



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

Commission Meeting 11/18/2015
Agenda Item #4

To: Commissioners
From: Jonathan Wayne, Executive Director
Date: November 9, 2015
Re: Revised Legislation – PAC and BQC Disclosure

At your last meeting, we asked you to consider a statutory proposal to address a concern that organizations formed to advance policy issues or partisan agendas are spending historically large amounts to influence Maine state elections without disclosing any of their donors. At the meeting, a majority of the Commissioners supported bringing the issue to the attention of the Legislature, but were not ready to endorse the specific policy solutions proposed by the Commission staff.

New approach. The Commission staff is grateful for your consideration. After further reflection, we recommend scaling back the bill to a point that a majority of the Commission members support the specific provisions in the bill. In the past, the Commission has fared well with its statutory proposals to the Legislature. We believe that one factor in our success is that the bills were supported both by Commission members and staff. We do not want to send a muddled message to the Legislature on this particular bill. Additionally, we believe that the October 1 bill does need more development to meet some of the concerns that we received.

Accordingly, we have attached a revised version of the October 1 legislation that removes the more controversial aspects of the bill. This could be accomplished through the red-lining process in the next couple of weeks. We will continue to think about how to tackle the issue and may report back to you in the future.

Removed from the bill

Last-in, first out reporting. We have taken out the provision requiring organizations that have formed a PAC or BQC to disclose the most recent general-support donations received by the organization. The Commission received concerns that donors should not be listed on a Maine campaign finance report if the donor had no expectation that their donations would be used to fund election activity in Maine. Non-profits have expressed the additional worry that the proposed disclosure of donors could be a drag on fundraising for charitable or public service activities.

Converting donors to PACs

In the October 1 bill, the staff proposed if an organization made a large donation to influence an election (*e.g.*, \$25,000 or \$100,000), the donor organization should be required to make financial reports to the Commission as a PAC or BQC. The Commission received concerns that a Maine non-profit organization should not be subjected to administrative burdens of filing reports, *etc.*, merely because it has decided to make a financial contribution to support or oppose a ballot question. There is also some concern that it will be more difficult for PACs in Maine to obtain campaign funding from national PACs if the national PACs are required to make extensive financial reporting to the State of Maine.

Contents of the revised bill

The revised bill is attached for your consideration. The changes are noted with arrows. After each change is an italicized explanation for the change. The three most important provisions of the bill are:

- Contribution definition (p. 15 of the bill). The bill contains a clearer definition of what contributions must be reported by organizations that are formed for purposes other than influencing a Maine election.
- BQC registration (pp. 8-10). In 2013, the Legislature improved the registration process for PACs, including the appointment of a treasurer and principal officer who would be personally responsible for the overall compliance of the PAC, and

requiring PACs to update stale information. The staff proposes some of these same procedures for ballot question committees.

- \$100 threshold to itemize contributions (p. 14). Under current law, PACs are required to itemize each contribution greater than \$50, while BQCs are required to itemize each contribution greater than \$100. Under the Commission's procedures, the committees disclose smaller contributions as a lump sum.

The purpose of donor disclosure is to provide Maine voters with information concerning who is influencing them at the ballot box and the potential sources of influence on Maine state government. We propose a uniform threshold of \$100 for both PACs and BQCs. This would reduce the administrative burden on PACs in reporting smaller contributions, but it would reduce the public's access to donors in the range of \$50 - \$100.

Thank you for your consideration of the revised bill.

Title 21-A, Chapter 13: CAMPAIGN REPORTS AND FINANCES LAW

Subchapter 4: REPORTS BY POLITICAL ACTION COMMITTEES

§1051. APPLICATION

This subchapter applies to the activities of political action committees organized in and outside this State that accept contributions, incur obligations or make expenditures for the election of state, county or municipal officers, or for the support or defeat of any campaign, as defined in this subchapter. [2007, c. 477, §1 (AMD) .]

§1052. DEFINITIONS

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [1985, c. 161, §6 (NEW) .]

