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**Testimony of Representative Nicole Grohoski
In Support of LD 1442, *An Act Regarding Publicly Financed Legislative
Candidates in Competitive Primaries***

**Before the Committee on Veterans and Legal Affairs
26 April 2021**

Good morning Senator Luchini, Representative Caiazzo and honorable members of the Committee on Veterans and Legal Affairs. I am Nicole Grohoski, and I represent the communities of Ellsworth and Trenton in the Maine House. I appreciate the opportunity to speak in support of LD 1442, *An Act Regarding Publicly Financed Legislative Candidates in Competitive Primaries*.

Background:

The Maine Clean Elections Act (MCEA) “establishes an alternative campaign financing option available to candidates running for Governor, State Senator and State Representative” (per Title 21-A, Chapter 14). This financing option was first approved by a majority of Maine voters in 1995 and then strengthened by voters at the ballot box in 2015. The program has been utilized by candidates of each major party as well as independents, who receive small dollar donations from registered voters across the political spectrum. Maine people recognize the value of limiting the influence of big donors on their elected officials.

Problem Statement:

To qualify for the program, candidates must submit a specific number of \$5 contributions from verified registered voters in their electoral division. The 2015 ballot measure established dollar amounts that MCEA-qualified candidates receive if they face a challenger in their primary election. For the Governor’s race, the “initial distribution” in statute is \$400,000; for Senate races, \$10,000; and for House races, \$2,500. Additionally, a gubernatorial candidate can qualify for “supplemental distributions” to support their primary efforts if they submit additional \$5 contributions. Senate and House candidates, however, were not given such an option in statute.

Many Senate and House candidates in contested primaries opt not to use the MCEA program, because they are concerned they cannot mount an effective campaign with only the initial distribution dollars. For many candidates that I've spoken with, this is a hard choice, because they support the spirit of the voter-approved MCEA financing option. Some who have opted into MCEA financing have found themselves significantly outspent; in at least one 2020 House race, 4 to 1, and one 2020 Senate race, 6 to 1. Money isn't the only factor at play in an election, but it certainly can help get one's name out there.

Proposed Solution:

To be clear, I am not a person who has ever or is likely to ever face a competitive primary, which is why I am proposing this legislation. It will benefit me in no way, but would benefit other candidates and the Maine people who want to support them via the MCEA program.

This bill creates “supplemental distributions” for Senate and House candidates with contested primary elections that are exactly proportional to how our current statute finances all three levels of races in contested general elections. For those interested, below is a chart of the **current** (statute) and *proposed* (legislation) dollar amounts and necessary \$5 contributions to achieve them for MCEA-qualified candidates in contested primaries. The proposed total maximum amount for a contested Senate or House primary falls within the range of recent expenditures I reviewed while considering if this solution was reasonable.

Race	Initial Distribution	Supplemental Distribution	Additional Qualifying Contributions	Maximum # Distributions	Total Maximum \$ Amount
Governor	\$400,000	\$150,000	800	4	\$1,000,000
Senator	\$10,000	<i>\$4,285</i>	<i>30</i>	<i>4</i>	<i>\$27,140</i>
Representative	\$2,500	<i>\$1,070</i>	<i>10</i>	<i>4</i>	<i>\$6,780</i>

Here is a similar chart, but for contested general elections:

Race	Initial Distribution	Supplemental Distribution	Additional Qualifying Contributions	Maximum # Distributions	Total Maximum \$ Amount
Governor	\$600,000	\$175,000	1,200	8	\$2,000,000
Senator	\$20,000	\$5,000	45	8 (- primary #)	\$60,000
Representative	\$5,000	\$1,250	15	8 (- primary #)	\$15,000

Where my legislation differs from the gubernatorial precedent in statute is that Senate and House candidates would remain capped at a total of eight supplemental distributions during the election cycle. If they faced both competitive primary and general elections, they could opt to shift as many as four supplemental distributions to help finance their primary. The result: a candidate could decide how to most effectively use the same amount of funding over the course of the election season. Thus, this legislation fixes a problem without increasing the cost of the MCEA program. Certainly, more candidates might choose the MCEA program with this problem fixed, but it is my understanding that the program is funded to accommodate the variation of candidates who opt in or out each year.

Amendments

Your clerk ably helped me to fix some drafting errors, resulting in the amendment circulated in advance of the hearing. There are two other changes that are likely necessary:

1. The actual dollar amounts for the initial and supplemental distributions were set in 2015 and are adjusted by the Ethics Commission on even-numbered years, based on the consumer price index (subsection 8-F). Thus, the values are now higher than what is written in statute. If we adjust and add new values in 2021, that resets the CPI adjustment “clock.” The easiest fix seems to be updating all of the values in subsections 8-B to 8D (the only values affected by the CPI increase) to current amounts.
2. The Ethics Commission has expressed concern that the timing of reviewing submissions from Senate and House candidates for MCEA qualification (April 20th deadline) could overlap with the requirement to review additional qualifying contributions for primary payments. I think there are a few possible ways to spread out the workload during this busy time of year and appreciate that Ethics Commission Director, Jonathan Wayne, has indicated in his testimony that he will consider workable options with his staff and share those soon.

Thank you for considering reforming one aspect of our voter-supported clean elections program. I would be happy to answer any questions.