

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

Testimony of Jonathan Wayne, Executive Director of the Commission on Governmental Ethics and Election Practices before the Joint Standing Committee on Veterans and Legal Affairs April 30, 2025

Senator Hickman, Representative Supica, and distinguished members of the committee: my name is Jonathan Wayne, and I am the Executive Director of the Maine Ethics Commission. Thank you for the opportunity to testify concerning **L.D. 1787**.

Background. The Commission pays public campaign funds to candidates from a special revenue account, the Maine Clean Election Fund. Revenue to that account comes from several sources, including an annual transfer of \$3 million from the General Fund. Other sources of revenue include: the deposit of \$5 qualifying contributions, money that taxpayers check off on their Form 1040ME tax returns, and interest earned. Under the design of the program, a balance builds up in the Maine Clean Election Fund over time. Campaign funds are paid to legislative candidates every two years and gubernatorial candidates every four years.

In recent fiscal reports to the Legislature, the Commission has raised a longterm concern. The total cost of payments to legislative candidates increased in 2018, 2020, and 2022. If the trend continues, it could result in less revenue available to pay for the other costs of the Maine Clean Election Act program (gubernatorial candidates, personnel and administrative costs). The Commission has also warned of a short-term concern for the 2026 elections. Depending on how many candidates for Governor and the Legislature choose to participate in the Maine Clean Election Act program for the 2026 elections, there is a possibility of a temporary shortfall in the Maine Clean Election Fund during 2026.

Increased Revenue in L.D. 1787. Section 8 of L.D. 1787 proposes to increase the annual transfer from the General Fund to the Maine Clean Election Fund from \$3,000,000 to \$3,500,000.

Short-term impact of increased revenue. If L.D. 1787 were enacted, section 8 of the bill would provide the Maine Clean Election Fund with \$500,000 in additional revenue on January 1, 2026 that could help fund payments to both legislative and gubernatorial candidates in the 2026 elections. While this would be meaningful, it would not eliminate the risk of a shortfall in 2026. The Commission continues to believe it would be prudent for the Legislature to enact language in the FY 2026 and 2027 budget bill that would change the timing of one \$3 million transfer from 1/1/2027 to 7/1/2026.¹

Long-term impact. If L.D. 1787 were enacted, the revenue to the Maine Clean Election Fund would be increased by \$500,000 annually. Over time, this would replenish the balance in the Maine Clean Election Fund more quickly than under current law, assist the Fund in making required payments to candidates, and reduce the risk of shortfalls. Thank you for your consideration of this testimony

¹ On February 27, 2025, the Ethics Commission recommended the following language to the Joint Standing Committees on Appropriations and Financial Affairs and Veterans and Legal Affairs:

Sec. xxx-x. Commission on Governmental Ethics and Election Practices, Maine Clean Election Act program, Transfer to Maine Clean Election Fund. Notwithstanding the Maine Revised Statutes, Title 21-A, section 1124, subsection 2, paragraph B, the State Controller shall transfer \$3,000,000, currently authorized to be transferred on or before January 1, 2027, from the General Fund to the Maine Clean Election Fund on or before July 1, 2026.