1. Campaign. "Campaign" means any course of activities to influence the nomination or election of a candidate or to initiate or influence any of the following ballot measures:

A. A people's veto referendum under the Constitution of Maine, Article IV, Part Third, Section 17; [2011, c. 389, §26 (AMD) .]

B. A direct initiative of legislation under the Constitution of Maine, Article IV, Part Third, Section 18; [2011, c. 389, §26 (AMD) .]

C. An amendment to the Constitution of Maine under Article X, Section 4; [1985, c. 161, §6 (NEW) .]

D. A referendum vote on a measure enacted by the Legislature and expressly conditioned upon ratification by a referendum vote under the Constitution of Maine, Article IV, Part Third, Section 19; [2011, c. 389, §26 (AMD) .]

E. The ratification of the issue of bonds by the State or any agency thereof; and [1989, c. 504, §§21, 31 (AMD) .]

F. Any county or municipal referendum. [1995, c. 483, §17 (AMD) .]

[2011, c. 389, §26 (AMD) .]

2. Committee. "Committee" means any political action committee, as defined in this subchapter, and includes any agent of a political action committee.

[2007, c. 443, Pt. A, §27 (AMD) .]

3. Contribution. "Contribution" includes:

A. A gift, subscription, loan, advance or deposit of money or anything of value made to a political action committee, except that a loan of money by a financial institution made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included; [1985, c. 161, §6 (NEW) .]

B. A contract, promise or agreement, expressed or implied whether or not legally enforceable, to make a contribution to a political action committee; [1985, c. 161, §6 (NEW) .]

C. Any funds received by a political action committee that are to be transferred to any candidate, committee, campaign or organization for the purpose of initiating or influencing a campaign; or [2011, c. 389, §27 (AMD) .]

D. The payment, by any person or organization, of compensation for the personal services of other persons provided to a political action committee that is used by the political action committee to initiate or influence a campaign. [2011, c. 389, §28 (AMD) .]

[2011, c. 389, §§27, 28 (AMD) .]

4. 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 initiating or influencing a campaign;
- (2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure for the purposes set forth in this paragraph; and
- (3) The transfer of funds by a political action committee to another candidate or political committee; and [2011, c. 389, §29 (AMD) .]

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 these facilities are owned or controlled by any political party, political committee, candidate or the spouse or domestic partner of a candidate;
- (2) Activity 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 a political action committee in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the political action committee on behalf of any candidate does not exceed \$250 with respect to any election;

(5) Any unreimbursed travel expenses incurred and paid for by a political action committee that volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election; and

(6) Any communication by any political action committee member that is not made for the purpose of influencing the nomination or election of any person to state or county office. [2013, c. 334, §18 (AMD) .]

[2013, c. 334, §18 (AMD) .]

4-A. Influence. "Influence" means to promote, support, oppose or defeat.

[2011, c. 389, §30 (NEW) .]

4-B. Initiate. "Initiate" includes the collection of signatures and related activities to qualify a state or local initiative or referendum for the ballot.

[2011, c. 389, §31 (NEW) .]

5. Political action committee. The term "political action committee:"

A. Includes:

(1) Any separate or segregated fund established by any corporation, membership organization, cooperative or labor or other organization whose purpose is to initiate or influence a campaign;

(4) Any ~~organization~~ person other than an individual, including any corporation or association, that has as its major purpose initiating or influencing a campaign and that receives contributions or makes expenditures aggregating more than \$1,500 in a calendar year for that purpose; and

(5) Any ~~organization~~ person other than an individual that does not have as its major purpose influencing candidate elections but that receives contributions or makes expenditures aggregating more than \$5,000 in a calendar year for the purpose of influencing the nomination or election of any candidate to political office.

This is change in terminology only. The staff proposes using the term "person," which is defined in the Election Law to mean an individual, committee, firm, partnership, corporation, association or organization.

