



STATE OF MAINE  
COMMISSION ON GOVERNMENTAL ETHICS  
AND ELECTION PRACTICES  
135 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0135

Commission Meeting:  
8/29/2018 Agenda Item # 6

To: Commissioners  
From: Tim Goodhue, Candidate Registrar  
Date: August 7, 2018  
Re: Request for Waiver of Late-Filing Penalty by Danny Costain

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Danny Costain was a traditionally financed candidate for the Maine House of Representatives in the June 12, 2018 Republican primary election in House District 100. Mr. Costain won the primary election and is his party's nominee in the general election. During the 13 days prior to an election, legislative candidates who receive a single contribution or make a single expenditure of \$1,000 or more are required to file a supplemental campaign finance report within 24 hours of receiving the contribution or making the expenditure.

On June 5, 2018, Mr. Costain lent \$3,116.26 to his campaign during the 24-hour reporting period prior to the primary election. (Loans are within the definition of "contribution" in 21-A M.R.S.A. § 1012(2)(A).) That day, he also made an expenditure of \$2,796.89. Accordingly, he was required to file a 24-Hour Report on June 6, 2018 to disclose both transactions. He filed the report late on July 24, 2018, when entering data for his 42-day post-primary election report. The 24-Hour Report was 48 days late. The preliminary penalty is \$2,991.36, and Mr. Costain is requesting a waiver.

### **LEGAL REQUIREMENTS**

Candidates are required to file 24-Hour Reports with the Commission during the 13 days prior to an election if they receive a contribution or make an expenditure of \$1,000 or more. (21-A M.R.S.A. § 1017(3-A)(C)) If the candidate is late in filing a 24-Hour Report, the amount of the penalty is set by a formula which takes into consideration a percentage of the total contributions or expenditures, whichever is greater, the number of

prior violations within a two-year period, and the number of days the report is late. (21-A M.R.S.A. § 1020-A(4-A))

## **DISCUSSION**

On July 24, 2018, when the Costain campaign was preparing the 42-Day Post-Primary Report for filing, it entered a contribution in the form of a loan from Mr. Costain to the campaign. This transaction took place on June 5, 2018, and was in the amount of \$3,116.26. In addition, the campaign entered an expenditure of \$2,796.89 to Spectrum Marketing that took place on June 5, 2018. When the campaign entered the transactions on July 24, 2018, the e-filing system produced a warning they were required to be filed on a 24-Hour Report, and created such a report to be filed. The campaign filed the 24-Hour Report 48 days late on July 24, 2018.

Based on the statutory formula for calculating late-filing penalties, the preliminary penalty is \$2,991.36 (based on the amount of contributions in the report).

<b>Report</b>	<b>Due Date</b>	<b>Financial Activity</b>	<b>Penalty Rate</b>	<b>Days Late</b>	<b>Preliminary Penalty</b>
24-Hour Report	06/06/2018	\$3,116.26	2%	48	\$2,991.36

## **STAFF COMMENTS**

Violations of the 24-hour reporting requirements can be serious matters. 24-Hour Reports play a valuable role in informing the electorate about how money is being spent to influence voters in the critical days just before an election.

The 24-hour reporting requirement is discussed in a number of locations on the Commission's website and publications. The requirement is set out in the filing schedules for 2018 candidates (the relevant schedule is attached), which were posted on the Commission's website in June 2017. The requirement is also mentioned in a page of the 2018 Candidate Quick Guides. These are folders of concise, laminated fliers explaining some of the basic financial requirements for candidates, which our office received from commercial printers in December 2017 (the relevant page is attached).

The requirement is also discussed in the larger Candidate Guidebook, which is available on request.

On May 30, 2018, Tim Goodhue sent an email (attached) reminding all candidates assigned to him (and their treasurers) of the 24-hour reporting requirement. The email was addressed to Mr. Costain, among many others.

According to the Mr. Costain, the violation for not filing a 24-Hour Report on June 6, 2018 should be waived for several reasons. His main argument is he was unaware of the 24-hour reporting requirement.

