

Agenda

Item #3



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

To: Commissioners
From: Jonathan Wayne, Executive Director
Date: October 24, 2012
Re: Proposed Finding of Violation against the Maine Senate Republican Majority
PAC for not Amending its Registration

The staff of the Ethics Commission proposes that you find that the Maine Senate Republican Majority political action committee ("the PAC") violated 21-A M.R.S.A. § 1053 by not amending its registration form to disclose "all individuals who are the primary fund-raisers and decision makers for the committee." You may also wish to consider whether to assess a penalty for the violation pursuant to 21-A M.R.S.A. § 1062-A(1).

Relevant Law

When a political action committee registers with the Commission for the first time or updates its registration in general election years, as required by law, a PAC must report the names and addresses of:

"its treasurer, its principal officers, the names of any candidates and Legislators who have a significant role in fund raising or decision-making for the committee and all individuals who are the primary fund-raisers and decision makers for the committee[.]"

(21-A M.R.S.A. § 1053(1), emphasis added) In addition, the registration must include other information concerning the PAC such as the date on which it was formed, and a general statement about which candidates or ballot questions the PAC will support or oppose. (21-A M.R.S.A. §§ 1053(4) & (6))

Maine Election Law also requires a PAC to file an amended registration form within 10 days of the change of any of the information contained in the PAC's registration:

Every change in information required by this section must be included in an amended registration form submitted to the commission within 10 days of the date of the change. The committee must file an updated registration form every 2 years between January 1st and March 1st of an election year.

(21-A M.R.S.A. § 1053, last ¶) (emphasis added) Timely amendments to registration statements provide the public with important information with which to understand and evaluate the PAC's positions and campaign messages.

The Maine Legislature enacted the 10-day amendment requirement in 2005 at the request of the Commission, along with a provision requiring PACs to file an updated registration statement every two years (P.L. 2005, Chapter 301, § 24). The Commission made the legislative proposal because the Commission staff found in the 2004 elections that information in PAC registration forms was significantly out of date – sometimes by years.

The Election Law authorizes the Commission to assess a penalty against any PAC that fails to register on time or fails to disclose information required by the Commission:

A political action committee required to register under section 1053 or 1053-B or a ballot question committee required to register under section 1056-B that fails to do so or that fails to provide the information required by the commission for registration may be assessed a fine of \$250.

(21-A M.R.S.A. § 1062-A(1))

The PAC's Current Primary Decision-Makers and Fundraisers

In the course of providing information relevant to Agenda Item #2, the PAC has disclosed that its current primary decision-makers are State Senators Thomas Saviello, Michael Thibodeau, and Roger Katz. (*see* October 17, 2012 letter by William P. Logan, and supporting affidavits) Accordingly, it appears that the PAC should have amended its registration form soon after Senators Thibodeau and Katz became primary decision-makers and officers of the PAC. Instead, the PAC did not amend the registration to include Senators Thibodeau and Katz until October 18, 2012. Also, if Senator Nichi Farnham's involvement in the PAC ceased in March 2012, the PAC should have amended its registration form to reflect that change sooner than it did. The actual registrations and amendments filed by the PAC this year are discussed in the following section.

Registrations and Amendments filed by the PAC in 2012

The Maine Senate Republican Majority PAC was organized by the Senate Republican caucus in 2008 to elect Republican candidates to the State Senate. It filed its initial registration with the Commission in November 2008.

During 2012, the PAC filed the following registrations and amendments to the registration:

- On January 9, 2012, the PAC filed an updated registration form listing its officers and primary decision-makers as Senator Jonathan Courtney, Senate Majority Leader, and Senator Debra Plowman, Senate Majority Whip, and listing Kathleen Summers-Grice as its treasurer. (see attached registration form)
- On February 2, 2012, the PAC filed an amended registration form to name Sara Vanderwood as treasurer and remove Ms. Summers-Grice's name. (the registration form is attached)
- On March 5, 2012, the PAC amended its registration form to remove the names of Senators Courtney and Plowman, who were by then running for federal office, from the PAC's registration. (see attached e-mails) This left the PAC registration without any listing of officers or primary decision-makers or fundraisers.
- On March 14, 2012, PAC/Party/Lobbyist Registrar Matthew Marett e-mailed the PAC's new treasurer, Sara Vanderwood, to ask for names and contact information for the PAC's officers and principal fundraisers and decision-makers. On March 16, 2012, Ms. Vanderwood e-mailed the names and addresses of Senators Nichi Farnham and Thomas Saviello. (see attached e-mail correspondence)
- On October 5, 2012, after a complaint by the Maine Democratic Party was submitted to the Commission (Agenda Item #2), the PAC amended the registration form to remove Sen. Farnham's name. (see attached e-mail from Sara Vanderwood making this request)
- On October 18, 2012, the PAC's registration was amended to add Senators Roger Katz and Michael Thibodeau as officers and primary decision-makers and fundraisers. This request was made in person at the Commission's office by the PAC's treasurer, Sara Vanderwood. (see attached registration form, printed from the Commission's e-filing website)

Response by the PAC

On October 19, 2012, the Commission staff notified William P. Logan, attorney for the PAC, that the Commission staff intended to propose a finding of violation. The letter invited the PAC to respond. In the short time period since (2 ½ business days), the PAC

has not had sufficient time to respond. The Commission staff will forward its response to you when it is received.