B. Does not include:

(1) A candidate or a candidate's treasurer under section 1013-A, subsection 1;

(2) A candidate's authorized political committee under section 1013-A, subsection 1, paragraph B;

(3) A party committee under section 1013-A, subsection 3;



(4) An organization whose only payments of money in the prior 2 years for the purpose of influencing a campaign in this State are contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and that has not raised and accepted any contributions during the calendar year for the purpose of influencing a campaign in this State.

Note: the Commission staff proposes no changes to the current exception for donors in the PAC definition. Organizations that made a donation to a PAC would continue to be exempt from qualifying as a PAC, provided that

- *their only payments of money to influence a campaign were making a donation, and*
- *they did not raise money for the purpose of influencing a Maine campaign.*

Donors are disclosed by the PAC receiving the contribution on Schedule A of the PAC's campaign finance report.

§1052-A. REGISTRATION

A political action committee shall register with the commission and amend its registration as required by this section. A registration is not timely filed unless it contains all the information required in this section. [2013, c. 334, §19 (NEW) .]

1. Deadlines to file and amend registrations. A political action committee shall register and file amendments with the commission according to the following schedule.



A. A political action committee as defined under section 1052, subsection 5, paragraph A, subparagraph (1) or (4) that receives contributions or makes expenditures in the aggregate in excess of \$1,500 and a political action committee as defined under section 1052, subsection 5, paragraph A, subparagraph (5) that receives contributions or makes expenditures in the aggregate in excess of \$5,000 for the purpose of influencing the nomination or election of any candidate to political office shall register with the commission within 7 days of exceeding the applicable amount. [2013, c. 588, Pt. A, §23 (AMD) .]

The Commission staff proposes that the receipt of contributions exceeding the \$1,500 or \$5,000 thresholds for purposes of influencing an election would trigger a duty to register as a PAC. Under current law, the PAC registration requirement is triggered only by spending above those amounts. This would promote quicker disclosure to the public of organizations that have formed to influence elections and would bring the PAC reporting statute into conformity with the BQC reporting statute.

B. A committee shall amend the registration within 10 days of a change in the information that committees are required to disclose under this section. [2013, c. 334, §19 (NEW) .]

C. A committee shall file an updated registration form between January 1st and March 1st of each year in which a general election is held. The commission may waive the updated registration requirement for a newly registered political action committee or other registered political action committee if the commission determines that the requirement would cause an administrative burden disproportionate to the public benefit of the updated information.

[2013, c. 334, §19 (NEW) .]

[2013, c. 588, Pt. A, §23 (AMD) .]

2. Disclosure of treasurer and officers. A committee must have a treasurer and a principal officer. The same individual may not serve in both positions. The committee's registration must contain the names and addresses of the following individuals:

A. The treasurer of the committee; [2013, c. 334, §19 (NEW) .]

B. A principal officer of the committee; [2013, c. 334, §19 (NEW) .]

C. Any other individuals who are primarily responsible for making decisions for the committee; [2013, c. 334, §19 (NEW) .]

D. The individuals who are primarily responsible for raising contributions for the committee; and [2013, c. 334, §19 (NEW) .]

E. The names of any other candidates or Legislators who have a significant role in fund-raising or decision-making for the committee. [2013, c. 334, §19 (NEW) .]

[2013, c. 334, §19 (NEW) .]

3. Other disclosure requirements. A committee's registration must also include the following information:

A. A statement indicating the specific candidates, categories of candidates or campaigns that the committee expects to support or oppose; [2013, c. 334, §19 (NEW) .]

B. If the committee is formed to influence the election of a single candidate, the name of that candidate; [2013, c. 334, §19 (NEW) .]

C. The form or structure of the organization, such as a voluntary association, membership organization, corporation or any other structure by which the committee functions, and the date of origin or incorporation of the organization; [2013, c. 334, §19 (NEW) .]

D. If the committee has been formed by one or more for-profit or nonprofit corporations or other organizations for the purpose of initiating or influencing a campaign, the names and addresses of the corporations or organizations; [2013, c. 334, §19 (NEW) .]

E. The name of the account that the committee will use to deposit contributions and make expenditures pursuant to section 1054, and the name and address of the financial institution at which the account is established; and [2013, c. 334, §19 (NEW) .]