Mr. Costain states that he was not handed information concerning the 24-hour reporting requirement when he registered in our office during the second week of January 2018. At that time, the Commission did not have an administrative assistant and Mr. Costain likely would have been assisted by one of our two Candidate Registrars. We generally provided the Candidate Quick Guides to all visiting candidates during this period, but we have no way of confirming whether or not he received one. Even if Mr. Costain did not receive the Quick Guide, it was his responsibility to learn the campaign finance reporting requirements (including the 24-Hour reporting requirement) by contacting our office or consulting the Commission website.

## **RECOMMENDATION**

As discussed in agenda items #4 (Caitlin Hills) and #5 (Ian Schwartz), the Commission staff intends to recommend penalties in the range of \$300 - \$400 for late 24-Hour Reports filed by legislative and county candidates. The Commission staff recommends reducing the penalty against Mr. Costain to \$300, because he was a first-time candidate who was not aware of the filing requirement.

Thank you for your consideration of this memo.

Note: Mr. Costain's August 2, 2018 email was addressed to timothy.goodhue@maine.gov. On August 7, 2018 he resent it to timothy.a.goodhue@maine.gov

**Feliciano, Katie**

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**From:** Dan's Gmail <dancostain@gmail.com>  
**Sent:** Tuesday, August 7, 2018 2:44 PM  
**To:** Goodhue, Timothy A  
**Subject:** Fwd: Commission Waive penalty

His my waiver request again. As you can see the date that I originally emailed it to you.

What day did you tell me the commission was going to meet so I can advise my attorney.

Dan Costain  
Cell 207-852-1932

Begin forwarded message:

**From:** Danny Costain <[dancostain@gmail.com](mailto:dancostain@gmail.com)>  
**Date:** August 2, 2018 at 12:09:20 EDT  
**To:** "[timothy.goodhue@maine.gov](mailto:timothy.goodhue@maine.gov)" <[timothy.goodhue@maine.gov](mailto:timothy.goodhue@maine.gov)>  
**Subject:** Commission Waive penalty

Mr. Good hue

I would request a hearing in front of the Ethic Commission in reference to the 24 hour late filing. When we spoke on the phone I told you that I am a new candidate and wasn't aware that I had to file this report within 24 hours. Now that I am aware of this it will not happen again. When I filed my paperwork with the ethics commission As a candidate I wasn't handed any paperwork with the rules from your staff.

I would request that the Commission waive the penalty in this case.

Thank you for your time concerning this matter.

Danny Costain  
292 Ridge Rd  
Plymouth, ME 04969  
207.852.1932

Please let me know you received this request.

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**Have a Wonderful Day!**

**Dan Costain**  
Ferry Ridge Farms

**Cell 207-852-1932**



STATE OF MAINE  
COMMISSION ON GOVERNMENTAL ETHICS  
AND ELECTION PRACTICES  
135 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0135

July 25, 2018

Danny Costain  
292 Ridge Road  
Plymouth, Maine 04969

**Re: Notice of Violation and Penalty for Late-Filed 24-Hour Report Report**

Dear Mr. Costain:

You were required to file a 24-Hour Report Report on June 6, 2018 by 11:59 p.m., but the report was not filed until July 24, 2018. Under the Commission's statutes (21-A M.R.S.A. § 1020-A(4-A)), the late filing of a report triggers an enforcement process. The Commission staff has made a preliminary finding of violation and determined that the preliminary penalty for filing the report late is \$2991.36. Please see the next page for the penalty calculation.

You may request that the Commission waive the penalty in whole or in part or find that there was no violation. The request must be made within 14 calendar days of your receipt of this notice. The request must be in writing and contain a full explanation of the reasons the report was filed late. Upon receiving your request, the Commission staff will schedule your request to be heard at an upcoming Commission meeting. You or your designee will have an opportunity to be heard at the meeting or you may submit a sworn statement to the Commission explaining the mitigating circumstances for its consideration.

The Commission may waive or reduce the penalty or find that there was no violation if it determines that the report was late due to mitigating circumstances, which are defined as (1) a valid emergency; (2) an error made by the Commission staff; or (3) relevant evidence that a bona fide effort was made to file the report on time. The Commission may also consider whether the penalty is disproportionate to the size of the candidate's campaign, the level of experience of the candidate, treasurer or campaign staff, or the harm to the public caused by the late disclosure.

