2. Return of funds; costs.** A committee whose certification is revoked on appeal  
4           must return to the commission any unspent revenues distributed from the fund. If the  
5           commission or court finds that an appeal was made frivolously or to cause delay or  
6           hardship, the commission or court may require the moving party to pay costs of the  
7           commission, court and opposing parties, if any.

8           **§1144. Commission to adopt rules**

9           The commission shall adopt rules to implement this chapter. Rules adopted pursuant  
10           to this chapter are major substantive rules as defined in Title 5, chapter 375, subchapter  
11           2-A.

12           **§1145. Violations**

13           **1. Civil fine.** In addition to any other penalties that may be applicable, a person or  
14           committee that violates any provision of this chapter or rules of the commission adopted  
15           pursuant to this chapter is subject to an administrative fine not to exceed \$10,000 per  
16           violation payable to the fund. In addition to any fine, for good cause shown, a committee,  
17           treasurer, consultant or other agent of the committee found in violation of this chapter or  
18           rules of the commission may be required to return to the fund all amounts distributed to  
19           the committee from the fund or any funds not expended. If the commission, after notice  
20           and hearing, makes a determination that a violation of this chapter or rules of the  
21           commission has occurred, the commission shall assess a fine or transmit the finding to the  
22           Attorney General for prosecution under subsection 2. A final determination by the  
23           commission may be appealed to Superior Court in accordance with Title 5, chapter 375,  
24           subchapter 7 and the Maine Rules of Civil Procedure, Rule 80C. Fines assessed or orders  
25           for return of funds issued by the commission pursuant to this subsection that are not paid  
26           in full within 30 days after issuance of a notice of the final determination may be  
27           enforced in accordance with section 1004-B. Fines paid under this section must be  
28           deposited in the fund. In determining whether or not a committee is in violation of the  
29           expenditure limits of this chapter, the commission may consider as a mitigating factor any  
30           circumstances out of the committee's control.

31           **2. Class E crime.** A person who intentionally or knowingly violates this chapter or  
32           rules of the commission adopted pursuant to this chapter or who intentionally or  
33           knowingly makes a false statement in any report required by this chapter commits a Class  
34           E crime and the committee for whom the person was acting may be required to return to  
35           the fund all amounts distributed to the committee.

36           **§1146. Study report**

37           By March 15, 2019 and every 4 years after that date, the commission shall prepare for  
38           the joint standing committee of the Legislature having jurisdiction over legal affairs a  
39           report documenting, evaluating and making recommendations relating to the fund and the  
40           administration, implementation and enforcement of this chapter.

41           **Sec. 2. 36 MRSA §5286-A** is enacted to read:

1 **§5286-A. Contribution to Maine Citizens' Initiatives Clean Election Fund;**  
2 **voluntary checkoff**

3 **1. Designation.** Resident taxpayers may designate that \$3 of their taxes be deposited  
4 in the Maine Citizens' Initiatives Clean Election Fund in accordance with Title 21-A,  
5 section 1134.

6 **2. Forms.** The State Tax Assessor shall provide on the first page of the income tax  
7 form a space for the filing individual to indicate whether that filer wishes to pay \$3, or \$6  
8 if filing a joint return, from the General Fund of the State to finance the Maine Citizens'  
9 Initiatives Clean Election Fund.

10 **3. Transfer of funds.** The State Tax Assessor shall transfer funds from the General  
11 Fund in accordance with Title 21-A, section 1134.

12 **SUMMARY**

13 This bill establishes the Maine Citizens' Initiatives Clean Election Act. It provides a  
14 public financing mechanism for committees that are Maine-chartered nonprofits or  
15 groups whose principal officers are Maine citizens and are formed to support or oppose a  
16 citizens' initiative ballot question or a people's veto or to support a competing measure to  
17 a citizens' initiative ballot question. The funding process is similar to that provided for  
18 clean election candidates under the Maine Revised Statutes, Title 21-A, chapter 14. It  
19 provides for limits on the amount of funds that committees seeking public funding may  
20 raise and spend prior to qualifying for public funding and the amount of qualifying  
21 contributions that a committee must raise to be certified to receive public funding, and it  
22 establishes the amounts that certified committees may receive. It also establishes  
23 procedures governing financial reporting and accounting, appeals of decisions, penalties  
24 for violations and other procedural matters to ensure the integrity of the process. In  
25 addition to other available funds, including qualifying contributions raised by committees  
26 and voluntary contributions through a tax checkoff program, funding for certified  
27 committees is provided by an annual appropriation of \$3,000,000.