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**DRAFT** 



Minutes of the July 28, 2025 Meeting of the Commission on Governmental Ethics and Election Practices 45 Memorial Circle, Augusta, Maine

<u>Present</u>: William Schneider, Esq., Chair; Dennis Marble; David Hastings, Esq.; and Sarah LeClaire, Esq. (by Zoom)

<u>Staff</u>: 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 May 28, 2025 Meeting Minutes

Mr. Schneider moved to approve the May 28, 2025 minutes as amended to correct a spelling error. Mr. Marble seconded the motion. The motion passed 4-0.

## 2. Request for Investigation – School Construction Referenda in Cape Elizabeth

In April 2025, Robert L. Benoit and Mary Ann Lynch submitted a complaint regarding two school construction referenda in Cape Elizabeth on November 5, 2024 and June 11, 2025. They alleged the school department spent more than \$5,000 on advertisements in the Cape Courier newspaper to influence the referenda and should have registered and filed campaign finance reports as a ballot question committee (BQC). At the May 28, 2025 meeting, the Commission postponed a decision on the complaint so the Commission could further consider the legal question of whether the Cape Elizabeth School Department, as a municipal entity, could qualify as a BQC. The Commission received legal memos from the Commission's counsel, Assistant Attorney General Jonathan R. Bolton, the complainants, and attorneys for the school district.

Ms. Lynch addressed the Commission. She noted that Mr. Bolton's memo concluded the term "person" could reasonably be interpreted to include a municipal entity. She added the definition of campaign meant any course of action to influence a municipal election. She said to get around the plain meaning of the statute, the staff and the school board's attorney have suggested there's a public policy that favors excluding the school department from regulation because they are providing information to the public. She said they could all agree the purpose of

campaign finance law is to provide transparency, accountability and fairness to promote the integrity of elections. She asked whether there should be a lesser standard for those who are spending public money. She urged the Commission to uphold its 2009 decision regarding the City of South Portland.

Ms. Adrianne Fouts, Esq. made remarks on behalf of the Cape Elizabeth School Department. She said a binding legal principle governs how statutes should be interpreted when considering if they apply to governmental entities. There is no presumption that a statute applies to a governmental entity. The law requires the opposite view. A statute should be interpreted as covering a governmental entity only if the statute explicitly states that it applies to such an entity. This principle of statutory interpretation applies in this case because the Cape Elizabeth School Department is a school administrative unit which is an agent of the state. The school department agrees with the Commission staff that public policy considerations favor an interpretation that "person" does not extend to the school department in this case. This is not a double or lesser standard. The considerations are different. The school department has statutory obligations to the public that it meets by providing information to them. It identifies itself as the source of that information and has other disclosure requirements that private citizens and corporations do not, such as financial disclosure obligations and the Freedom of Access Act (FOAA).

Mr. Hastings said he was persuaded by Mr. Bolton's memo that the general law in Maine is that a governmental entity is not subject to a law unless the law specifically states that the entity is covered.

Ms. LeClaire stated she was not comfortable interpreting the statute to include municipalities or subdivisions of the government. Mr. Bolton's memo highlighted that the Legislature has no problem clarifying when government entities are covered under a particular statute. She said it was up to the Legislature to include municipalities and governmental entities in the reporting requirements if it wants to.

Mr. Marble said it was inappropriate to try to apply the expectations for a ballot question committee to a public body such as a school board, town council, or board of selectmen.

Mr. Schneider restated the motion that was on the table from the May 2025 meeting. The motion was to take no further action on the complaint. The motion passed 4-0.

## 3. Proposed Investigation – Potential Coordinated Spending

In March 2025, the Aroostook Democratic County Committee (ADCC) contacted staff for help filing its late 2024 campaign finance reports. While assisting the committee, Assistant Director Martha Currier found out about an expenditure to a local radio station, reportedly for "election coverage." Mr. Wayne said the Commission staff had some concern that the purchase of advertising time by the ADCC could represent a contribution to the candidates who were participating in the Maine Clean Election Act program. Mr. Wayne proposed that the Commission authorize an investigation to gather additional factual information.

Mr. Schneider moved to authorize staff to investigate the matter. Mr. Marble seconded the motion. The motion passed 3-0. Ms. LeClaire recused herself since the matter was in Aroostook County.

# 4. Update on Working Group

Mr. Marble reported on the meetings of the working group that was charged with simplifying the reporting deadlines and thresholds. The group agreed on a set of proposals for the Commission to consider. Mr. Wayne described the proposals:

- increasing the dollar amount thresholds that require the filing of a 24-Hour Report during the last 13 days before an election,
- changing the deadline for 24-Hour reports to within 48 hours of the contribution or expenditure,
- increasing the spending threshold that requires an independent expenditure report from spending \$250 per candidate to \$1,000 per candidate, and
- changing the independent expenditure reporting deadline to within two calendar days.

Mr. Wayne acknowledged that the group had not come to a complete agreement on the independent expenditure reporting deadline in the last six days before an election but the working group intended to raise the issues with the Joint Standing Committee on Veterans and Legal Affairs if the Commission agreed to move the proposal forward.

The Commission thanked the working group and asked staff to move forward with preparing these proposals as legislation for consideration during the next session.

## 5. Proposed Rulemaking

Commission staff proposed commencing a rulemaking by inviting public comments on amendments to Chapter 1 of the Commission's rules. The Commission staff suggested inviting comments from the public around Labor Day, holding a public hearing as part of the September 24, 2025 meeting, and considering whether to adopt the amendments later in the fall.

Mr. Schneider moved to proceed with the rulemaking and solicit public comments. The motion was seconded by Mr. Hastings. The motion passed 4-0.

# 6. Report on Campaign Finance Constitutional Amendments

The Commission considered a draft second annual report on proposals in the U.S. Congress to amend the federal constitution to allow for greater regulation of how money is raised and spent to influence elections. Mr. Wayne said the Commission staff had identified two resolutions which were included in the appendix to the draft report along with 61 comments from members of the public.

Mr. Schneider moved to approve the publication of the report. The motion was seconded by Mr. Marble. The motion passed 4-0.

#### **Other Business**

Mr. Bolton updated the Commission regarding court challenges to a law banning foreign governmental spending in Maine state elections and a \$5,000 contribution limit to PACs for the purpose of making independent expenditures. Ms. LeClaire said these were complex issues for the public to comprehend and asked if the staff could put out a press release on the status. Mr. Bolton replied that would be appropriate and he would work with the staff to put it together.

#### Adjournment

Mr. Hastings made a motion to adjourn. Mr. Schneider seconded. The motion passed 4-0. The meeting adjourned at 9:51 a.m.

Respectfully submitted,

Jonathan Wayne, Executive Director