The staff requests that you pay the preliminary penalty within 14 days of the date of your receipt of this notice if you do not intend to request a waiver. Please use the payment statement on the next page when paying by mail. You may also make a payment online at [www.maine.gov/ethics](http://www.maine.gov/ethics) by clicking the "Penalty Payment" link. Please contact me at (207) 287-4709 or [timothy.a.goodhue@maine.gov](mailto:timothy.a.goodhue@maine.gov) if you have any questions.

Sincerely,

Timothy Goodhue  
Candidate Registrar

cc:

## Penalty Calculation

The penalty for filing a campaign finance report late is based on a percentage of the total contributions or expenditures for the reporting period, whichever is greater, multiplied by the number of days late. The percentage is based on your history of past violations: 2% for the first violation, 4% for the second violation, and 6% for the third and each subsequent violation. Violations for late-filed reports accumulate in the two-year period beginning on January 1<sup>st</sup> of each even-numbered year. A penalty accrues daily beginning on the day following the filing due date. Any penalty of less than \$10 is automatically waived.

### How Your Penalty Was Calculated

<b>Filer:</b> Danny Costain			
<b>Late-Filed Report:</b> 24-Hour Report			
<b>Contributions</b>	\$3,116.26	<b>Penalty Base Amount</b>	\$3,116.26
<b>Expenditures</b>	\$2,796.89	<b>Percentage</b>	2%
<b>Due Date</b>	June 6, 2018	<b>Daily Accrual Rate</b>	\$62.32
<b>Date Filed</b>	July 24, 2018	<b>Days Late</b>	48
<b>Previous Violations</b>	0	<b>Your Total Penalty</b>	\$2,991.36

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### Payment Statement and Payment Options

**From:** Danny Costain

**Penalty Amount:** \$2,991.36

**Amount Enclosed:** \_\_\_\_\_

**Check/M.O. #:** \_\_\_\_\_

**BY MAIL:** Enclose this payment statement with your payment.

**Please make check or money order payable to:** Treasurer, State of Maine

**Mail to:** Maine Ethics Commission  
135 State House Station  
Augusta, Maine 04333-0135

**ONLINE:** Go to [www.maine.gov/online/ethics/penalties](http://www.maine.gov/online/ethics/penalties).



Commission on Governmental Ethics and Election Practices  
Mail: 135 State House Station, Augusta, Maine 04333  
Office: 45 Memorial Circle, Augusta, Maine  
Website: [www.maine.gov/ethics](http://www.maine.gov/ethics)  
Phone: 207-287-4179  
Fax: 207-287-6775

## 24-HOUR REPORT OF CONTRIBUTIONS AND EXPENDITURES

### 2018 CAMPAIGN YEAR

COMMITTEE		TREASURER	
Danny Edward Costain 292 Ridge Road Plymouth, ME, 04969 PHONE:(207) 852-1932 EMAIL: dancostain@gmail.com		Joshua Tardy 159 Main St. PO Box 476 Newport, ME, 04953 PHONE:(207) 341-5858 EMAIL: jtardy@itmlaw.com	
REPORT	DUE DATE	REPORTING PERIOD	
24 Hour Report of Contributions and Expenditures	06/06/2018	06/05/2018-06/05/2018	

### FINANCIAL ACTIVITY SUMMARY

CONTRIBUTIONS AND EXPENDITURES	
1. TOTAL CONTRIBUTIONS / LOANS	\$3,116.26
2. TOTAL EXPENDITURES	\$2,796.89
3. TOTAL DEBTS	\$0.00

I, Danny Edward Costain, CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS TRUE, ACCURATE, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

REPORT FILED BY: Danny Edward Costain  
REPORT FILED ON: 07/24/2018  
LAST MODIFIED: 07/24/2018  
COMMITTEE ID: 5845

