



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

Commission Meeting 05/26/2021  
Agenda Item #2

To: Commission  
From: Michael Dunn, Esq., Political Committee and Lobbyist Registrar  
Date: May 18, 2021  
Re: Request for Investigation of Sanford Democrats

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On February 17, 2021, the Maine Commission on Governmental Ethics and Election Practices (the “Commission”) received a request for an investigation (the “Complaint”) from the Sanford Republican Committee alleging that the Sanford Democratic Committee failed to file campaign finance reports since 2006. The Complaint alleges that the Sanford Democrats have rented or were provided office space at 911 Main St., Sanford during the 2020 election and that the value of that space would have exceeded the \$1,500 threshold to require the Sanford Democrats to file campaign finance reports. The Complaint goes on to indicate that in 2016, 2012, and 2008, the Sandford Democratic Committee operating out of a space at 463 Main St., Springvale, and at 763 Main St., Sanford. The Sanford Republicans request that the Commission conduct an investigation into the unfiled campaign finance reports.

The Sanford Democratic Committee submitted its response, dated March 10, 2021. The Sanford Democratic Committee indicates that they were not the leasee for any of the offices. On April 6, 2021, Commission staff spoke with Mr. Joseph Hanslip and Ms. Rachel Sherman, the Treasurer and Chair of the Sanford Democratic Committee. The officers indicated that the committee has not raised or spent over \$1,500 since 2006. The Sanford Democratic Committee does not use the office the space for its own purposes; the office space (911 Main Street) is rented from the Garmour Realty Group by the Maine State Democratic Committee to support its federal campaigns. The Sanford Democrats indicate that they would go to the office space at the request of candidates to assist in various activities (preparing mass mailings, putting up campaign signs, *etc.*), but that they did not personally use the office.

The Commission staff recommends that the Commission decline to investigate the Sanford Democratic Committee. For the reasons stated below, the Complaint has not shown sufficient grounds for believing that a violation may have occurred.

## **LEGAL REQUIREMENTS**

### The Standard for Opening a Requested Investigation.

The Election Law authorizes the Commission to receive requests for investigation and to conduct an investigation “if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred.”

A person may apply in writing to the commission requesting an investigation as described in subsection 1. The commission shall review the application and shall make the investigation if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred.

21-A M.R.S. § 1003(2).

Contribution, defined. A contribution includes a gift, subscription, loan, advance or deposit of money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office or for the purpose of liquidating any campaign deficit of a candidate. 21-A M.R.S. § 1012(2)(A)(1). A contribution does not include the use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider. 21-A M.R.S. § 1012(2)(B)(9).

Report Exemptions. A party committee that receives and spends less than \$1,500 in one calendar year is exempt from the reporting requirements for that year. 21-A M.R.S. § 1017-A(7).

## **DISCUSSION AND STAFF RECOMMENDATION**

Commission staff recommends that the Commission decline to investigate the Sanford Democratic Committee because the Sanford Republican Committee has failed to show sufficient grounds for believing that a violation may have occurred. 21-A M.R.S. § 1003(2). Once a local party committee raises or spends more than \$1,500, they are

required to file up to three regular campaign finance reports, depending on when the committee exceeded \$1,500 in activity. 21-A M.R.S. § 1017-A(7); ETH. 10. For instance, if a committee exceeded \$1,500 in activity on July 2<sup>nd</sup> in an election year, then the committee would be required to file the 11-Day Pre-General and the January Semi-Annual, while being exempt from the July Semi-Annual for that year. Id. In that case, the 11-Day Pre-General Report would cover January 1<sup>st</sup> through its regular end date in October. Id. Accordingly, the Commission must consider whether the Sanford Democrats either (1) spent more than \$1,500 or (2) raised more than \$1,500.

The Maine Democratic Party has indicated that the 911 Main St. Sanford office was rented by them to coordinate campaigns for federal office. The State Party Committee disclosed its rent as operational expenditures on its Federal Election Commission filings<sup>1</sup>. ETH. 7-9. The Democratic Party has also provided staff with the lease agreement for the office space<sup>2</sup>. Accordingly, the expense for the office is properly attributed to the Maine Democratic Party and not the Sanford Democrats.