F. Any additional information reasonably required by the commission to monitor the activities of political action committees in this State under this subchapter. [2013, c. 334, §19 (NEW) .]

[2013, c. 334, §19 (NEW) .]

4. Acknowledgment of responsibilities. The treasurer, principal officer and any other individuals who are primarily responsible for making decisions for the committee shall submit a signed statement acknowledging their responsibilities on a form prescribed by the commission within 10 days of registering the committee. The signed acknowledgment statement serves as notification of the responsibilities of the committee to comply with the financial reporting, record-keeping and other requirements of this chapter and the potential personal liability of the treasurer and principal officer for civil penalties assessed against the committee. The commission shall notify the committee of any individual who has failed to submit the acknowledgment statement. Failure to return the acknowledgment statement is a violation of this subchapter for which a fine of \$100 may be assessed against the committee. This section also applies to individuals named in an updated or amended registration required by this subsection who have not previously submitted an acknowledgment statement for the committee with the commission.

[2013, c. 334, §19 (NEW) .]

5. Resignation and removal. An individual who resigns as the treasurer, principal officer or primary decision-maker of a committee shall submit a written resignation statement to the commission. An individual's resignation is not effective until the commission receives the written resignation statement from the individual. If an individual is involuntarily removed from the position of treasurer, principal officer or primary decision-maker by the committee, the committee shall notify the commission in writing that the individual has been removed from the position. The commission may prescribe forms for these purposes.

[2013, c. 334, §19 (NEW) .]

§1053-A. MUNICIPAL ELECTIONS

Organizations that qualify as political action committees under section 1052, subsection 5 and that receive contributions or make expenditures to influence a municipal campaign in towns or cities with a population of 15,000 or more shall register and file reports with the municipal clerk as required by Title 30-A, section 2502. The reports must be filed in accordance with the reporting schedule in section 1059 and must contain the information listed in section 1060. A political action committee registered with the commission and that receives contributions or makes expenditures relating to a municipal election shall file a copy of the report containing such contributions or expenditures with the clerk in the subject municipality. The commission retains the sole authority to prescribe the content of all reporting forms. The commission does not have responsibility to oversee the filing of registrations or campaign finance reports relating to municipal campaigns, except that the commission shall enforce late-filing penalties under section 1020-A, subsection 3 upon the request of a municipal clerk. [2011, c. 389, §35 (AMD) .]

§1053-B. OUT-OF-STATE POLITICAL ACTION COMMITTEES

An organization that is registered as a political action committee or political committee with the Federal Election Commission or a jurisdiction outside of this State shall register and file reports with the commission in accordance with this subchapter upon receiving contributions or making expenditures to initiate or influence a campaign in the State in excess of the amounts that would require registration under section 1052-A. The committee is not required to register and file reports if the committee's only financial activity within the State is to make contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and the committee has not raised and accepted any contributions during the calendar year to influence a campaign in this State. [2013, c. 334, §21 (AMD) .]

[§ 1054 omitted]

§1054-A. DUTIES AND LIABILITIES OF THE TREASURER, PRINCIPAL OFFICER AND PRIMARY DECISION MAKER

1. Duties of the treasurer. The treasurer of the committee shall ensure that the committee files and amends the committee's registration, files complete and accurate financial reports with the commission and maintains the committee's records as required by this chapter and the commission's rules. The treasurer is responsible for the committee's performance of these duties regardless of whether the treasurer has delegated administrative tasks related to these duties to another individual.

[2013, c. 334, §23 (NEW) .]

2. Joint responsibilities of the treasurer and principal officer. The treasurer and the principal officer are jointly responsible for the committee's compliance with the requirements of this chapter and the commission's rules. The treasurer and principal officer are responsible for accepting and responding to notices and correspondence from the commission on behalf of the committee.

[2013, c. 334, §23 (NEW) .]