## 24-HOUR CONTRIBUTION INFORMATION

1 = Individual

2 = Candidate/ Spouse/ Domestic Partner

3 = Commercial Source

4 = Nonprofit Organization

5 = Political Action Committee

6 = Political Party Committee

7 = Ballot Question Committee

8 = Other Candidate/ Candidate Committee

9 = Candidate / Candidate Committee

10 = General Treasury Transfer

11 = Transfer from Previous Campaign

12 = Contributors giving \$50 or less

13 = Contributors giving \$100 or less

14 = Contributors giving \$200 or less

15 = MCEA Payment

16 = Financial Institution

DATE RECEIVED	CONTRIBUTOR	OCCUPATION AND EMPLOYER	CONTRIBUTOR/ CONTRIBUTION TYPE	AMOUNT
6/5/2018	Danny E Costain 292 Ridge Road Plymouth, ME, 04969	Real Estate Professional self	1 Loan Received signs, pamphlets, vehicle signs	\$3,116.26
<b>TOTAL CONTRIBUTIONS / LOANS</b>				\$3,116.26

## 24-HOUR EXPENDITURE AND PAYEE INFORMATION

EXPENDITURE TYPES				
<p>CNS Campaign consultants</p> <p>CON Contribution to other candidate, party, committee</p> <p>EQP Equipment (office machines, furniture, cell phones, etc.)</p> <p>FND Fundraising events</p> <p>FOD Food for campaign events, volunteers</p> <p>LIT Print and graphics (flyers, signs, palmcards, t-shirts, etc.)</p> <p>MHS Mail house (all services purchased)</p> <p>OFF Office rent, utilities, phone and internet services, supplies</p> <p>OTH Other</p> <p>PHO Phone banks, automated telephone calls</p>	<p>POL Polling and survey research</p> <p>POS Postage for U.S. Mail and mail box fees</p> <p>PRO Other professional services</p> <p>PRT Print media ads only (newspapers, magazines, etc.)</p> <p>RAD Radio ads, production costs</p> <p>SAL Campaign workers' salaries and personnel costs</p> <p>TRV Travel (fuel, mileage, lodging, etc.)</p> <p>TVN TV or cable ads, production costs</p> <p>WEB Website design, registration, hosting, maintenance, etc.</p>			
DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
6/5/2018	Spectrum 95 EDDY RD SUITE 101 MANCHESTER, NH, 03102	Pay for signs and Pamphlets and veh signs	CNS	\$2,796.89
<b>TOTAL EXPENDITURES FOR CANDIDATE:</b>				<b>\$2,796.89</b>

## Feliciano, Katie

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**From:** Goodhue, Timothy A  
**Sent:** Wednesday, May 30, 2018 1:34 PM  
**Subject:** 24-Hour Reporting Period Begins TODAY

Dear 2018 Primary Election Candidates and Treasurers:

This is a friendly reminder that the 24-hour reporting period starts today, May 30<sup>th</sup>, and ends June 11<sup>th</sup>, the day before the election. All candidates are subject to the 24-hour reporting period. A 24-Hour Report must be filed within twenty-four hours of the triggering transaction, regardless of holidays or weekends. Qualifying transactions that take place on June 11<sup>th</sup> must be filed on Primary Election Day (or same day).

- 24-Hour Reports must be filed when:
  - A single contribution of \$1,000 or more is received (including loans)
  - A single expenditure of \$1,000 or more is made (including debts)
    - A debt occurs when an order for goods or services is placed, not when the campaign pays the vendor or receives an invoice or receipt.
- 24-Hour Reports may be filed by:
  - Entering the transaction into E-Filing, and then filing the newly created 24-Hour Report
    - Make sure you complete the filing process, and see a screen that confirms you filed a report
  - Faxing the Commission a paper 24-Hour Report – (207) 287-6775
  - Emailing the Commission a scan of a paper 24-Hour Report
- Not sure about how to file, or if you need to file a 24-Hour Report? Please do not hesitate to contact me:
  - (207) 287-4709
  - [Timothy.a.Goodhue@maine.gov](mailto:Timothy.a.Goodhue@maine.gov)

Tim Goodhue ☺  
Candidate Registrar

☎ 207-287-4709

📠 207-287-6775





Mail: 135 State House Station, Augusta, Maine 04333  
Office: 45 Memorial Circle, Augusta, Maine  
Website: [www.maine.gov/ethics](http://www.maine.gov/ethics)  
Phone: 207-287-4179  
Fax: 207-287-6775