The use of the space also cannot be attributed to the Sanford Democrats as an in-kind contribution. Mr. Hanslip and Ms. Sherman have indicated that they do not use the office space for the committee. If a candidate or another group indicates that they need help, such as with preparing mailings, some members of the Sanford Democrats will go to the office to assist, but they do not use the office for their own purposes. Additionally, one exception to the definition of a contribution is that the use of office space and office equipment is not a contribution if it does not result in an additional cost to the provider. 21-A M.R.S. § 1012(2)(B)(9). Here, there is no indication that there was an additional cost incurred by the Maine Democrats by the Sanford Democrats. For these reasons, the use of the office space at 911 Main St., does not constitute an in-kind contribution to the Sanford Democrats.

Mr. Hanslip and Ms. Sherman have also indicated that the Sanford Democrats are a very inactive committee. They have not raised funds in 2020 and spent under \$500 to support

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<sup>1</sup> Commission staff does not doubt that this space was also made available to candidates for state and local offices. The strong nexus to the federal campaigns; however, would likely preempt state reporting requirements as to the Maine State Democrats.

<sup>2</sup> Staff has omitted this from the materials because the contractual terms have limited evidentiary value for the Commission and there is a confidentiality concern with the lease.

the Democratic Caucus. The officers have indicated that this level of activity has been consistent over the past several years.

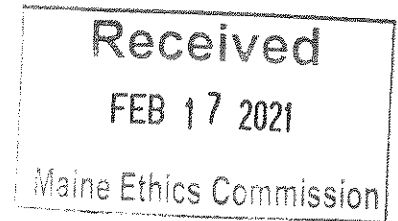
Based on the foregoing information, it is the recommendation of Commission staff that the Commission decline to investigate the Sanford Democratic Committee. The Sanford Republicans have failed to show sufficient grounds to believe that a violation has occurred in the 2020 election. For the previous elections and offices cited in the complaint, it is reasonable to infer that a similar set of facts occurred at the time and would likewise fail to meet this standard. The Commission could instruct staff to review the circumstances of the Sanford Democrats pre-2020 activity, but it would be a drain on the Commission's resources, be more difficult to obtain older information, and is unlikely to uncover a violation.

Thank you for your attention to this matter.



Sanford Republican Committee  
Sanford, Maine

James M. Deyermund, Chair  
Bradford Littlefield, Vice-Chair  
Vickie Gamache, Secretary  
Donna Flanagan, Treasurer



9 February, 2021

Maine Ethics Commission  
135 State House Station  
Augusta, Maine 04333  
Attn: Michael Dunn

Dear Mr. Dunn,

The Sanford Maine Republican Committee executive board is respectfully requesting that the Maine Ethics Commission open an investigation into the conduct of the Sanford Maine Democratic Committee and specifically their failure to submit required reports pertaining to campaign funds since 2006.

As required by state law, local party committees of the Democratic, Republican, and Green Independent parties must file campaign finance reports with the Ethics Commission according to strict deadlines. Party committees that raise and spend more than \$1,500 in a calendar year are required to meet mandated campaign finance reporting deadlines.

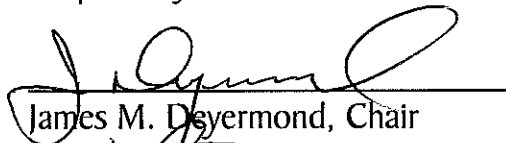
During the 2020 national elections, the Sanford Democratic Committee operated a headquarters operation for local, state and national election campaigns located at 911 Main Street in Sanford. This facility was a privately owned commercial property that was offered to the Sanford Democratic Committee at no charge. The property involved would normally be rented out at well over \$1500.00 per month as a business rental and therefore should have been listed as an "In-Kind" contribution to the Sanford Democratic Committee. This contribution should have generated a Maine Ethics Commission Campaign Finance Report since

the property value exceeds the \$1500.00 benchmark figure which would trigger a mandated filing.


