

Agenda

Item #10



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

To: Commission Members

From: Jonathan Wayne

Date: Friday, October 24, 2008

Re: Additional Matter - Complaint from Maine Democratic Party

We received yesterday the attached complaint filed by the Maine Democratic Party. The party is interested in addressing you – at least preliminarily – at your meeting on Monday, October 17. Attorney Daniel I. Billings provided a response yesterday evening. Because of the shortness of time and today's filing deadline for all legislative and county candidates, all PACs, and the political parties, the staff will be unable to provide a memo analyzing the issues prior to your meeting on Monday, October 17. It may be necessary for you to give this matter further consideration at a later meeting. Thank you.

RECEIVED

OCT 23 2008

DANIEL W. WALKER
dwalker@preti.com
Direct Dial: (207) 791-3281

MAINE ETHICS COMMISSION

October 23, 2008

Mr. Jonathan Wayne
Executive Director
Maine Commission Governmental Ethics and Election Practices
135 State House Station
Augusta, Maine 04333

RE: Complaints

Dear Jonathan,

The Maine Democratic Party would like to file the following complaints:

1. Senator Lois Snowe-Mello

Senator Lois Snowe-Mello has distributed direct mail expressly advocating for her election to the State Senate to households in her district in the form of a personal letter. However, this direct mail communication failed to include the required authorization disclaimer. See 21-A M.R.S.A. §1014(1) ("Whenever a person makes an expenditure to finance a communication expressly advocating the election . . . of a clearly identified candidate through . . . direct mails. . . if authorized by a candidate. . . must clearly and conspicuously state that the communication has been so authorized and must clearly state the name and address of the person who made or financed the expenditure for the communication."). See Exhibit A. Please require Senator Snowe-Mello to attach such a disclaimer to any further direct mail authorized by her and order any other remedy the Commission finds appropriate.

2. Maine Senate Republican Committee

In the October Quarterly report, the Maine Senate Republican Committee reported a number of expenditures with the remarks simply being "IE." If the expenditures were in fact independent expenditures, each of the following expenditures would have required the filing of a report within 24 hours of the expenditure and no 24-hour reports were filed. If the Commission determines that these expenditures were legally "independent expenditures," the Maine Democratic Party requests that the Commission immediately allocate MCEA matching funds if appropriate to any MCEA candidates in the districts to which the independent expenditures were directed for the total amount expended for all such unreported independent expenditures, and order any other remedy the Commission finds appropriate.

October 23, 2008

Page 2

Maine Senate Republican Committee	8-Sep	\$10,000.00	Paid Axon Design for an Independent Expenditure but did not file a 24-Hour Report	MSRC October Quarterly, p. 27
Maine Senate Republican Committee	13-Sep	\$18,000.00	Paid Axon Design for an Independent Expenditure but did not file a 24-Hour Report	MSRC October Quarterly, p. 29
Maine Senate Republican Committee	23-Sep	\$18,000.00	Paid the Maine Republican Party for an Independent Expenditure but did not file a 24-Hour Report, also would like clarification on the professional services the Party provided	MSRC October Quarterly, p. 30
Maine Senate Republican Committee	23-Sep	\$10,478.00	Paid the Maine Republican Party for an Independent Expenditure but did not file a 24-Hour Report, also would like clarification on the professional services the Party provided	MSRC October Quarterly, p. 30
Maine Senate Republican Committee	23-Sep	\$6,892.00	Paid the Maine Republican Party for an Independent Expenditure but did not file a 24-Hour Report, also would like clarification on the professional services the Party provided	MSRC October Quarterly, p. 30
Maine Senate Republican Committee	26-Sep	\$3,885.00	Paid the Maine Republican Party for an Independent Expenditure but did not file a 24-Hour Report, also would like clarification on the professional services the Party provided	MSRC October Quarterly, p. 30
Maine Senate Republican Committee	30-Sep	\$17,000.00	Paid Strategic Advocacy LLC for an Independent Expenditure but did not file a 24-Hour Report, also paid them to coordinate independent expenditures in possible violation of election law	MSRC October Quarterly, p. 32

