



TO: The Honorable Craig Hickman
The Honorable Laura Supica, Co-Chairs
Members of the Joint Standing Committee on Veterans and Legal Affairs

DATE: January 11, 2024

RE: LD 833 Sponsor's Amendment

Senator Hickman, Representative Supica, and members of the Joint Standing Committee on Veterans and Legal Affairs.

Maine Citizens for Clean Elections is submitting this supplemental testimony to express our qualified support for the sponsor's amendment on LD 833, An Act to Prohibit Persons Who Donate to Governor's Transition Committee and Inaugural Committee from Registering as Lobbyists. In short, we support restricting donations to the inaugural committee to the same amounts and entities as campaign contributions, but we are concerned about inadvertently starving the gubernatorial transition team of funding and harming the governor's ability to govern effectively on Day 1. For that reason, we believe another approach is required for transition expenses: the gubernatorial transition should be a publicly funded process, with an allocation sufficient to the need.

While good arguments can be made to use public funds for both the transition and inaugural expenses, restricting contributions to the inaugural committee is a common-sense way to reduce undue influence and its appearance. Donations from corporations and individuals of more than \$10,000 are a common feature of recent inaugural committees.¹ These large donations to the transition or inaugural committee of a governor-elect may be perceived as a move to incur favoritism from the new administration. Smaller, limited donations may provide a good way for Mainers to contribute to and participate in a celebratory occasion.

However, we are concerned that the amendment as written would also place these restrictions on the gubernatorial transition. Having a smooth transition IS a matter of critical public interest in ensuring that the incoming governor will be prepared to run the state on Day 1. The current system, where this transition is funded through these unlimited contributions, strikes us as a poor look for a vital public function. Even worse, however, would be starving the transition of the necessary funds to run at all. We strongly suggest the committee designate the transition as a publicly funded process, and that no private funds may be raised for it. In 2018, the transition committee spent approximately \$30,000; this may not

¹ Maine Ethics Commission, 2018: https://www.maine.gov/ethics/mills_transition 2022: <https://www.maine.gov/ethics/Public-Official>

reflect the true total cost of a transition but may be a starting point for considering what a public allocation could be.² We believe that reforming the inaugural contribution laws is important and that it serves the public interest to reduce the amount of money being raised from private contributors to fund it. But we believe it is even more important to ensure the transition is adequately funded, and that funding should be a priority in the state budget in order to ensure a smooth and orderly transition between administrations.

When the committee held its work sessions on this bill, we were extremely heartened by the broad committee consensus that the current process allows excessively large contributions into the inaugural process. We see this amendment as a promising step towards addressing an underexplored area of potential big money influence. However, we think it is vitally important that the committee be careful not to undermine key public transition functions in the process of pursuing this reform. We urge you to consider these factors as you consider this amendment.

² In the 2018 Transition Committee reports, the Transition Committee spent approximately \$42,000 dollars, however \$12,000 of that was a transfer to the Inaugural Committee. Additionally, some salaries were split evenly between the Inaugural Committee and Transition Committee in a way that may not be feasible if the transition were publicly funded.