During the 2016, 2012 and 2008 national elections, the Sanford Democratic Committee operated campaign headquarters operations for local, state and national election campaigns at 463 Main Street in Springvale, Maine, at 763 Main Street in Sanford. These privately owned commercial properties were offered to the Sanford Democratic Committee at no charge. These properties would normally be rented out at over \$1500.00 per month as a business rental and therefore should have been listed as an "In-Kind" contribution to the Sanford Democratic Committee. These contributions should have generated Maine Ethics Commission Campaign Finance Reports since the property value exceeds the \$1500.00 benchmark figure which would trigger a mandated filing.

It should be obvious to even the casual observer, that the Sanford Democratic Committee has failed through either act or omission to meet the basic spirit of Maine's Campaign Finance and Ethics laws. Their committee is and was made up of numerous state and local elected officials who in the past have either been involved with crafting the Maine ethics laws or have run afoul of them and should have known better.

Respectfully submitted,

  
James M. Deyermund, Chair

  
Bradley Littlefield, Vice-Chair

  
Vickie Gamache, Secretary

  
Donna Flanagan, Treasurer



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

February 23, 2021

Rachel Sherman, Chair  
Sanford Democrats Committee  
PO Box 571  
Alfred, ME 04002

Joseph Hanslip, Treasurer  
Sanford Democrats Committee  
PO Box 191  
Sanford, ME 04073

Re: Complaint against Sanford Democrats Political Committee

Dear Ms. Sherman & Mr. Hanslip:

The Maine Commission on Governmental Ethics and Election Practices received the enclosed request for investigation from the Sanford Republican Political Committee. The Complaint alleges that the Sanford Maine Democratic Committee were required to file campaign finance reports with the Commission and failed to meet those reporting deadlines. Specifically, the Complaint alleges that during the 2020 election, your committee had a headquarters provided to you at 911 Main Street in Sanford at no cost to the committee. This property would normally be rented out "at well over \$1,500 per month" and should have been listed as an in-kind contribution (non-monetary donations). The Complaint goes on to allege that similar contributions were made in 2016, 2012, and 2008 with a 463 Main Street address.

The purpose of this letter to provide you an opportunity to respond to this complaint and to provide any factual information or legal arguments that you believe are relevant.

### **Commission's Decision Whether to Investigate**

The Commission will plan on considering this matter at its next public meeting on March 30, 2021. The Commission staff recommends that you attend the meeting to respond to the request for investigation and to answer any questions from the Commissioners. The meeting will begin at 9:00 a.m. and will take place via a publicly streamed Zoom call.

### **Relevant Law**

Standard for Initiating an Investigation. The Commission is required to review every request to investigate an alleged violation of campaign finance law and to conduct an "investigation if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred." 21-A M.R.S. § 1003(2).

Exemption from filing reports. Any party committee receiving and expending less than \$1,500 in one calendar year is exempt from the reporting requirements for that year. 21-A M.R.S. § 1017(7). Otherwise, a committee is required to file the next regularly scheduled report after receiving or spending more than \$1,500 in the calendar year and all subsequent reports for that year. § 1017(4-B).

Contributions. A contribution means:

A gift, subscription, loan, advance or deposit of money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office and that does not meet any of the listed exceptions. 21-A M.R.S. 1012(2). I have enclosed the complete definition of Contribution for your reference.

Office use Exception.

The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider is not a contribution to a committee. 21-A M.R.S. § 1012(2)(B)(9).

Expenditures. The term “expenditure” means:

A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included. 21-A M.R.S. § 1012(3). I have also enclosed the complete definition of Expenditure for your reference.

### **Request for Response**

Please submit a written response to the request for investigation by Friday, March 12, 2021. You are welcome to submit any factual information or legal argument you believe is relevant to the Commission’s decision whether to investigate. In addition, the Commission staff recommends addressing the following points:

- Did the committee use office space at 911 Main Street in Sanford during the 2020 election? If so, please describe the arrangement for the use of that space. Please indicate whether you made any payments for use of the space and the start and end date of your use of that space.