3. Participation in spending decisions. An individual who is the treasurer, principal officer or primary decision maker of the committee and who has signed the acknowledgment statement required by section 1052-A, subsection 4 is deemed to have participated in the spending decisions of the committee until the commission receives the individual's resignation statement or a notice of the individual's involuntary removal from the committee.

[2013, c. 334, §23 (NEW) .]

4. Financial liability. The commission may hold the treasurer and principal officer jointly and severally liable with the committee for any fines assessed against the committee for violations of this chapter and chapter 14. In addition, the commission may assess all or part of a fine against any other agent of the committee who is directly responsible for a violation, including individuals who have resigned or have been removed involuntarily from the committee. In deciding whether to assess a penalty against a treasurer, principal officer or any other individual, the commission may consider, among other things, whether the individual had actual knowledge of the action that constituted the violation or had authorized that action and whether the violation was intentional or caused by an error by a vendor or someone outside the control of the committee.

[2013, c. 334, §23 (NEW) .]

[§1055-56-A omitted]

§1056-B. BALLOT QUESTION COMMITTEES

A person not defined as a political action committee who receives contributions or makes expenditures, other than by contribution to a political action committee or a ballot question committee, aggregating in excess of \$5,000 for the purpose of initiating or influencing a campaign as defined by section 1052, subsection 1, shall register and file reports with the commission in accordance with this section. For the purposes of this section, "campaign" does not include activities to influence the nomination or election of a candidate. ~~Within 7 days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the commission as a ballot question committee.~~ For the purposes of this section, expenditures include paid staff time spent for the purpose of initiating or influencing a campaign. ~~The commission must prescribe forms for the registration, and the forms must include specification of a treasurer for the committee, any other principal officers and all individuals who are the primary fund raisers and decision makers for the committee.~~

[2011, c. 389, §38 (AMD); 2011, c. 389, §62 (AFF) .]

Ballot question committees are organizations that have a purpose other than influencing a Maine election, but that spend more than \$5,000 to influence a ballot question election (other than by making a contribution). Their reporting and record-keeping duties are similar to PACs. They do not qualify as PACs because they have a purpose other than influencing an election in Maine.

To better organize the statute, the Commission proposes moving the third and fifth sentences of this paragraph to a new subsection 1-A that would set out the registration process for BQCs.

Please note that the Commission staff is continuing the current exception for organizations that make contributions to PACs. In fact, we propose expanding the exemption to apply to donors to BQCs. Under our proposal, organizations whose only expenditures to influence a ballot question election were making donations to a PAC or a BQC would not qualify as a BQC.

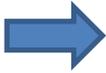
1. Filing requirements. A report required by this section must be filed with the commission according to the reporting schedule in section 1059. After completing all financial activity, the committee shall terminate its campaign finance reporting in the same manner provided in section 1061. The committee shall file each report required by this section through an electronic filing system developed by the commission unless granted a waiver under section 1059, subsection 5.

[2009, c. 190, Pt. A, §20 (AMD) .]



1-A. Ballot question committee registration. Within 7 days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the commission as a ballot question committee. A ballot question committee must have a treasurer and a principal officer. The same individual may not serve in both positions unless the person establishing the ballot question committee is an individual. The ballot question committee must identify all other individuals who are the primary decision makers and fundraisers, the person establishing the ballot question committee and the campaign the ballot question committee intends to initiate or influence. The ballot question committee shall amend the registration within 10 days of a change in the information required in this subsection. The commission must prescribe forms for the registration which must include the information required by this subsection and any additional information reasonably required for the commission to monitor the activities of the ballot question committee.

This proposed subsection would improve the registration requirements for ballot question committees. The committee would be required to identify both a treasurer and a principal officer who would be a separate individual (similar to PACs), unless the ballot question committee consisted of a single individual. Similar to PACs, the ballot question committee would be required to amend a registration within 10 days of a change in the information on file.



