



Minutes of the October 29, 2021 Meeting of the
Commission on Governmental Ethics and Election Practices
45 Memorial Circle, Augusta, Maine

Present: William A. Lee III, Esq., Chair; Sarah LeClaire, Esq.; Dennis R. Marble; and William J. Schneider, Esq. David R. Hastings, Esq., participated via Zoom.

Staff: Jonathan Wayne, Executive Director; and Jonathan R. Bolton, Assistant Attorney General
Commissioner Lee convened the meeting at 9:30 a.m. The meeting was livestreamed via YouTube.
The Commission considered the following items:

1. Ratification of the Minutes of the September 29 and October 15, 2021 Meetings

Mr. Lee moved to adopt the minutes as modified and presented. Mr. Marble seconded the motion.
Motion passed 5-0.

2. Request for Waiver of Late-Filing Penalty – Protect Maine Elections PAC

Mr. Wayne said Protect Maine Elections is a new political action committee (PAC) that registered with the Commission on September 9, 2021. The PAC was required to file its Initial Report on September 16 but filed it on September 17, six hours late. The PAC had entered its contributions and expenditures into the system but experienced a problem filing the report. The preliminary penalty is \$1,004; the Commission staff recommended reducing the penalty to \$750.

Rep. Kyle Bailey, decision maker and campaign manager for the PAC, appeared before the Commission via Zoom and explained he attempted to file the report using his iPad but experienced technical difficulties, and took responsibility for the late filing.

The Commissioners discussed that the amount of time a report is late is not relevant because it is part of the calculation of the preliminary penalty.

Mr. Lee moved that Protect Maine Elections be fined \$750 for filing a late report. Mr. Schneider seconded the motion. Motion passed 5-0.

3. Request for Waiver of Late-Filing Penalty – Dirigo Partners

Mr. Ben Grant, a lobbying associate of Dirigo Partners contacted the Commission to report that he had misunderstood the lobbyist reporting requirements and had incorrectly filed six lobbying reports from February to July. The preliminary penalty is \$2,500; the Commission staff recommended reducing the penalty to \$300.

Mr. Grant, Director of Public Affairs for Dirigo Partners, appeared before the Commission. He explained that he started preparing and submitting the lobbying reports for the firm in January; he did not have any prior experience with lobbyist reporting. He thought the lobbyist short form report is used if a lobbyist did not exceed eight hours of lobbying during the month, but realized this was a mistake in August when he was researching something on the Commission's website, which prompted him to immediately contact the Commission staff and correct the reports.

The Commissioners thanked Mr. Grant for his initiative in notifying staff about this mistake and considered reducing the penalty.

Mr. Lee moved that the penalty for the late filing of the lobbyist reports by Dirigo Partners be reduced from the statutorily calculated penalty of \$2,500 to \$150. Mr. Schneider seconded the motion. Motion passed 5-0.

4. Request for Waiver of Late-Filing Penalty – Robyn Stanicki

Mr. Wayne presented that Robyn Stanicki was a candidate in the July 2020 primary election. She did not win but because she had over \$100 remaining in her campaign account was required to file ongoing reports. Ms. Stanicki timely filed the January Semiannual report but filed the July Semiannual report 57 days late. Ms. Stanicki requested a waiver due to health and family issues. The preliminary penalty is \$632.75; the Commission staff recommended reducing the penalty to \$250.

Ms. Stanicki appeared before the Commission via Zoom and said she did not know she had to file the report until she received a call from the Commission staff. She said during the reporting period, she had been hospitalized four times, had a major problem with her child's school, moved, and took on a second job. She did not believe she had over \$100 in her campaign account because she had returned a contribution; but did not know the contributor had never cashed the check. She said it took some time to figure out why the balance was so high and during that time, and she had two subscriptions that automatically renewed because there was enough money left in her campaign account to cover the renewals. She believed it was better to file a correct report late rather than file an incorrect report on time.

The Commissioners discussed Ms. Stanicki's inexperience, the reasons for her late filing, the number of contacts to get her to file the report, and the lateness of the report.

Mr. Lee moved to reduce the late-filing penalty for Robyn Stanicki to \$250. Mr. Schneider seconded the motion. Motion passed 5-0.

5. Request for Waiver of Late-Filing Penalty – Mary-Anne LaMarre

Request withdrawn.

6. Completion of Audits of 2020 Maine Clean Election Act Candidates (MCEA)

Ms. Jennifer Connors from the accounting firm Runyon Kersteen Ouellette appeared before the Commission via Zoom to provide an overview of the 2020 audits of 40 candidates. The fourth finding was an under-reported expenditure and two unreported expenditures. She found this year's results comparable to the 2016 and 2018 cycles, and noted three trends for the Commission: (1) some candidates believed that entering into an obligation to spend MCEA funds did not require to be reported until either payment was made or services rendered; (2) some candidates were unaware that MCEA funds may not be used to reimburse mileage incurred prior to certification; and (3) some candidates did not report expenditures based on when the transaction occurred, which resulted in the expenditure being reported in the wrong campaign finance report.

These trends prompted two recommendations from the auditors: (1) The Commission consider revising the requirements for reporting unpaid obligations, either by extending the reporting timeframe or revising the types of expenditures that are required to be reported as unpaid obligations; and (2) The Commission consider revising the guidance for candidates to explicitly explain that mileage from the seed money reporting period can only be reimbursed with seed money contributions.

The Commissioners discussed the trends and recommendations with Mr. Wayne who said the Candidate Registrars planned to do a targeted outreach during the next election on these issues. He said the unpaid obligation reporting is an ongoing problem the staff was monitoring. If it became severe enough, the Commission could consider a rule or statute change.

Adjournment

Mr. Lee made a motion, seconded by Mr. Schneider, to adjourn. The motion passed. The meeting adjourned at 10:50 a.m.

Respectfully submitted,
/s/ Jonathan Wayne
Jonathan Wayne, Executive Director