Sanford Democrats Political Committee

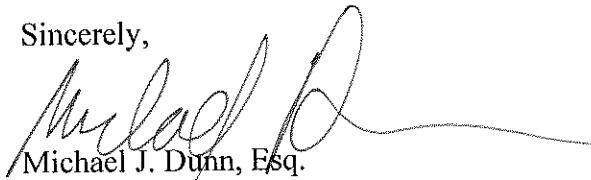
Page 3

February 23, 2021

- During 2020 what was the total value of monetary contributions that were received by the committee? What was the total value of expenditures?
- If the committee used office space in 2018, please detail that arrangement, including any payments for the space, it's location, and the approximate start and end date of your use of that space.

Thank you for your cooperation with this request. I look forward to receiving your response on or before March 12, 2021. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Dunn". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Michael J. Dunn, Esq.

Political Committee and Lobbyist Registrar

Enclosures

TO: State of Maine Ethics Commission  
FROM: Sanford-Springvale Democratic City Committee, Joseph Hanslip, Rachel Sherman  
DATE: March 10,2021  
Subj: Complaint regarding Sanford Democratic City Committee Offices

We are in receipt of the complaint from the Sanford Republican Political Committee regarding offices allegedly belonging to the Sanford-Springvale City Committee. While there have been offices in different locations in Sanford and Springvale over the years, none of them were under the auspices of our committee. Because of their being located in our city, it could be surmised that our committee leased or was supporting them but that is not the case. In each year, the SSDCC was one of several entities from either the Democratic Party or an organization which supports progressive causes. The SSDCC was never the lessee. I hope this clears up any misunderstanding. Thank you.

**SCHEDULE H4 (FEC Form 3X)**  
**DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY**

NAME OF COMMITTEE (In Full)

Maine Democratic Party

**A. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05537-11766**  Memo Item

**Garmour Realty Group**

Mailing Address 1027 Milton Mills Rd

City Acton State ME Zip Code 04001

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 783204.97

Date: 08 / 28 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
111.60		198.40		310.00

**B. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05537-11767**  Memo Item

**Garmour Realty Group**

Mailing Address 1027 Milton Mills Rd

City Acton State ME Zip Code 04001

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 783604.97

Date: 08 / 28 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
144.00		256.00		400.00

**C. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05538-11768**  Memo Item

**Hermitage Lemont Block, LLC**

Mailing Address 54 Richards Ln

City Freeport State ME Zip Code 04032

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 786604.97

Date: 08 / 28 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
1080.00		1920.00		3000.00

**SUBTOTAL of Allocated Federal and NonFederal Activity This Page**

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
1335.60		2374.40		3710.00

**TOTAL This Period (last page for each line only)(Federal share to 21(a)(i) and NonFederal share to 21(a)(ii))**

FEDERAL SHARE		NONFEDERAL SHARE		TOTAL AMOUNT

**SCHEDULE H4 (FEC Form 3X)**  
**DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY**

NAME OF COMMITTEE (In Full)

Maine Democratic Party

**A. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05684-12090**  Memo Item

**Fruits of Our Labors, LLC**

Mailing Address 95 Sirota Dr

City Searsmont State ME Zip Code 04973

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 1059000.65

Date: 09 / 30 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
324.00		576.00		900.00

**B. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05685-12091**  Memo Item

**Garmour Realty Group**

Mailing Address 1027 Milton Mills Rd

City Acton State ME Zip Code 04001

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 1059400.65

Date: 09 / 30 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
144.00		256.00		400.00

**C. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05686-12092**  Memo Item

**Hermitage Lemont Block, LLC**

Mailing Address 54 Richards Ln

City Freeport State ME Zip Code 04032

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 1062400.65

Date: 09 / 30 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
1080.00		1920.00		3000.00

**SUBTOTAL of Allocated Federal and NonFederal Activity This Page**

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
1548.00		2752.00		4300.00

**TOTAL This Period (last page for each line only)(Federal share to 21(a)(i) and NonFederal share to 21(a)(ii))**

FEDERAL SHARE		NONFEDERAL SHARE		TOTAL AMOUNT

**SCHEDULE H4 (FEC Form 3X)**  
**DISBURSEMENTS FOR ALLOCATED FEDERAL/NONFEDERAL ACTIVITY**

NAME OF COMMITTEE (In Full)