## 2018 FILING SCHEDULE

### For Traditionally Financed Legislative and County Candidates

PRIMARY ELECTION: JUNE 12, 2018

GENERAL ELECTION: NOVEMBER 6, 2018

TYPE OF REPORT	FILING DEADLINE (BY 11:59 P.M.)	REPORT PERIOD
2018 January Semiannual	January 16, 2018	If filing first report: Beginning of campaign – Dec 31, 2017 <b>or</b> If filed 2017 July Semiannual: July 1, 2017 – Dec 31, 2017
* Candidates raising or spending more than \$500 in 2017 must file campaign finance report showing all contributions received and all expenditures made during the applicable reporting periods. Please see information on back to determine your semiannual filing requirement.		
11-Day Pre-Primary	June 1, 2018	If semiannual report(s) filed, report period is: January 1, 2018 – May 29, 2018 If semiannual report(s) NOT filed, report period is: Beginning of campaign – May 29, 2018
42-Day Post-Primary	July 24, 2018	May 30 – July 17, 2018
42-Day Pre-General	September 25, 2018	July 18 – September 18, 2018
11-Day Pre-General	October 26, 2018	September 19 – October 23, 2018
42-Day Post-General	December 18, 2018	October 24 – December 11, 2018

### 24-HOUR REPORTS

24-HOUR REPORTING PERIODS (13 DAYS BEFORE THE ELECTION)	WHEN TO FILE THE REPORT
Primary: May 30 – June 11, 2018 General: October 24 – November 5, 2018	<u>Within 24 hours</u> , including weekends and holidays, of receiving the contribution, making the expenditure, incurring the obligation, or placing the order.

#### WHAT TO REPORT:

##### Expenditures:

Any single expenditure of \$1,000 or more.  
Orders placed with or obligations made to vendors for goods or services are considered expenditures at the time the obligations are made. Please refer to the Commission's Rules, Chapter 1, Section 7(3) for more information concerning events which constitute making an expenditure and the timing and reporting of these expenditures.

##### Contributions:

Any single contribution aggregating \$1,000 or more. This includes contributions from the candidate, candidate spouse/domestic partner and a single loan of \$1,000 or more.  
County candidates please note: For the purposes of filing a 24-Hour Report, a contribution for the general election received in the 13-day period *before the primary election* is not reported in a 24-Hour Report. For example: On June 3, 2018, you receive a \$1,550 contribution - \$775 for the primary and \$775 for the general. The \$775 primary contribution is less than \$1,000 threshold.

Please see filing instructions on back.

**2016 PRE-ELECTION SEMIANNUAL REPORTS  
FOR LEGISLATIVE AND COUNTY CANDIDATES IN THE 2016 ELECTIONS**

*What events determine when pre-election semiannual reports are required?* The campaign's fundraising and spending. If the campaign has raised or spent more than \$500 in 2017, a semiannual report is required.

*What determines if both the 2017 July and 2018 January reports are required?* The date on which the campaign raises or spends more than the threshold amount (\$500). If more than \$500 has been raised or spent on or before June 30, 2017, both reports are required. If the campaign's fundraising and spending goes over the threshold amount after July 1 and before December 31, 2017, only the 2018 January report is required.

*If a campaign does not go over the threshold amount in calendar year 2017, what is the first report filed for the 2018 elections?* The 11-Day Pre-Primary Report is the first report filed by the campaign and covers the period from the beginning of the campaign through May 29, 2018.

**FILING PROCEDURES**

*Electronically Filed Campaign Finance Reports.* Candidates who receive or expect to receive at least \$1,500 for their campaigns must file reports electronically on the Commission's website. Candidates or treasurers must enter the required information and click "File Report" by 11:59 p.m. on the filing deadline. The deadline for filing a 24-Hour Report is no later than 24 hours after receiving the contribution or making the expenditure (as described on the previous page).

Candidates who lack access to the technology or the technological ability to file reports on the internet may request a waiver by April 17, 2018. The Commission will grant all reasonable requests.

*Filing Campaign Finance Reports on Paper.* For candidates who are not required to file electronically, each original campaign finance report signed by the candidate or treasurer must be properly filed with the Commission by the filing deadline, except in two circumstances:

- a properly signed report may be faxed to the Commission office at (207) 287-6775 by 11:59 p.m. on the deadline or within 24 hours for 24-Hour Reports, provided that the Commission receives the original report within 5 calendar days; or
- for regularly scheduled reports (semiannual, pre- and post-election reports), a report mailed to the Commission by certified or registered mail and postmarked at least 2 days before the filing deadline will not be considered late, even if it is received after the deadline.

