

Advice for Traditionally Financed Candidates About Participating in the Maine Clean Election Act Program in 2018

In the November 3, 2015 election, Maine voters approved a citizen initiative increasing the amount of public campaign funds available to candidates participating in the Maine Clean Election Act (MCEA) program. The following guidance is for candidates who have previously run traditionally financed campaigns and who are considering participating in the MCEA program for 2018.

1. I ran for the Legislature in 2014 or 2016 and my previous campaign has surplus funds and/or an outstanding debt or loan. What do I need to do to run as an MCEA candidate in 2018?

<u>Surplus funds.</u> To participate in the MCEA program in 2018, you must dispose of all your surplus funds. The Commission has guidance available at <u>www.maine.gov/ethics</u> that outlines nine options for donating or spending surplus campaign funds. The most frequently used options are contributing the funds to a party committee or non-profit organization, or returning the funds to their donors. Surplus funds may not be donated to a PAC. You may not use these funds to influence your 2018 election, other than carrying them forward as seed money (see next paragraph). Please dispose of the funds prior to collecting any seed money for 2018. You must file a final campaign finance report for your previous campaign to disclose how you disposed of your surplus. Please call a Candidate Registrar at 287-4179 about filing this report.

<u>Carrying forward surplus funds as seed money.</u> You may carry forward a limited amount of your surplus campaign funds as seed money – up to \$1,000 for House candidates and up to \$3,000 for Senate candidates. You are allowed to carry forward only contributions from individuals up to the amount of their contribution but no more than \$100. For example, you raised \$1,000 for your 2016 campaign – \$700 came from businesses, \$250 from Jane Doe and \$50 from John Doe. You have a campaign surplus of \$500. You can carry forward only \$150 – \$100 from Jane Doe and \$50 from John Doe. If you have any questions about how much surplus and which contributions you can carry forward, please call a Candidate Registrar.

<u>Debt or loans from a previous campaign.</u> You should dispose of unpaid debts and loans before registering as a candidate for 2018. You may raise more contributions or use your own funds to liquidate unpaid debts and loans from your previous campaign.

2. I already registered for the 2018 elections as a traditionally financed candidate. May I switch to running as a MCEA candidate?

Yes. Please file an amended registration and a Declaration of Intent form. You must return any contributions you have already received for the 2018 elections that do not comply with the seed money restrictions by:

- returning all contributions from contributors other than individuals (e.g., PACs, party committees, businesses, unions, and non-profit organizations);
- returning the portions of contributions from individuals that exceed \$100;
- returning any other contributions in order to stay within the seed money limits (\$1,000 for a House candidate, or \$3,000 for a Senate candidate).

If you have spent any money after registering for the 2018 election, please call a Candidate Registrar.

3. I have a leadership PAC. Do I have to close it to run as a MCEA candidate in 2018?

Yes, you would need to close your PAC by April 1, 2018 in order to be a MCEA candidate. You may be involved in your party's legislative caucus PAC. You may also be involved in ballot question committees, a PAC that supports or opposes a ballot question, and state and local party committees. The Commission has prepared <u>separate advice</u> on this, which is available at <u>www.maine.gov/ethics</u>.

4. When are MCEA candidates required to file their first campaign finance report for the 2018 elections?

Candidates who have received or spent more than \$500 in seed money in 2017 must file a campaign finance report due January 16, 2018. This report is also required if you carried forward more than \$500 from your previous campaign during 2017. Otherwise, the seed money report due on April 20, 2018 will be your first report.

If you are disposing of surplus cash or liquidating a debt or loan from 2014 or 2016, you must also file a separate campaign finance report closing out your previous campaign.

Please call your Candidate Registrar at 287-4179 with any questions!