Maine Democratic Party

**A. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05877-12751**  Memo Item

**Fruits of Our Labors, LLC**

Mailing Address 95 Sirota Dr

City Searsmont State ME Zip Code 04973

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 1355277.57

Date: 10 / 28 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
324.00		576.00		900.00

**B. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05878-12752**  Memo Item

**Garmour Realty Group**

Mailing Address 1027 Milton Mills Rd

City Acton State ME Zip Code 04001

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 1355677.57

Date: 10 / 28 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
144.00		256.00		400.00

**C. Full Name (Last, First, Middle Initial) Transaction ID : 21a-03-05879-12753**  Memo Item

**Hermitage Lemont Block, LLC**

Mailing Address 54 Richards Ln

City Freeport State ME Zip Code 04032

Purpose of Disbursement: Rent

Activity or Event Identifier: Administrative 2019/2020

Allocated Activity or Event:  
 Administrative  Fundraising  Exempt  
 Voter Drive  Direct Candidate Support  
 Public Comm (ref to party only) by PAC

Allocated Activity or Event Year-To-Date: 1358677.57

Date: 10 / 28 / 2020

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
1080.00		1920.00		3000.00

**SUBTOTAL of Allocated Federal and NonFederal Activity This Page**

FEDERAL SHARE	+	NONFEDERAL SHARE	=	TOTAL AMOUNT
1548.00		2752.00		4300.00

**TOTAL This Period (last page for each line only)(Federal share to 21(a)(i) and NonFederal share to 21(a)(ii))**

FEDERAL SHARE	NONFEDERAL SHARE	TOTAL AMOUNT



## 2020 FILING SCHEDULE

### FOR MUNICIPAL, DISTRICT AND COUNTY POLITICAL PARTY COMMITTEES

PRIMARY ELECTION July 14, 2020		GENERAL ELECTION November 3, 2020
TYPE OF REPORT	FILING DEADLINE (11:59 P.M.)	REPORT PERIOD
July Semi-Annual Report	July 15, 2020	January 1, 2020 – June 30, 2020
11-Day Pre General Report	October 23, 2020	July 1, 2020 – October 20, 2020
January Semi-Annual Report	January 15, 2021	October 21, 2020 – December 31, 2020
<p><b>NOTE:</b> Only party committees that raise more than \$1,500 or spend more than \$1,500 during the calendar year are required to file reports. The requirement to file is triggered when the committee exceeds \$1,500 in contributions or expenditures. The first report due after exceeding \$1,500 in contributions or expenditures is the next scheduled report. A committee's first report in a year should include all activity since the beginning of the year.</p>		
<b>24-HOUR REPORT OF CONTRIBUTIONS AND EXPENDITURES</b>		
<b>24-HOUR REPORTING PERIOD</b>		<b>WHAT CONTRIBUTIONS SHOULD BE REPORTED</b>
The reporting period begins 13 days before an election and runs through the day before the election.		Any <u>single</u> contribution of \$5,000 or more received during the reporting period.
<b>WHEN TO FILE</b>		<b>WHAT EXPENDITURES SHOULD BE REPORTED</b>
Within 24 hours, including Saturdays and Sundays, of receiving the contribution or making the expenditure, incurring the obligation, or placing the order. For Committees registered with the Ethics Commission, the reports may be filed electronically through the Commission's website.		Any <u>single</u> expenditure of \$1,000 or more made during the reporting period. Orders placed with or obligations made to vendors for goods or services are considered expenditures at the time the orders or obligations are made. Overhead costs, such as rent, taxes, utilities and some salary payments are not required to be reported.

### IMPORTANT INFORMATION

All regular campaign finance reports are due by 11:59 p.m. on the due date. Committee treasurers must enter the required information and click "File Report" by 11:59 p.m. on the filing deadline.

Commission staff will be available until 5:00 p.m. on all filing deadlines to offer assistance. Failure to seek out timely assistance from staff regarding the filing of reports will not be considered a mitigating circumstance if a report is filed late.