Commission staff will be available until 5:00 p.m. on filing deadlines to offer assistance to candidates, treasurers and campaign staff.



# 2018 GENERAL INFORMATION - TRADITIONALLY FINANCED CANDIDATES

## Introduction

Dear Candidate:

Thank you for registering as a legislative candidate in Maine's 2016 elections. This Quick Guide introduces you to the key elements of running as a traditionally financed candidate. You will find more detailed information in the 2018 Guidebook for Traditionally Financed Candidates. Neither this Quick Guide nor the Candidate Guidebook, however, is a substitute for the Commission's statutes and rules. Please do not hesitate to email or call your Candidate Registrar if you have any questions. We are here to help in any way that we can.

- Ethics Commission Staff

## Filing Financial Reports

Candidates must file financial reports according to the schedule below. If reports are late, the Commission assesses late-filing penalties automatically, and penalties increase every day. Therefore, it is critical that candidates file the report by 11:59 p.m. on each deadline. Please get an early start. The Commission staff is available to help until 5:00 p.m. on each filing deadline.

## Filing Schedule

Report	Due Date	Period Begin Date	Period End Date
2018 January Semiannual	<b>January 16, 2018</b>	Date of Registration	December 31, 2017
11-Day Pre-Primary Report	<b>June 1, 2018</b>	January 1, 2018	May 29, 2018
42-Day Post-Primary Report	<b>July 24, 2018</b>	May 30, 2018	July 17, 2018
42-Day Pre-General Report	<b>September 25, 2018</b>	July 18, 2018	September 18, 2018
11-Day Pre-General Report	<b>October 26, 2018</b>	September 19, 2018	October 23, 2018
42-Day Post-General Report	<b>December 18, 2018</b>	October 24, 2018	December 11, 2018

### 24-Hour Reporting Periods\*


→ May 30 - June 11, 2018 (before the Primary Election)

October 24 - November 5, 2018 (before the General Election)

\* In the thirteen days prior to an election, campaigns are responsible for filing 24-Hour Reports if they accept a single contribution of \$1,000 or more, or make a single expenditure of \$1,000 or more. Within one day of the contribution or expenditure that triggers a 24-Hour Report, campaigns must log in to the E-Filing website, add the transaction, and then file the automatically created 24-Hour Report.

**3. Expenditure.** The term “expenditure:”

A. Includes:

- 
- (1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included;
  - (2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure;
  - (3) The transfer of funds by a candidate or a political committee to another candidate or political committee; and
  - (4) A payment or promise of payment to a person contracted with for the purpose of influencing any campaign as defined in section 1052, subsection 1; and

B. Does not include:

- (1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, cable television system, newspaper, magazine or other periodical publication, unless the facilities are owned or controlled by any political party, political committee, candidate, or spouse or domestic partner of a candidate;
- (1-A) Any communication distributed through a public access television channel on a cable television system if the communication complies with the laws and rules governing the channel and all candidates in the race have an equal opportunity to promote their candidacies through the channel;
- (2) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate;
- (3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;
- (4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities does not exceed \$250 with respect to any election;
- (5) Any unreimbursed travel expenses incurred by an individual in the course of providing voluntary personal services to a candidate and paid for by that individual, if the cumulative amount of these expenses does not exceed \$350 with respect to any election;
- (5-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;
- (6) Any communication by any person that is not made for the purpose of influencing the nomination for election, or election, of any person to state, county or municipal office;

year. These reports must include all contributions made to and all expenditures made or authorized by or on behalf of the candidate or the treasurer of the candidate as of the end of the preceding month, except those covered by a previous report.

B. Reports must be filed no later than 11:59 p.m. on the 11th day before the date on which an election is held and must be complete as of the 14th day before that date. If a report was not filed under paragraph A, the report required under this paragraph must cover all contributions and expenditures through the 14th day before the election.