October 23, 2008

Page 3

3. Maine Republican Party

In the October Quarterly report, the Maine Republican Party inaccurately reported a number of contributions from a PAC, which no longer exists, the Maine Senate Republican Victory Fund. Senate Republican leadership disbanded the Maine Senate Republican Victory Fund, whose principal officers were Sen. Karl Turner, Sen. Kevin Raye, Sen. Richard Rosen, and Sen. Carol Weston, and did not file a registration for that PAC this year. Senate Republican Leadership has, however, registered a new PAC, the Maine Senate Republican Committee, for the year 2008, with the only principal officers remaining being Sen. Richard Rosen and Sen. Carol Weston. Please order any remedy the Commission finds appropriate. The relevant contributions are the following:

Maine Republican Party	24-Sep	\$10,478.00	The Republican Party reports \$10,478 in contributions from "Victory Fund Maine Senate Rep," a PAC which is not registered with the Maine Ethics Commission	MRP October Quarterly, p. 6
Maine Republican Party	24-Sep	\$18,000.00	The Republican Party reports \$18,000 in contributions from "Victory Fund Maine Senate Rep," a PAC which is not registered with the Maine Ethics Commission	MRP October Quarterly, p. 6
Maine Republican Party	24-Sep	\$6,892.00	The Republican Party reports \$6,892 in contributions from "Victory Fund Maine Senate Rep," a PAC which is not registered with the Maine Ethics Commission	MRP October Quarterly, p. 6
Maine Republican Party	25-Sep	\$2,500.00	The Republican Party reports \$2500 in contributions from "Victory Fund Maine Senate Rep," a PAC which is not registered with the Maine Ethics Commission	MRP October Quarterly, p. 6
Maine Republican Party	29-Sep	\$3,885.00	The Republican Party reports \$3885 in contributions from "Victory Fund Maine Senate Rep," a PAC which is not registered with the Maine Ethics Commission	MRP October Quarterly, p. 6

PRETI FLAHERTY

October 23, 2008

Page 4

4. Tom Dunne

In Tom Dunne's 42-Day Pre-General report regarding his campaign for the Maine Senate, he reports a payment of \$400.00 on September 9, 2008 to "Trevor Bragdon (sic.), Maine State Republicans" for "Internet and e-mail" services. See Thomas J. Dunne, 42-Day Pre-General Report, p. 4. The Maine Republican Party reports no contribution from Dunne to Trevor Bragdon. However, the Maine Senate Republican Committee reports payment from Dunne as a contribution on August 19, 2008. See Maine Senate Republican Committee, October Quarterly Report, p. 8. If the August 19, 2008 date is correct, then Dunne misreported this expenditure in his 42-Day Pre-General report. If the September 9, 2008 date is correct, then the Maine Senate Republican Committee incorrectly reported the contribution as having occurred before Dunne reported that he had paid Bragdon.

Please have Dunne and the Maine Senate Republican Committee clarify the correct dates of the \$400.00 expenditure to Bragdon to determine whether these parties correctly reported this event.

Thank you for your assistance with this matter.

Sincerely,

Dan Walker
by *DWP*

Daniel W. Walker
Counsel to the Maine Democratic Party

EXHIBIT A

re-elect
Snowe-Mello
state senate

Dear Ross Family,

Too often, candidates rely on TV ads, shiny mailers, and surrogates to reach voters. I admit, I've used these traditional methods in my race for State Senate, but I like to be more personal as often as I can.

Earlier this year, I launched my campaign for re-election to the State Senate. I have been knocking on doors, meeting small business owners, and attending local events throughout the district. I truly value the time I spend meeting my neighbors. Maine is facing some tough times, but there is no challenge so great that cannot be overcome with responsible, independent leadership in Augusta.

We can encourage job growth and a strong economy to give each of us the financial security we deserve. I believe we can lower income and property taxes, promote our small businesses and prioritize government spending to boost Maine's economy.

We can find a comprehensive plan to tackle high energy costs threatening the health and safety of our neighbors and preventing economic success. I support tax credits for small business and homeowners who weatherize to improve energy efficiency, and I believe affordable alternatives like wind, solar and tidal energy can help power our state.

We can improve access to quality healthcare by expanding private health insurance options in Maine. Mainers will find affordable, patient-centered private health insurance options when we cut the bureaucratic red tape blocking us from purchasing affordable plans available in other states.