## Title 21-A Maine Revised Statutes

### § 1003. Investigations by commission

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**1. Investigations.** The commission may undertake audits and investigations to determine whether a person has violated this chapter, chapter 14 or the rules of the commission. For this purpose, the commission may subpoena witnesses and records whether located within or without the State and take evidence under oath. A person or entity that fails to obey the lawful subpoena of the commission or to testify before it under oath must be punished by the Superior Court for contempt upon application by the Attorney General on behalf of the commission. The Attorney General may apply on behalf of the commission to the Superior Court or to a court of another state to enforce compliance with a subpoena issued to a nonresident person. Service of any subpoena issued by the commission may be accomplished by:

- A.** Delivering a duly executed copy of the notice to the person to be served or to a partner or to any officer or agent authorized by appointment or by law to receive service of process on behalf of that person;
- B.** Delivering a duly executed copy of the notice to the principal place of business in this State of the person to be served; or
- C.** Mailing by registered or certified mail a duly executed copy of the notice, addressed to the person to be served, to the person's principal place of business.

**2. Investigations requested.** A person may apply in writing to the commission requesting an investigation as described in subsection 1. The commission shall review the application and shall make the investigation if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred.

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### § 1012. Definitions

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As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

...

**2. Contribution.** The term "contribution:"

**A.** Includes:

- (1)** A gift, subscription, loan, advance or deposit of money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office or for the purpose of liquidating any campaign deficit of a candidate, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included;
- (2)** A contract, promise or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

- (3) Funds received by a candidate or a political committee that are transferred to the candidate or committee from another political committee or other source; and
- (4) The payment, by any person other than a candidate or a political committee, of compensation for the personal services of other persons that are provided to the candidate or political committee without charge for any such purpose; and

**B.** Does not include:

- (1) The value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;
- (2) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the individual on behalf of any candidate does not exceed \$ 250 with respect to any election;
- (3) The sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if the charge to the candidate is at least equal to the cost of the food or beverages to the vendor and if the cumulative value of the food or beverages does not exceed \$ 100 with respect to any election;
- (4) Any unreimbursed travel expenses incurred by an individual in the course of providing voluntary personal services to a candidate and paid for by that individual, if the cumulative amount of these expenses does not exceed \$ 350 with respect to any election;
- (4-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;
- (5) The payment by a party's state, district, county or municipal committee of the costs of preparation, display or mailing or other distribution of a party candidate listing;
- (6) Documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this Title, lists of registered voters and voter identification information, created, obtained or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party;
- (7) Compensation paid by a state party committee to its employees for the following purposes:
  - (a) Providing no more than a total of 40 hours of assistance from its employees to a candidate in any election;
  - (b) Recruiting and overseeing volunteers for campaign activities involving 3 or more candidates; or
  - (c) Coordinating campaign events involving 3 or more candidates;
- (8) Campaign training sessions provided to 3 or more candidates;
- (8-A) Costs paid for by a party committee in connection with a campaign event at which 3 or more candidates are present;



- (8-B) Wood or other materials used for political signs that are found or contributed if not originally obtained by the candidate or contributor for campaign purposes;
- (8-C) The use or distribution of any communication, as described in section 1014, obtained by the candidate for a previous election and fully paid for during that election;
- (9) The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider;
- (10) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate; or
- (11) A purchase of apparel from a commercial vendor with a total cost of \$ 25 or less by an individual when the vendor has received a graphic or design from the candidate or the candidate's authorized committee.