Staff Recommendation

Finding of violation

The staff recommends finding that the Maine Senate Republican Majority PAC violated 21-A M.R.S.A. § 1053 by not amending its registration form to disclose “all individuals who are the primary fund-raisers and decision makers for the committee.” The PAC has disclosed that its current primary decision-makers are State Senators Thomas Saviello, Michael Thibodeau, and Roger Katz. Accordingly, it should have amended its registration form soon after Senators Thibodeau and Katz became primary decision-makers and officers of the PAC. Also, if Sen. Farnham’s involvement ceased in March 2012, the PAC should have amended its registration form to reflect that change sooner than it did.

Financial penalty

If you find that the PAC has violated 21-A M.R.S.A. § 1053, you have the discretion to assess a civil penalty under 21-A M.R.S.A. § 1062-A(1) for failing to provide information required by § 1053 and the Commission’s registration form. The maximum penalty is \$250.

The Commission staff offers some factors for and against a penalty below that you may wish to consider. The staff hesitates to make a recommendation for or against a penalty

because we have not received a response from the PAC. On the whole, the Commission staff is not inclined to recommend a civil penalty because of the weight we give to factors 1 and 2 listed below. We recognize, however, that you may receive information or comments on October 31 suggesting that a penalty is appropriate.

Factors against the assessment of a penalty

1. No reinforcement of duty to amend. The Commission staff has few occasions to reinforce to PACs that they must remember to amend their registration forms if the information on file has changed. The campaign finance reporting for PACs is administered by the Commission's PAC/Party/Lobbyist Registrar Matt Marett. His primary communications with PACs consist of reminding them to file financial reports on time, asking questions that arise in his review of PACs' financial reports, and answering questions from PACs. Short of regularly contacting PACs directly, there is no way for Mr. Marett to know when a PAC's organizational make-up changes. So, it is left to the PACs to inform the Commission when registration information changes.
2. Turnover of leadership. In our experience, most caucus PACs are led by one or more legislative leaders within the caucus. In March 2012, both Senate Majority Leader Jon Courtney and Senate Majority Whip Debra Plowman ended their status as primary decision-makers of the PAC because of their federal campaigns. This was an unusual circumstance, and it is understandable there may have been a period in the spring of 2012 (coinciding with the end of the Legislative session)

during which it was not known who the eventual leaders of the PAC would be. It was in this context that the Commission staff requested by e-mail on March 14, 2012 that the PAC update its registration form to identify its decision makers and fund-raisers.

Factors in favor of a penalty

3. Written guidance from Commission. Written guidance is available to PACs concerning the need to amend outdated registration forms. On page 5 of the Commission's guidebook for PACs and ballot question committees (attached), the Commission reminds PACs "If at any time the information provided on the registration form changes, including contact information, treasurer information, statements of support and opposition, or principal officers, the committee must file an amended registration within 10 calendar days of the change."

Also, the instructions at the top of the registration form state "Within 10 days of a change in PAC information an amended registration form must be submitted to the Commission." The Maine Senate Republican Majority PAC completed this paper form on two occasions in 2012, including on February 6, 2012 when PAC treasurer Sara Vanderwood signed the form.

4. Sophisticated PAC. Though the Maine Senate Republican Majority PAC was established in 2008, the PAC has been a major participant in only two election cycles – 2010 and 2012. Nevertheless, the PAC is a relatively sophisticated

political action committee. All of the individuals involved with the PAC in 2012 have campaign experience. Moreover, Sara Vanderwood had been the treasurer of a legislative leadership PAC from September 2004 until its termination in October 2007. In addition, the PAC's officers and treasurer have access to legal advice and are aware of the Commission staff's availability and willingness to provide advice.

5. Legal requirement. The duty to amend a PAC registration form within 10 days of a change is a legal requirement. You may feel that a civil penalty is appropriate in order to underscore the duty to keep registration information up-to-date.

Thank you for your consideration of this memorandum.

5. Political action committee. The term "political action committee:"

A. Includes:

(1) Any separate or segregated fund established by any corporation, membership organization, cooperative or labor or other organization whose purpose is to initiate or influence a campaign;

(2) **(REPEALED)**

(3) **(REPEALED)**

(4) Any organization, including any corporation or association, that has as its major purpose initiating or influencing a campaign and that receives contributions or makes expenditures aggregating more than \$1,500 in a calendar year for that purpose; and

(5) Any organization that does not have as its major purpose influencing candidate elections but that receives contributions or makes expenditures aggregating more than \$5,000 in a calendar year for the purpose of influencing the nomination or election of any candidate to political office.

