



MAJOR CONTIBUTORS – FREQUENTLY ASKED QUESTIONS

21-A M.R.S. § 1060-A

Who is a Major Contributor? A Major Contributor is a person (business, organization, association, etc., but not an individual) who gives more than \$100,000 to a ballot question committee (BQC) to initiate or influence a people's veto or citizen initiative.

What counts as a contribution? Money or anything of value given to a committee to initiate or influence a people's veto or citizen initiative.

Does this only apply to single contributions of more than \$100,000? No. All contributions from the same contributor, regardless of the amount, count towards the \$100,000 threshold.

Who is responsible for notifying the Major Contributor of the reporting requirement? The BQC that received the contribution(s) is responsible for sending a written notice to the Contributor explaining the reporting requirement. The BQC must also copy the Commission on the notification.

When does the BQC have to notify the Contributor? The BQC must notify the Contributor within 5 days of having received contributions from the Contributor exceeding the \$100,000 threshold. If it is exceeded within 13 days before an election, then the committee must notify the Contributor in writing within 24 hours.

When does the Contributor have to file? The Contributor must file a report on or before the next regularly scheduled filing deadline for campaign finance reports. If, however, the Contributor receives notice during the 13 days before an election, then the Contributor must file the report within 2 business days of having received the notice. The notice from the BQC will have the filing schedule.

What does the Contributor have to report?

1. The name and relevant contact information for the Contributor and the name of the responsible officer;
2. The form of the organization (LLC, PA, etc.) and its purpose;
3. The amount and date of each contribution to the recipient committee;
4. A certification that the Contributor has not received any contributions for the purpose of initiating or influencing a people's veto or citizen initiative, or if the contributor has received such contributions, the dates, sources, and amounts of any such contributions must be included;
5. The names of the 5 largest sources of funds received by the Contributor during the six months prior to the first contribution made to the committee and ending on the date of filing the report. This does not apply to any funds received by the Contributor that are restricted to be used for purposes other than influencing or initiating a people's veto or citizen initiative; and
6. A statement including whether the contributor is exempt from taxation by the I.R.S. and a list of any governmental jurisdictions that the Contributor has filed campaign finance reports during the previous 12 months.

What happens if the Contributor doesn't file timely? If the Contributor doesn't file the report on time, the Commission will issue a notice of preliminary penalty, which is 10% of the total contributions up to a maximum penalty of \$50,000. The notice of preliminary penalty will be mailed to the Contributor. 21-A M.R.S. § 1062-A.

What happens if the BQC fails to notify or is late in notifying the Contributor? The committee may be liable for a penalty of 10% of the total contributions from the Contributor up to a maximum of \$50,000.

Can the preliminary penalty be contested? Yes. Within 14 days of receiving the notice of preliminary penalty, the Contributor or BQC may request that the Commission consider a waiver of the penalty in whole or in part. The Commission will consider the request at a monthly public meeting.

What factors will the Commission consider for a waiver request? The Commission considers when the Contributor received notice of the requirement, the number of days late, mitigating factors that led to the late reporting, etc.