2. Content. ~~A report must contain an itemized account of each expenditure made to and contribution received from a single source aggregating in excess of \$100 in any election; the date of each contribution; the date and purpose of each expenditure; the name and address of each contributor, payee or creditor; and the occupation and principal place of business, if any, for any person who has made contributions exceeding \$100 in the aggregate. The filer is required to report only those contributions made to the filer for the purpose of initiating or influencing a campaign and only those expenditures made for those purposes. The definitions of "contribution" and "expenditure" in section 1052, subsections 3 and 4, respectively, apply to persons required to file ballot question reports.~~ A report must contain the date, amount and purpose of each expenditure made for the purpose of initiating or influencing a campaign, and the name and address of the payee. The report must include the contributions and donations set out in section 1060-A.

[2011, c. 389, §39 (AMD) .]

The Commission staff proposes a new subsection below (§ 1060-A) that would set out which contributions BQCs must report. Also, the Commission staff proposes that BQCs disclose all expenditures made to influence a campaign – even if less than \$100 – similar to PACs.

2-A. Contributions. For the purposes of this section, "contribution" includes, but is not limited to:

A. Funds that the contributor specified were given in connection with a campaign; [~~2009, c. 524, §10 (AMD).~~]

B. Funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used specifically for the purpose of initiating or influencing a campaign; [~~2011, c. 389, §40 (AMD).~~]

C. Funds that can reasonably be determined to have been provided by the contributor for the purpose of initiating or influencing a campaign when viewed in the context of the contribution and the recipient's activities regarding a campaign; and [~~2011, c. 389, §41 (AMD).~~]

D. Funds or transfers from the general treasury of an organization filing a ballot question report. [~~2007, c. 477, §4 (NEW).~~]

[2011, c. 389, §§40, 41 (AMD) .]

3. Forms. A report required by this section must be on a form prescribed and prepared by the commission. A person filing this report may use additional pages if necessary, but the pages must be the same size as the pages of the form.

[1999, c. 729, §8 (NEW) .]

4. Records. A person filing a report required by this section shall keep records as required by this subsection for 4 years following the election to which the records pertain.

A. The filer shall keep a detailed account of all contributions made to the filer for the purpose of initiating or influencing a campaign and all expenditures made for those purposes. [2011, c. 389, §42 (AMD) .]

B. The filer shall retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of ~~\$50~~ **\$100**. [2007, c. 477, §4 (NEW) .]

[2011, c. 389, §42 (AMD) .]

5. Liability for penalties. The commission may hold the treasurer, principal officer and any for-profit, nonprofit or other person that established the committee jointly and severally liable with the ballot question committee for any fines assessed against the ballot question committee for violations of this chapter.

The Commission staff proposes holding the key individuals in positions of authority within a ballot question committee to be jointly liable for penalties assessed against the BQC. Also, the organization that formed the BQC would be jointly liable. This is consistent with § 1054-A, which holds a PAC treasurer and principal officer jointly liable with the PAC for penalties. This was adopted by the Legislature in 2013, at the request of the Commission.

§1057. RECORDS

Any political action committee that is required to register under section 1052-A or 1053-B shall keep records as provided in this section for 4 years following the election to which the records pertain. [2013, c. 334, §25 (AMD).]

1. Details of records. The treasurer of a political action committee shall record a detailed account of:

A. All expenditures made to or in behalf of to promote, support, oppose or defeat a candidate, campaign or committee; [1985, c. 161, §6 (NEW).]

B. The identity ~~and address~~ of each candidate, campaign or committee; [1985, c. 161, §6 (NEW).]

C. The office sought by a candidate and the district he seeks to represent, for candidates which a political action committee has made an expenditure to or in behalf of; and [1985, c. 161, §6 (NEW).]

D. The date of each expenditure. [1985, c. 161, §6 (NEW).]

[2013, c. 334, §25 (AMD) .]

2. Receipts. The treasurer of a political action committee shall retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of ~~\$50~~ \$100 to initiate or influence a campaign.

[2013, c. 334, §25 (AMD) .]

3. Record of contributions. The treasurer of a political action committee shall keep a record of all contributions to the committee, by name and mailing address, of each donor and the amount and date of the contribution. This provision does not apply to aggregate contributions from a single donor of ~~\$50~~ \$100 or less for an election or referendum campaign. When any donor's contributions to a political action committee exceed ~~\$50~~ \$100, the record must include the aggregate amount of all contributions from that donor.