**3. Expenditure.** The term "expenditure:"

**A.** Includes:

- (1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included;
- (2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure;
- (3) The transfer of funds by a candidate or a political committee to another candidate or political committee; and
- (4) A payment or promise of payment to a person contracted with for the purpose of influencing any campaign as defined in section 1052, subsection 1; and

**B.** Does not include:

- (1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, cable television system, newspaper, magazine or other periodical publication, unless the facilities are owned or controlled by any political party, political committee, candidate or spouse or domestic partner of a candidate;
- (1-A) Any communication distributed through a public access television channel on a cable television system if the communication complies with the laws and rules governing the channel and all candidates in the race have an equal opportunity to promote their candidacies through the channel;
- (2) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate;
- (3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;

- (4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities does not exceed \$ 250 with respect to any election;
- (5) Any unreimbursed travel expenses incurred by an individual in the course of providing voluntary personal services to a candidate and paid for by that individual, if the cumulative amount of these expenses does not exceed \$ 350 with respect to any election;
- (5-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;
- (6) Any communication by any person that is not made for the purpose of influencing the nomination for election, or election, of any person to state, county or municipal office;
- (7) The payment by a party's state, district, county or municipal committee of the costs of preparation, display or mailing or other distribution of a party candidate listing;
- (8) The use or distribution of any communication, as described in section 1014, obtained by the candidate for a previous election and fully paid for during that election campaign;
- (9) Documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this Title, lists of registered voters and voter identification information, created or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party;
- (10) Compensation paid by a state party committee to its employees or the following purposes:
  - (a) Providing no more than a total of 40 hours of assistance from its employees to a candidate in any election;
  - (b) Recruiting and overseeing volunteers for campaign activities involving 3 or more candidates; or
  - (c) Coordinating campaign events involving 3 or more candidates;
- (10-A) Costs paid for by a party committee in connection with a campaign event at which 3 or more candidates are present;
- (11) Campaign training sessions provided to 3 or more candidates;
- (11-A) Wood or other materials used for political signs that are found or contributed if not originally obtained by the candidate or contributor for campaign purposes;
- (12) The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider; or
- (13) A purchase of apparel from a commercial vendor with a total cost of \$ 25 or less by an individual when the vendor has received a graphic or design from the candidate or the candidate's authorized committee.

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## **§ 1017-A. Reports of contributions and expenditures by party committees**

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**1. Contributions.** A party committee shall report all contributions in cash or in kind from a single contributor that in the aggregate total more than \$ 200. The party committee shall report the name, mailing address, occupation and place of business of each contributor. Contributions of \$ 200 or less must be reported, and these contributions may be reported as a lump sum.

**2. Expenditures to influence a campaign.** A party committee shall report all expenditures made to influence a campaign, as defined in section 1052, subsection 1. The party committee shall report:

- A. The name of each candidate, political action committee, ballot question committee or party committee;
- B. The office sought by a candidate and the district that the candidate seeks to represent; and
- C. The date, amount and purpose of each expenditure.

**3. Other expenditures.** Operational expenses and other expenditures that are not made to influence a campaign, as defined in section 1052, subsection 1 must be reported separately. The party committee shall report:

- A. The name and address of each payee;
- B. The purpose for the expenditure; and
- C. The date and amount of each expenditure.

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**4-B. Filing schedule for municipal, district and county party committees.** Municipal, district and county party committees shall file reports according to the following schedule.

**A.** Reports filed during an election year must be filed with the commission by 11:59 p.m. on:

- (1) July 15th and be complete as of June 30th;
- (2) The 11th day before the date on which the general election is held and must be complete up to the 14th day before that date; and
- (3) January 15th and be complete as of December 31st.

**B.** Reports filed during a nonelection year must be filed by 11:59 p. m. on:

- (1) July 15th and be complete as of June 30th; and
- (2) January 15th and be complete as of December 31st.

**C.** A committee shall report any single contribution of \$5,000 or more received or any expenditure of \$1,000 or more made after the 14th day before a general or special election and more than 24 hours before 11:59 p.m. on the day of the election within 24 hours of that contribution or expenditure. The committee is not required to include in this report expenditures for overhead expenses or compensation paid to an employee or other member of the campaign staff who has received payments at regular intervals that have been disclosed in previously filed campaign finance reports. As used in this paragraph, “overhead expenses”

includes, but is not limited to, rent, utility payments, taxes, insurance premiums or similar administrative expenses.

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**7. Exemption.** Any party committee receiving and expending less than \$ 1,500 in one calendar year is exempt from the reporting requirements of this section for that year.

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