C. Any single contribution of \$1,000 or more received or any single expenditure of \$1,000 or more made after the 14th day before any election and more than 24 hours before 11:59 p.m. on the day of any election must be reported within 24 hours of that contribution or expenditure. The candidate or treasurer is not required to include in this report expenditures for overhead expenses or compensation paid to an employee or other member of the campaign staff who has received payments at regular intervals that have been disclosed in previously filed campaign finance reports. As used in this paragraph, "overhead expenses" includes, but is not limited to, rent, utility payments, taxes, insurance premiums or similar administrative expenses.

D. Reports must be filed no later than 11:59 p.m. on the 42nd day after the date on which an election is held and must be complete for the filing period as of the 35th day after that date.

D-1. Reports must be filed no later than 11:59 p.m. on the 42nd day before the date on which a general election is held and must be complete as of the 49th day before that date, except that this report is not required for candidates for municipal office.

E. Unless further reports will be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit in excess of \$100 shown in the reports described in paragraph D must be reported as provided by this paragraph. The treasurer of a candidate with a surplus or deficit in excess of \$100 shall file reports semiannually with the commission within 15 days following the end of the 2nd and 4th quarters of the State's fiscal year, complete as of the last day of the quarter, until the surplus is disposed of or the deficit is liquidated. The first report under this paragraph is not required until the 15th day of the period beginning at least 90 days from the date of the election. The reports will be considered timely if filed electronically or in person with the commission on that date or postmarked on that date. The reports must set forth any contributions for the purpose of liquidating the deficit, in the same manner as contributions are set forth in other reports required in this section.

F. Reports with respect to a candidate who seeks nomination by petition must be filed on the same dates that reports must be filed by a candidate for the same office who seeks that nomination by primary election.

### **3-B. Accelerated reporting schedule. (REPEALED)**


**4. New candidate or nominee.** A candidate for nomination or a nominee chosen to fill a vacancy under Chapter 5, subchapter 3 is subject to section 1013-A, subsection 1, except that the candidate shall register the name of a treasurer or political committee and all other information required in section 1013-A, subsection 1, paragraphs A and B within 7 days after the candidate's appointment or at least 6 days before the election, whichever is earlier. The commission shall send notification of this registration requirement and report forms and schedules to the candidate

- B. An error by the commission staff;
- C. Failure to receive notice of the filing deadline; or
- D. Other circumstances determined by the commission that warrant mitigation of the penalty, based upon relevant evidence presented that a bona fide effort was made to file the report in accordance with the statutory requirements, including, but not limited to, unexplained delays in postal service or interruptions in Internet service.

**3. Municipal campaign finance reports.** Municipal campaign finance reports must be filed, subject to all the provisions of this subchapter, with the municipal clerk on forms prescribed by the Commission on Governmental Ethics and Election Practices. The municipal clerk shall send any notice of lateness required by subsection 6 and shall notify the commission of any late reports subject to a penalty.

**4. Basis for penalties. (REPEALED)**

**4-A. Basis for penalties.** The penalty for late filing of a report required under this subchapter is a percentage of the total contributions or expenditures for the filing period, whichever is greater, multiplied by the number of calendar days late, as follows:

- A. For the first violation, 2%;
-  B. For the 2nd violation, 4%; and
- C. For the 3rd and subsequent violations, 6%.

Any penalty of less than \$10 is waived.

Violations accumulate on reports with filing deadlines in a two-year period that begins on January 1st of each even-numbered year. Waiver of a penalty does not nullify the finding of a violation.

A report required to be filed under this subchapter that is sent by certified or registered United States mail and postmarked at least 2 days before the deadline is not subject to penalty.

A registration or report may be provisionally filed by transmission of a facsimile copy of the duly executed report to the commission, as long as the facsimile copy is filed by the applicable deadline and an original of the same report is received by the commission within 5 calendar days thereafter.

**5. Maximum penalties. (REPEALED)**

**5-A. Maximum penalties.** Penalties assessed under this subchapter may not exceed:

A. Five thousand dollars for reports required under section 1017, subsection 2, paragraph B, C, D, E or H; section 1017, subsection 3-A, paragraph B, C, D, D-1 or F; and section 1017, subsection 4, except that if the financial activity reported late exceeds \$50,000, the maximum penalty is 100% of the amount reported late;

A-1. Five thousand dollars for reports required under section 1019 B, subsection 4, except that if the financial activity reported late exceeds \$50,000, the maximum penalty is 100% of the amount reported late;