[2013, c. 334, §25 (AMD) .]

Below, in § 1060(6), the Commission staff proposes a single threshold (\$100) for PACs and ballot question committees to itemize their contributions in campaign finance reports. Currently, the threshold is \$50 for PACs. Accordingly, in this subsection, we propose the same change in the record-keeping requirements for PACs.

4. Account statements. The treasurer of a political action committee shall keep account statements relating to the deposit of funds of the committee required by section 1054.

[2013, c. 334, §25 (NEW) .]

§1058. REPORTS; QUALIFICATIONS FOR FILING

A political action committee that is required to register under section 1052-A or 1053-B shall file reports with the commission on forms prescribed by the commission according to the schedule in section 1059. [2013, c. 334, §26 (AMD).]

§1059. REPORT; FILING REQUIREMENTS

Committees required to register under section 1052-A, 1053-B or 1056-B shall file an initial campaign finance report at the time of registration and thereafter shall file reports in compliance with this section. All reports must be filed by 11:59 p.m. on the day of the filing deadline, except that reports submitted to a municipal clerk must be filed by the close of business on the day of the filing deadline. [2013, c. 334, §27 (AMD).]

1. Contents; quarterly reports and election year reports.

[2007, c. 443, Pt. A, §35 (RP) .]

2. Reporting schedule. Committees shall file reports according to the following schedule.

A. All committees shall file quarterly reports:

- (1) On January 15th, and the report must be complete as of December 31st;
- (2) On April 10th, and the report must be complete as of March 31st;
- (3) On July 15th, and the report must be complete as of June 30th; and
- (4) On October 5th, and the report must be complete as of September 30th. [2011, c. 691, Pt. A, §19 (RPR).]

B. General and primary election reports must be filed:

- (1) On the 11th day before the date on which the election is held and must be complete as of the 14th day before that date; and
- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date. [2007, c. 443, Pt. A, §35 (AMD).]

C. Preelection and post-election reports for special elections or ballot measure campaigns must be filed:

- (1) On the 11th day before the date on which the election is held and must be complete as of the 14th day before that date; and
- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date. [2011, c. 389, §45 (AMD).]

D. A committee that files an election report under paragraph B or C is not required to file a quarterly report when the deadline for that quarterly report falls within 10 days of the filing deadline established in paragraph B or C. [1991, c. 839, §29 (RPR).]

E. A committee shall report any single contribution of \$5,000 or more received or single expenditure of \$1,000 or more made after the 14th day before the election and more than 24 hours before 5:00 p.m. on the day of the election within 24 hours of that contribution or expenditure. The treasurer 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. [2013, c. 334, §28 (AMD) .]

[2013, c. 334, §28 (AMD) .]

3. Report of expenditures made after the 11th day and more than 48 hours before any election.

[1989, c. 504, §§28, 31 (RP) .]

4. Special election reports.

[1989, c. 504, §§28, 31 (RP) .]

5. Electronic filing. Committees shall file each report required by this section through an electronic filing system developed by the commission. The commission may make an exception to this electronic filing requirement if a committee submits a written request that states that the committee lacks access to the technology or the technological ability to file reports electronically. The request for an exception must be submitted within 30 days of the registration of the committee. The commission shall grant all reasonable requests for exceptions.

[2007, c. 443, Pt. A, §35 (AMD) .]

§1060. CONTENT OF REPORTS

The reports must contain the following information and any additional information required by the commission to monitor the activities of political action committees: [1985, c. 161, §6 (NEW) .]

1. Identification of candidates. The names of and offices sought by all candidates whom the committee supports, intends to support or seeks to defeat;

[2007, c. 443, Pt. A, §36 (AMD) .]

2. Identification of committees; parties. The names of all political committees or party committees supported in any way by the committee;

[2007, c. 443, Pt. A, §36 (AMD) .]