I hope I can count on your vote for State Senate. If you have any questions or concerns, please contact me at (207) 784-9136 or at senlois@roadrunner.com.

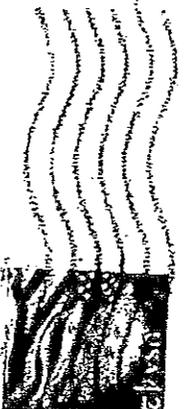
Sincerely,



Lois Snowe-Mello
State Senate Candidate

SEN. LOIS SNOWE-METLO
177 MECHANIC FALLS ROAD
POLAND, ME 04274

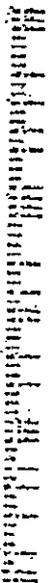
SEN. MAINE PARDON CARD
25 SEP 2008 PM 3 L



The Poe Family
88 Hillside Ave

Auburn, ME 04270

04270-4545



STATE OF MAINE
 COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
 135 State House Station, Augusta, Maine 04333-0135
 Tel: (207) 287-4179 Fax: (207) 287-6775 www.maine.gov/ethics
 Electronic Filing: www.maine-campaign-finance.com

**POLITICAL ACTION COMMITTEE
 CAMPAIGN FINANCE REPORT 2008**

<i>Political Action Committee Name</i> MAINE SENATE REPUBLICAN COMMITTEE		<i>Acronym</i> MSRC
<i>Street Address (official headquarters of PAC)</i> P.O. BOX 5004		
<i>City, State, Zip Code</i> AUGUSTA, ME, 04332		<i>Telephone Number</i> (207)512-5678
<i>Treasurer Name</i> LEVESQUE, JOANNE		
<i>Mailing Address</i> POB 296	<i>City, State, Zip Code</i> LIBERTY, ME, 04949	
<i>Telephone Number</i> (207)589-3369		
<i>E-mail Address</i> jep1@fairpoint.net		

Type of Report: OCTOBER QUARTERLY	Due Date: 10/10/2008	Reporting Period: 7/16/2008 - 9/30/2008
---	--------------------------------	---

- Other (specify) :
- Amendment to :
- No Change Report** : If your committee received no contributions and made no expenditures during this period, provide the current cash balance : \$ _____ , and sign below.

I CERTIFY THAT THE INFORMATION IN THIS REPORT IS TRUE, CORRECT AND COMPLETE.

_____ SIGNATURE ON FILE	_____ 10/8/2008
_____ TREASURER'S SIGNATURE	_____ DATE

Original October Quarterly
Maine Senate Republican Committee
Schedule B - Operating Expenditures

9/5/2008	CMC TECHNOLOGY GROUP 622 MAINE AVE, FARMINGDALE, ME, 04344	PRO	Computer maintenance	834.78
9/5/2008	CREATIVE IMAGING 68 MUSSEY RD STE 2, SCARBOROUGH, ME, 04074	FND		406.48
9/5/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	FND		1,989.62
9/5/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	OFF		1,500.00
9/5/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	PRO	Consulting	1,500.00
9/5/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	OTH	Web maintenance	25.00
9/5/2008	MEGAN MCMAHON 153A PERHAM STREET, FARMINGTON, ME, 04938	TRV		213.33
9/5/2008	MARTHA DEMERITT 63 BLUE RIDGE DR EAST, SIDNEY, ME, 04330	TRV		126.54
9/8/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	PRO	IE	10,000.00
9/9/2008	GOVERNORS RESTAURANT BANGOR, ME, 04401	FOD		51.27
9/10/2008	STAMPS.COM WWW.STAMPS.COM, ME, 04330	POS		100.00

Original October Quarterly
 Maine Senate Republican Committee
 Schedule B - Operating Expenditures

