



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
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AUGUSTA, MAINE
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NEW REQUIREMENT TO DISCLOSE TOP 3 FUNDERS FOR INDEPENDENT EXPENDITURES

When an organization makes an independent expenditure to support or oppose a candidate, the organization is required to name its three largest funders in the communication. (21-A M.R.S.A. § 1014(2-B); Commission Rules, Chapter 1, Section 7, subsection 12) This disclosure statement is in addition to the “paid for” disclosure requirements in 21-A M.R.S.A. §§ 1014(2) and (2-A) that have been in effect during previous elections. This new requirement was a part of the citizen initiative approved by Maine voters on November 3, 2015.

1. What communications require a top 3 funders disclosure statement?

A communication is required to include the disclosure statement if the communication is:

- An independent expenditure,
- In excess of \$250 per candidate, and
- Made over broadcast or cable television, broadcast radio, or Internet audio programming, or through direct mail, newspaper or other periodical publications.

The following are examples of communications not requiring the top 3 funders disclosure statement:

- Telephone calls;
- Websites and internet ads;
- Videos on the Internet;
- Outdoor advertising (campaign signs, banners, etc.)

2. What is required for a top 3 funders disclosure statement?

- The communication must conspicuously include the following statement:
“The top 3 funders of (Name of the Organization making the independent expenditure) are: (Names of the top 3 funders).”

- Audio and visual communications (e.g., broadcast or cable television ads) require both an audio and visual statement.
- The visual portion of a top 3 funders disclosure statement in a cable television or broadcast television communication must conform to federal regulations which regulate text size and duration of sponsorship information, specifically:
 - be equal to or greater than four percent of the vertical picture height, and
 - appear for not less than four seconds.
- For communications with a visual aspect other than television or video communications (e.g., mailers, palmcards), the top 3 funders disclosure statement must appear in a font size that is 12-point or larger.

The following is an example of a top 3 funders disclosure statement, coupled with the disclosure statements required by Title 21-A, Section 1014, subsection 2:

Paid for by the Committee for a Better Maine, 2 Oak Street, Bangor, Maine. The top 3 funders of Committee for a Better Maine are Americans for a Fair Workplace, the National Business-Labor Council, and Get America Moving. **Not paid for or authorized by any candidate.**

The new law contains some exceptions for small or short-duration communications:

- If a communication is made by broadcast or cable television and is 30 seconds or less in duration, the audible portion of the disclosure statement is only required to include the organization's top funder. The visual portion must still include the top three funders.
- If a communication is made by print and is 20 square inches or less, the disclosure statement is only required to include the organization's top funder.
- If a communication is made by an audio-only format and is 30 seconds or less in duration, the disclosure statement is only required to include the organization's top funder.

3. Who are an organization's top funders?

- A funder is any entity (a business, political committee, individual, etc.) that has given a cash or in-kind contribution to the organization since the day after the last general election.
- If the communication is paid for by a political action committee (PAC) that is a separate or segregated fund established by an organization to engage in political activity, the top 3 funders of the organization that established the PAC must be named in the disclosure statement.
- If the communication is paid for by a PAC fully funded or controlled by another PAC or other organization, the disclosure statement must contain the top 3 funders of the PAC or organization funding or controlling the PAC making the expenditure.
- If two or more funders are tied, the tie is broken by naming the funders in chronological order (oldest first). If the tie cannot be broken, the organization can choose which of the tied funders to include in the disclosure statement.
- If an organization's top funders change, the disclosure statement for any communication paid for after the change must be updated appropriately.
- An organization does not have to name funders giving less than \$1,000 or whose funds can be shown to have been used for purposes other than the communication because the funds were already spent in the order received or were strictly segregated in other accounts.
- If there is only one or two top funders, the disclosure statement should be "The top funder of (the organization)..." or "The top 2 funders of (the organization)..."
- If none of an organization's funders meets the criteria for the disclosure statement, the disclosure statement is not required.

If you have any questions about this guidance, please contact the Commission staff at (207) 287-4179 or ethics@maine.gov.

September 13, 2016