3. Identification of referendum or initiated petition. The referenda or initiated petitions that the committee supports or opposes;

[2007, c. 443, Pt. A, §36 (AMD) .]

4. Itemized expenditures. An itemization of each expenditure made to initiate or influence any campaign, including the date, payee and purpose of the expenditure; the name of each candidate, campaign, political committee, political action committee or party committee supported or opposed; and each referendum or initiated petition supported or opposed by the

expenditure. If expenditures were made to a person described in section 1012, subsection 3, paragraph A, subparagraph (4), the report must contain the name of the person; the amount spent by that person on behalf of the candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition, including, but not limited to, expenditures made during the signature gathering phase; the reason for the expenditure; and the date of the expenditure. The commission may specify the categories of expenditures that are to be reported to enable the commission to closely monitor the activities of political action committees;

[2011, c. 389, §46 (AMD) .]

5. Aggregate expenditures. An aggregation of expenditures and cumulative aggregation of expenditures to a candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition;

[2007, c. 443, Pt. A, §36 (AMD) .]

6. Identification of contributions. Names, occupations, places of business and mailing addresses of contributors who have given more than ~~\$50~~ \$100 to the political action committee in the reporting period and the amount and date of each contribution, except that an organization qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) is required to report ~~only those contributions made to the organization for the purpose of influencing a ballot question or the nomination or election of a candidate to political office and all transfers to or funds used to support the political action committee from the general treasury of the organization; and~~ in accordance with section 1060-A .

[2011, c. 389, §47 (AMD) .]

The Commission staff proposes a new section below (§ 1060-A) that would set out which contributions must be reported by organizations that are formed for a purpose other than influencing a Maine election and that spend more than \$5,000 to influence a candidate election (a PAC) or a ballot question (a BQC).

We also propose a single threshold (\$100) for PACs to itemize their contributions that would be consistent with ballot question committees.

7. Other expenditures. Operational expenses and other expenditures that are not made on behalf of a candidate, committee or campaign, except that an organization qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) is required to report only those expenditures made for the purpose of influencing ~~a ballot question or the nomination or election of a candidate to political office~~ a campaign.

[2011, c. 389, §48 (AMD) .]

This is a terminological change to rely on the term “campaign,” which is defined in § 1052(1).

§1060-A. REPORTING OF CONTRIBUTIONS BY MULTIPURPOSE ORGANIZATIONS



1. Contributions to initiate or influence a campaign. A person qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) or a ballot question committee shall disclose the following contributions:

- A. Contributions solicited by the committee, in whole or in part, for the purpose of initiating or influencing a campaign;
- B. Funds that the contributor specified were given in connection with a campaign;
- C. Funds provided in response to a solicitation that would lead the contributor to believe that all or a portion of the funds would be used for the purpose of initiating or influencing a campaign; and
- D. Funds that can reasonably be determined to have been provided by the contributor, in whole or in part, for the purpose of initiating or influencing a campaign when viewed in the context of the contribution and the recipient's activities regarding a campaign.

The Commission staff proposes a new subsection setting out contributions that must be reported by organizations whose major purpose is not influencing Maine elections but that

- spend more than \$5,000 to influence Maine candidate elections (PACs under §1052(5)(A)(5))
- spend more than \$5,000 to influence ballot question elections (BQCs under §1056-B)

Under subsection 1, the organization would need to report all contributions received to initiate or influence a campaign in Maine, which are defined in paragraphs 1(A) to 1(D). These criteria for reportable contributions are mostly drawn from the current BQC statute (§ 1056-B), which was reviewed favorably for vagueness by the federal courts in the NOM litigation.



2. Sources of other funds. If the contributions reported under subsection 1 do not account for the full balance of the committee's expenditures, the committee shall identify the organization that formed the committee as the contributor of the remaining balance, according to the procedures of the Commission.

If the contributions to initiate or to influence an election do not account for all of the PAC or BQC's spending during the report period, the PAC or BQC shall report the organization that formed the PAC or BQC as the contributor for the remaining amount of spending.

[§ 1061-62 omitted]