9/12/2008	TREVOR BRAGDON 41 OAK ST #2, AUGUSTA, ME, 04330	FOD		413.31
9/12/2008	RYAN H HARNDEN 47 BONNE TERRE ROAD, WALDO, ME, 04915	TRV		230.80
9/12/2008	STERLING D PINGREE 13 FREEMAN RIDGE RD, KINGFIELD, ME, 04947	TRV		99.92
9/12/2008	KEVIN SHIELDS 37 SOUTH STREET, ROCKPORT, ME, 04856	OTH	Photography	3,048.16
9/12/2008	CMC TECHNOLOGY GROUP 622 MAINE AVE, FARMINGDALE, ME, 04344	PRO	Computer repair	12.72
9/13/2008	FLS CONNECT LLC 7300 HUDSON BLVD SUITE 270, ST PAUL, MN, 55128	POL		2,382.80
9/13/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	PRO	IE	18,000.00
9/15/2008	US TREASURY WWW.EFTPS.GOV, ME, 04330	OTH	Form 941 payroll tax deposit	2,965.14
9/16/2008	ROBshaw RELIEF FUND AUGUSTA, ME, 04330	CON		500.00
9/18/2008	AXON DESIGN AND MARKETING 377 FORE ST 4TH FLOOR, PORTLAND, ME, 04101	PRO	Consulting	3,000.00
9/19/2008	FLS CONNECT LLC 7300 HUDSON BLVD SUITE 270, ST PAUL, MN, 55128	POL		13,787.65

Original October Quarterly
Maine Senate Republican Committee
Schedule B - Operating Expenditures

9/19/2008	BANGOR SAVINGS BANK 7 BELMONT AVE, BELFAST, ME, 04915	OTH	Bank wire transfer fee	20.00
9/23/2008	MAINE REPUBLICAN PARTY 9 HIGGINS STREET, AUGUSTA, ME, 04330	PRO	IE	10,478.00
9/23/2008	MAINE REPUBLICAN PARTY 9 HIGGINS STREET, AUGUSTA, ME, 04330	PRO	IE	6,892.20
9/23/2008	MAINE REPUBLICAN PARTY 9 HIGGINS STREET, AUGUSTA, ME, 04330	PRO	IE	18,000.00
9/24/2008	MUDDY RUDDER BREWSTER, ME, 04412	FOD		129.32
9/24/2008	PITNEY BOWES 2225 AMERICAN DR, NEENAH, WI, 54956-1005	POS		406.20
9/24/2008	PITNEY BOWES 2225 AMERICAN DR, NEENAH, WI, 54956-1005	OTH	Meter supplies	69.97
9/24/2008	MAINE ECONOMIC RESEARCH INSTITUTE 7 UNIVERSITY DRIVE, AUGUSTA, ME, 04330-9412	PRO	2008 roll calls and 2008 MERI	1,050.00
9/24/2008	ON TOP 75 CT ST, AUGUSTA, ME, 04330	FND		96.22
9/24/2008	MAINE REPUBLICAN PARTY 9 HIGGINS STREET, AUGUSTA, ME, 04330	CON		2,500.00
9/26/2008	MAINE REPUBLICAN PARTY 9 HIGGINS STREET, AUGUSTA, ME, 04330	PRO	IE	3,885.00

Maine Senate Republican Committee
 Schedule B - Operating Expenditures

9/29/2008	SAVAGE OAKES VINEYARD UNION, ME, 04862	FOD		20.46
9/29/2008	SAVAGE OAKES VINEYARD UNION, ME, 04862	FOD		190.63
9/29/2008	FLS CONNECT LLC 7300 HUDSON BLVD SUITE 270, ST PAUL, MN, 55128	POL		2,593.50
9/29/2008	VONAGE WWW.VONAGE.COM, ME, 04330	OFF		58.21
9/29/2008	WB MASON CO 55 FALMOUTH RD, HYANNIS, MA, 02601	OTH	Supplies	117.56
9/30/2008	PIONEER GROUP INC PO BOX 391, AUGUSTA, ME, 04332	PRO	Consulting	4,500.00
9/30/2008	STRATEGIC ADVOCACY LLC 201 US ROUTE ONE BOX 185, SCARBOUROUGH, ME, 04074	PRO	Consulting and IE Coordination	17,000.00
8/21/2008	DIMILLOS' FLOATING RESTAURANT PORTLAND, ME, 04101	FOD		200.00
8/27/2008	PITNEY BOWES 2225 AMERICAN DR, NEENAH, WI, 54956-1005	POS		666.72
9/29/2008	STRATEGIC ADVOCACY LLC 201 US ROUTE ONE BOX 185, SCARBOUROUGH, ME, 04074	OFF		800.00
Total operating expenses this reporting period				224,122.42

STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES

Mail: 135 State House Station, Augusta, ME 04333

Office: 242 State Street, Augusta, Maine

Tel: (207) 287-4179 Fax: (207) 287-6775

Website: www.maine.gov/ethics

Electronic Filing: http://www.maine.campaignfinance.com

STATE PARTY COMMITTEE REPORT - 2008

Committee MAINE REPUBLICAN PARTY
Street address 9 HIGGINS STREET
(official headquarters of committee)
City, Zip Code AUGUSTA ME 04330
Telephone (207)622-6247
E-mail _____

Check if address is different than previously reported

Treasurer PHIL ROY, JR.
Street address 4 VALLY FARMS RD
City, Zip Code FAIRFILED ME 04937
Telephone (207)453-9664
E-mail arpr@verizon.net

Check if address is different than previously reported

STATE COMMITTEE FILING PERIODS (Check applicable period below)

Due Date	Reporting Period
<u>10/10/2008</u>	<u>July 16, 2008 - September 30, 2008</u>

REPORT TYPE : STATE - October Quarterly

Is this an amendment?
 Yes No

I CERTIFY THAT I HAVE EXAMINED THIS REPORT AND TO THE BEST OF MY KNOWLEDGE IT IS TRUE, CORRECT AND COMPLETE.

Treasurer's Signature

10/21/2008
Date

REPORTING EXEMPTION: Any party committee receiving and expending less than \$1,500 in one calendar year is exempt from the reporting requirements for that year.

Amended October Quarterly Report
 Maine Republican Party
 Schedule A - Contributions

9/24/2008	VICTORY FUND MAINE SENATE REP. PO BOX 7342 PORTLAND ME 04112		10,478.00	←
9/24/2008	VICTORY FUND MAINE SENATE REP. PO BOX 7342 PORTLAND ME 04112		18,000.00	←
9/24/2008	VICTORY FUND MAINE SENATE REP. PO BOX 7342 PORTLAND ME 04112		6,892.20	←
9/25/2008	VICTORY FUND MAINE SENATE REP. PO BOX 7342 PORTLAND ME 04112		2,500.00	←
9/29/2008	VICTORY FUND MAINE SENATE REP. PO BOX 7342 PORTLAND ME 04112		3,885.00	←
9/25/2008	NEUROSURGERY PAC 5550 MEADOWBROOK CT. ROLLING MEADOWS IL 60008		5,000.00	
9/12/2008	REPUBLICAN NATIONAL COMMITTEE 310 FIRST STREET S. E. WASHINGTON DC 20003		40,000.00	
9/19/2008	REPUBLICAN NATIONAL COMMITTEE 310 FIRST STREET S. E. WASHINGTON DC 20003		19,000.00	
9/24/2008	REPUBLICAN NATIONAL COMMITTEE 310 FIRST ST. S. E. WASHINGTON DC 20003		4,000.00	
9/25/2008	MINNESOTA REPUBLICAN PARTY 525 PARK STREET, STE 250 SAINT PAUL MN 55103		45,000.00	

Maine Republican Party

(Schedule B Only)

Name of Party

**SCHEDULE B
 EXPENDITURES
 TO SUPPORT OR OPPOSE CANDIDATES OR COMMITTEES**

List all contributions and expenditures made in cash or on behalf of each candidate, political committee, PAC or other party committee.
 Do not include loan repayments or in-kind expenditure on this schedule.

Expenditure Types Requiring <u>NO</u> Remark		Expenditure Types <u>REQUIRING</u> Remark	
CON	contribution	CNS	campaign consultants
EQP	equipment	OTH	other
FND	fundraising events	PRO	professional services
FOD	food for campaign events, volunteers		
LIT	campaign literature (printing and graphics)		
MHS	mail house (all services purchased)		
OFF	office rent and utilities		
POL	polling and survey research		
PHO	phone banks, automated telephones calls		
POS	postage for U.S.Mail		
PRT	print media ads		
RAD	radio ads, production costs		
TRV	travel (fuel, mileage, lodging, etc.)		
TVN	TV or cable ads, production costs		
WEB	Internet and e-mail		

For every expenditure, list the appropriate code.

