



Minutes of the September 25, 2024 Meeting of the
Commission on Governmental Ethics and Election Practices
45 Memorial Circle, Augusta, Maine

Present: William Schneider, Esq., Chair; Dennis Marble; Sarah LeClaire, Esq. and David Hastings, Esq.

Staff: Jonathan Wayne, Executive Director; and Jonathan R. Bolton, Assistant Attorney General
Commissioner Schneider convened the meeting at 9:00 a.m.

1. Ratification of the Minutes of the July 24, 2024 Meeting

Mr. Schneider moved to amend the July 24, 2024 minutes. Mr. Marble seconded the motion. The motion passed 4-0.

Mr. Marble moved to ratify the July 24, 2024 minutes as amended. Mr. Hastings seconded the motion. The motion passed 4-0.

2. Request for Penalty Waiver – Maine Republican Party

During the last 13 days before an election, state party committees must file a 24-Hour Report within one day of receiving a contribution of \$5,000 or more. On June 3, 2024, the Maine Republican Party received a \$7,808.00 contribution and was required to file a 24-Hour Report by June 4 but did not do so until July 22. On June 4, the state party received a \$38,839.80 contribution and was required to file a 24-Hour Report by June 5, but did not do so until June 10. The preliminary penalties for the two late reports totaled \$18,875.31.

Mr. Wayne said it was rare that one of the two major state parties files a campaign finance report late. The last time a state party committee requested a waiver for late 24-Hour Reports was in 2015 when the Maine Republican Party had five late reports. At that time, the Commission reduced the preliminary penalties from \$37,400 to \$5,000. Given the circumstances of this case, Commission staff recommended that the preliminary penalties be reduced to \$1,500 per report, for a total of \$3,000.

Ms. Tiffany Dilda-Gaspar, the treasurer of the Maine Republican Party, appeared before the Commission and explained she was new to the position and was unaware the reporting team was

not receiving reporting notifications. She has put in place a plan to prevent that in the future. Mr. Hastings asked if the Maine Republican Party used an outside firm to prepare its filings. Mr. Jason Savage, the party's executive director, replied they use a Massachusetts firm because the party needs to comply with both state and federal requirements. He added that around the reporting deadlines, the party was transitioning to a new treasurer and the Massachusetts firm also had staff changes, which caused a perfect storm of all the pieces not coming together.

Mr. Marble asked Mr. Savage how long he had held the executive director position and if he could recall any other reporting enforcement issues. Mr. Savage said he had been in his position for roughly 11 years, and in that period, he could recall two or three violations, one of which they had discovered, self-reported, and paid the fine.

Mr. Schneider moved to reduce the fines to \$1,500 per filing, for a total of \$3,000. Mr. Hastings seconded the motion. The motion passed 4-0.

3. Request for Penalty Waiver – Friends of Maine Hospitals PAC

On June 7, 2024, Friends of Maine Hospitals (the "PAC") made a \$1,000 expenditure and was required to file a 24-Hour Report by June 8th but did not do so until July 23rd. The PAC requested a waiver of the \$900 preliminary penalty. Mr. Wayne said that since April 2018, the Commission had generally assessed a final penalty of \$750 or more for routine, unintentional late-filing violations by PACs, with some further reductions for good cause. Given the circumstances described in the staff's memo, Commission staff recommended the preliminary penalty be reduced to \$500.

The PAC's Treasurer, Mr. Jeffrey Austin, addressed the Commission. He did not dispute any of the fact finding by Commission staff. His assistant, who had been with the hospital association for 30 years and had handled their campaign finance filings successfully, had left and they were adjusting to the staff turnover. The \$1,000 expenditure that was not reported within 24 hours was a sponsorship for a golf tournament.

Mr. Hastings moved to reduce the penalty to \$500. Mr. Schneider seconded the motion. The motion passed 4-0.

4. Request for Penalty Waiver – Local 349 PAC Fund

The Local 349 PAC Fund was formed by a labor organization of carpenters. It filed the 42-Day Post-Primary Report on July 22, 2024 with no financial activity. On September 11, 2024, the PAC amended the report to add \$1,369.17 in contributions. Because the originally filed report did not conform to the PAC disclosure requirements, the Commission notified the PAC that the original report was considered late and the PAC could request a waiver of a \$1,369 preliminary penalty.

The PAC submitted a letter requesting a waiver and explaining this was an honest mistake. When the PAC realized the error, it amended the 42-Day Post-Primary Report. The PAC's principal officer, Mr. John Leavitt, appeared before the Commission and explained they had a new administrator who had not forwarded the financial information needed for the report. PAC treasurer Jeffrey Grinvalsky added there was also a transition on the way the new administrator was communicating information. In the past he would receive a hard copy of the deposit sent to him by certified mail, but in this instance, he did not receive one which caused him to miss it.

Mr. Schneider moved to reduce the fine to \$500. Mr. Hastings seconded the motion. The motion passed 4-0.

5. Request for Penalty Waiver – Maine Labor Climate PAC

The Maine Labor Climate PAC is a new PAC that was required to file an independent expenditure report no later than September 6, 2024, but filed the report two days late on September 8. The PAC requested a waiver of the \$534.44 preliminary penalty. Commission staff recommended reducing the penalty to \$400 because of the committee's inexperience and limited harm to the public.

