



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

To: Chairs, Joint Standing Committee on Veterans and Legal Affairs (VLA)
From: Jonathan Wayne, Executive Director
Date: June 1, 2023
Re: Additional Information – LD 1590

Thank you for updating me on some of the concerns the VLA Committee has been receiving concerning LD 1590. You requested that the Commission staff review the committee amendment distributed on May 25, 2023 and outline any areas that might need more consideration.

Thresholds. Under the proposed amendment, if a contributor gives a PAC, party committee, or ballot question committee more than \$10,000 that includes “pass-through funds,” the contributor must identify to the recipient committee “the sources of all funds included in the contribution and the amounts from each source” The committee receiving the contribution would disclose those original sources in its next campaign finance report. The Commission believes the Legislature may wish to consider a monetary threshold for the required disclosure of these original sources. This could reduce the administrative burden of reporting small donors and could strengthen the law in the event of a constitutional challenge.

Potential for constitutional challenge. If LD 1590 were enacted, Maine would be the third state adopting this type of reporting requirement. Lawsuits have been filed challenging similar laws in both Arizona and Alaska. The Commission staff has briefly conferred with our counsel and we believe the State of Maine needs more time to consider constitutional issues raised by LD 1590 as currently proposed.

Effective date. We would suggest an effective date of July 1, 2025 to provide the Commission with additional time to incorporate the new reporting requirements into our electronic filing system.

Other policy issues. There are other issues that may need additional consideration, for example, the prospect that a PAC would not be able to compliantly use a contribution to influence Maine elections if the source of that contribution is unable to verify the original

sources of the funds. Also, we believe the proposed changes to the top-three donor disclosure in communications to voters need to be critically considered to make sure they are as clear as they can be and provide the most meaningful information to Maine voters.

The Commission staff is aware that the VLA committee is benefitting from hearing multiple perspectives on LD 1590 and we are not looking to take on an enlarged role in influencing any future amendments. If the committee would like department staff to offer specific suggestions about policy or language, we can try to pull it off in the next 7-10 days but a longer period would afford us more time to confer with our counsel, reform advocates, and some of the PACs and other committees that would be affected by LD 1590. Thank you.