If a remark is required, list additional information such as type of consulting (media, messaging, campaign, etc.) or professional service provided.

Date of payment	Payee name	Candidate, Committee, or Party Supported		Office sought District #	Amount contributed to or spent on behalf of <u>each</u> candidate, committee, or party
	Payee's complete mailing address	Code	Remarks		
9/23/2008	AXON	Mary Andrews		SENATE 1	6,892.20
	377 FORE ST., 4TH FLOOR PORTLAND 04101 ME	MHS	Issue Advocacy		
9/23/2008	AXON	Mary Andrews		SENATE 1	2,438.00
	377 FORE ST., 4TH FLOOR PORTLAND 04101 ME	MHS	Issue advocacy		
9/23/2008	AXON	Gerald Davis		SENATE 11	6,510.00
	377 FORE ST., 4TH FLOOR PORTLAND 04101 ME	MHS	Issue advocacy		

**Amended October Quarterly Report
Maine Republican Party
Schedule B - Expenditures on behalf of Candidates**

9/23/2008	AXON	Christopher Rector		SENATE 22	6,510.00
	377 FORE ST., 4TH FLOOR PORTLAND 04101 ME	MHS	Issue advocacy		
9/23/2008	AXON	Tom Sawyer		SENATE 32	6,510.00
	377 FORE ST., 4TH FLOOR PORTLAND 04101 ME	MHS	Issue advocacy		
9/23/2008	AXON	David Trahan		SENATE 20	6,510.00
	377 FORE ST., 4TH FLOOR PORTLAND 04101 ME	MHS	Issue advocacy		
9/25/2008	GOP MAIN	Kerri Prescott		REPRESENTATIVE 60	1,523.58
	95 EDDY RD MANCHESTER 03102 NH	MHS	Issue advocacy		
9/25/2008	PAYNE PRINTING	Elizabeth Michaud		REPRESENTATIVE 5	464.88
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	Tyler Clark		REPRESENTATIVE 6	431.47
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	Doug Damon		REPRESENTATIVE 16	276.51
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	Josh Cashwell		REPRESENTATIVE 14	361.14
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	Michael Celli		REPRESENTATIVE 21	491.53
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	Richard Malaby		REPRESENTATIVE 34	296.66
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	R Kenneth Lindell		REPRESENTATIVE 41	337.61
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		
9/25/2008	PAYNE PRINTING	Jayne Giles		REPRESENTATIVE 43	432.12
	1101 MEMORIAL HIGHWAY DALLAS 18612 PA	POS	Issue Advocacy		

**MARDEN, DUBORD,
BERNIER & STEVENS**

ATTORNEYS AT LAW

Daniel I. Billings, Esq.
dbillings@mardendubord.com

44 ELM STREET
P.O. BOX 708
WATERVILLE, ME 04903-0708
www.mardendubord.com

PHONE (207) 873-0186
FAX (207) 873-2245

October 23, 2008

Jonathan Wayne, Executive Director
Maine Commission on Governmental Ethics & Election Practices
135 State House Station
Augusta, ME 04333-0135

RE: Maine Democratic Party Complaint

Dear Jonathan:

I am writing to respond to the complaints made by the Maine Democratic Party ("MDP") and to your follow up questions. I will address the complaints in the order that they were raised in the MDP's letter of October 23, 2008.

1. Senator Lois Snowe-Mello

The mailing in question was one of 65 letters sent on that date. All of the letters sent included a copy of Senator Snowe-Mello's campaign palm card which includes the authorization disclaimer required by 21-A M.R.S.A. §1014(1). The statute requires a communication to include the required authorization disclaimer. That was done in this case. The statute does not require every piece of paper in a mailing to include the required information. As a result, the mailing complied with Maine law. I should note, however, that the campaign letterhead has since been altered to include the authorization disclaimer on the bottom of the letterhead. This was done nearly a month ago, well before the MDP complaint was filed.