Mr. Francis Eanes spoke in favor of the waiver request. He explained they misunderstood the reporting deadline due to inexperience.

Mr. Schneider moved to reduce the fine to \$400. Ms. LeClaire seconded the motion. The motion passed 4-0.

6. Request for Penalty Waiver – Bright Future Maine PAC

On May 28, 2024, the Bright Future Maine PAC made an expenditure for advertising in support of a candidate for State Senate. The PAC was required to file an independent expenditure (IE) report on May 30, 2024. The PAC entered the payment in the Commission's eFiling system as

an expenditure, rather than as an IE. The transaction was timely disclosed in the regularly scheduled report filed on May 31, 2024, but the payment should also have been reported in an IE report by May 30, 2024. The PAC filed the IE report 71 days late on August 9, 2024 and requested a waiver of the \$6,411.30 preliminary penalty. Mr. Wayne said because the PAC self-identified the error and contacted the Commission staff to make a correction, the Commission staff recommended reducing the preliminary penalty to \$375, but not granting a full waiver.

Mr. Joshua Tardy, Esq., representing the PAC, appreciated the staff's recommended penalty reduction. He said at some point he would like the legislature to look at what the difference is between the 24-hour and 48-hour deadlines for filing IE reports. He understood the need to notify the public but felt a streamlined approach would make more sense.

Mr. Schneider moved to reduce the fine to \$375. Mr. Marble seconded the motion. The motion passed 4-0.

7. Penalty for Failure to File Campaign Finance Reports – 2020 Candidate John DeVeau

Mr. John DeVeau ran for State Representative in 2020, but did not win his primary election. Because his reported campaign balance exceeded \$100, he was required to file semiannual campaign finance reports every January and July 15th. During 2021-2023, Commission staff often filed the reports for him at his request. He should have filed a 2024 January Semiannual Report (due 1/16/2024) and a 2024 July Semiannual Report (due 7/15/2024) but filed neither. After the Commission staff started an enforcement proceeding, Mr. DeVeau filed the two reports late. Staff recommends assessing two penalties of \$100, for a total of \$200. Mr. DeVeau did not participate in the meeting to respond to the two proposed penalties.

Mr. Marble said he had some discomfort with staff filing campaign finance reports for candidates. He felt staff should remind filers about their reporting obligations and answer their questions, but when it came to pulling the trigger and submitting the report that should be left to the individual filer.

Mr. Schneider said he did not entirely agree. He thought it was wonderful that the Commission staff exercised its judgment and helped candidates by filing the report to the extent candidates needed it.

Mr. Schneider moved to assess two filing penalties of \$100 each, for a total of \$200. Mr. Marble seconded the motion. The motion passed 4-0

8. Investigation – May 2024 Referendum in St. George, Maine

At the Commission's July 24, 2024 meeting, the Commission directed staff to investigate an anonymous postcard mailing to residents of St. George, Maine in May 2024 opposing a municipal referendum. Because of the probability that the mailing cost over \$500 and because the postcard explicitly urged a "no" vote, it was likely the card was required to include the name and address of the person who made the expenditure for the mailing.

Mr. Wayne said he had interviewed ten St. George residents and four print shops but was unable to identify the person(s) who were responsible for the mailing. Mr. Wayne explained that some witnesses had identified people who might be involved in the mailing because of views on the referendum they had expressed at a public hearing and in social media postings. Four individuals had been named in total.

Mr. Marble asked if Mr. Wayne thought the investigation had helped inform the public there are right and wrong ways to do these things and there are laws and regulations. Mr. Wayne said there were three news articles about the Commission's investigation and hoped the press coverage had some educational benefit.

Mr. Schneider said he felt some people are now more aware of the new law. He said that it would be inappropriate for the Commission to investigate people because they had exercised their first amendment right to speak out on a local issue.

Mr. Hastings stated the investigation was done appropriately, but he did not agree with questioning individuals solely because they took a public position on an issue. He felt the investigation should end unless further evidence was found to identify the party involved.

Representative Ann Matlack appeared before the Commission. She described the postcard as inflammatory and inaccurate. It was frustrating that the mailing was sent out so close to the election, without the opportunity for people to respond to it appropriately. Ms. LeClaire asked Rep. Matlack if she had an opinion about whether the Commission should continue the investigation. Rep. Matlack expressed disappointment that the responsible party was not found, but felt continuing to look for the individual where the vote had been cast and the non-profit had moved on to a different parcel of land was a moot point. Rep. Matlack said she would consider reaching out to the Maine Municipal Association and the Maine League of Women Voters to have them distribute educational materials on this topic to raise awareness.

Mr. Schneider moved to take no further action on this matter. Mr. Marble seconded the motion. The motion passed 4-0

Other Business

Mr. Bolton said on October 9, 2024, he would appear before the U.S. Court of Appeals for the First Circuit as part of the State's appeal of a preliminary injunction on Question 2.

Mr. Hastings made a motion to adjourn. Mr. Marble seconded. The motion passed 4-0. The meeting was adjourned at 10:14 a.m.

Respectfully submitted,
Jonathan Wayne, Executive Director