2. Maine Senate Republican Committee

When the October Quarterly report was filed by the PAC, the report incorrectly included "IE" in the remarks section for the expenditures listed in the MDP's complaint. As you know, before the MDP's complaint was filed, the PAC's October Quarterly report was amended to correctly state the purpose of the expenditures. None of the expenditures in question were for independent expenditures. None of the expenditures were for communications to voters which are required to be broken down per candidate under Chapter 1, Section 7(7) of the Commission's rules.

The \$10,000 payment to Axon on 9/8 and the \$18,000 payment to Axon on 9/13 were the result of billing errors by Axon. The PAC was incorrectly billed for services that were

provided to the Maine Republican Party and payments were incorrectly issued to Axon by the PAC. Before the MDP complaint was filed, Axon issued refund checks to the PAC and the PAC's October Quarterly report is being amended to eliminate the two payments which have been returned.

The payment of \$3855 to the Maine Republican Party on 9/26 was a contribution made by the PAC because it was decided that an issue mailing being done by the party was to be sent to more voters than originally planned.

The payment of \$17,000 to Strategic Advocacy on 9/30 was for consulting. The consulting services provided were primarily related to fundraising but also included more general strategic consulting services provided earlier in the year. None of the services provided were related to communications to voters.

3. Maine Republican Party

Earlier this year, the name of the Senate Republican Victory Fund was changed to the Maine Senate Republican Committee. This was done to avoid confusion with the Maine Republican Party's Victory '08 effort and to establish a standing caucus PAC which would continue forward as the primary PAC for the Senate Republican caucus. The fact that the Senate Republican Victory Fund was not disbanded and the name was simply changed is shown by the PAC's reports on file with the Commission. The Commission's website groups the reports filed by the Senate Republican Victory Fund before 2008 with the reports filed by the Maine Senate Republican Committee in 2008.

The problem with the Maine Republican Party's report is a result of the PAC continuing to use checks which were printed before the name change. The Maine Republican Party reasonably reported the contributions under the name appearing on the check. However, the party's report included the reference "Maine Senate Rep." after the words "Victory Fund." As a result, the reported contributions did effectively name the source of the funds and include the current name of the PAC. Any confusion could easily be eliminated by reference to the Commission's website.

It is my recommendation that any confusion be eliminated by the Maine Republican Party amending its report. Also, the PAC will order new checks and will alter the name on any checks which are issued before the new checks arrive to eliminate the possibility of creating any further confusion.

4. Tom Dunne

The Maine Senate Republican Committee issued an invoice to Tom Dunne's campaign on 8/19. The invoice listed Trevor Bragdon as the contact person. The Dunne campaign issued a check, which was dated 9/4. The notation on the check referenced the 8/19 invoice. The check was deposited by the Maine Senate Republican Committee on 9/25. The Maine Senate Republican Committee incorrectly reported the check as being received on the

date of the invoice. The Maine Senate Republican Committee will amend its October Quarterly Report to correct this error.

Only one payment of \$400 was made by the Dunne campaign. No money was paid directly to Trevor Bragdon.

5. Conclusion

I have addressed all of the issues raised by the MDP's complaint and in your follow-up e-mail. If you need any further information, please let me know. The reporting errors noted in the Maine Senate Republican Committee's October Quarterly report have already been corrected or will be corrected within 24-hours. Though minor errors were made, all of the reports in question were in substantial compliance with Maine law and the Commission's rules. No further action by the Commission should be required.

On October 10, 2008, I sent you an e-mail concerning inconsistencies between the MDP's quarterly report and Independent Expenditure reports previously filed by the MDP. My concern was that the MDP's Quarterly Report made it appear that the Independent Expenditure Reports previously filed had understated the amounts of those expenditures and, as a result, the appropriate matching funds may not have been authorized. I understand you have requested an explanation of the inconsistencies and have yet to receive a response. I also briefly discussed the issue with the MDP's counsel at the Commission's October 17th meeting. I did not make my inquiry as a formal complaint because I hoped that the issue could be quickly resolved without action at a Commission meeting being required. Also, I did not wish to allege a reporting violation when a simple explanation may have resolved my concerns. Because the MDP has failed to respond to your request for information, I request that you now treat my October 10th e-mail as a formal complaint and request for Commission action.

Very truly yours,

Signed electronically 10/24/08

Daniel I. Billings