B. Does not include:

(1) A candidate or a candidate's treasurer under section 1013-A, subsection 1;

(2) A candidate's authorized political committee under section 1013-A, subsection 2;

(3) A party committee under section 1013-A, subsection 3; or

(4) An organization whose only payments of money in the prior 2 years for the purpose of influencing a campaign in this State are contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and that has not raised and accepted any contributions during the calendar year for the purpose of influencing a campaign in this State.

21A § 1053. Registration

Every political action committee, as defined under section 1052, subsection 5, paragraph A, subparagraph (1) or (4) that makes expenditures in the aggregate in excess of \$1,500 and every political action committee, as defined under section 1052, subsection 5, paragraph A, subparagraph (5), that makes expenditures in the aggregate in excess of \$5,000 must register with the commission within 7 days of exceeding the applicable amount on forms prescribed by the commission. These forms must include the following information and any additional information reasonably required by the commission to monitor the activities of political action committees in this State under this subchapter:

1. Identification of committee. The names and mailing addresses of the committee, its treasurer, its principal officers, the names of any candidates and Legislators who have a significant role in fund raising or decision-making for the committee and all individuals who are the primary fund-raisers and decision makers for the committee;

*

2. Status. (REPEALED)

3. Depository of funds. (REPEALED)

4. Form of organization. The form or structure of organization, including cooperatives, corporations, voluntary associations, partnerships or any other structure by which the committee functions. The date of origin or incorporation must also be specified; and

5. Assets. (REPEALED)

6. Statement of support or opposition. A statement indicating the positions of the committee, support or opposition, with respect to a candidate, political committee, or campaign.

7. Contributions to committee. (REPEALED)

* [Every change in information required by this section must be included in an amended registration form submitted to the commission within 10 days of the date of the change. The committee must file an updated registration form between January 1st and March 1st of each year in which a general election is held. The commission may waive the updated registration requirement for newly registered political action committees or other registered political action committees if it determines that the requirement would cause an administrative burden disproportionate to the public benefit of updated information.

21A § 1053-A. Municipal elections

Organizations that qualify as political action committees under section 1052, subsection 5 and that receive contributions or make expenditures to influence a municipal campaign in towns or cities with a population of 15,000 or more shall register and file reports with the municipal clerk as required by Title 30-A, section 2502. The reports must be filed in accordance with the reporting schedule in section 1059 and must contain the information listed in section 1060. A political action committee registered with the commission and that receives contributions or makes expenditures relating to a municipal election shall file a copy of the report containing such contributions or expenditures with the clerk in the subject municipality. The commission retains the sole authority to prescribe the content of all reporting forms. The commission does not have responsibility to oversee the filing of registrations or campaign finance reports relating to municipal campaigns, except that the commission shall enforce late-filing penalties under section 1020-A, subsection 3 upon the request of a municipal clerk.

21A § 1053-B. Out-of-state political action committees

A political action committee organized outside of this State shall register and file reports with the commission in accordance with sections 1053 and 1058. The committee is not required to register and file reports if the committee's only financial activity within the State is to make contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and the committee has not raised and accepted any contributions during the calendar year to influence a campaign in this State.

21A § 1062. Failure to file on time (REPEALED)

21A § 1062-A. Failure to file on time

 **1. Registration.** A political action committee required to register under section 1053 or 1053-B or a ballot question committee required to register under section 1056-B that fails to do so or that fails to provide the information required by the commission for registration may be assessed a fine of \$250.

2. Campaign finance reports. A campaign finance report is not timely filed unless a properly signed or electronically submitted copy of the report, substantially conforming to the disclosure requirements of this subchapter, is received by the commission by 11:59 p.m. on the date it is due. Except as provided in subsection 6, the commission shall determine whether a required report satisfies the requirements for timely filing. The commission may waive a penalty in whole or in part if it is disproportionate to the level of experience of the person filing the report or to the harm suffered by the public from the late disclosure. The commission may waive the penalty in whole or in part if the commission determines the failure to file a timely report was due to mitigating circumstances. For purposes of this section, "mitigating circumstances" means:

- A. A valid emergency of the committee treasurer determined by the commission, in the interest of the sound administration of justice, to warrant the waiver of the penalty in whole or in part;
- B. An error by the commission staff; or
- C. 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. 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, 1%;
- B. For the 2nd violation, 3%; and
- C. For the 3rd and subsequent violations, 5%.

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 calendar 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.



RECEIVED
 JAN 09 2012
 Maine Ethics Commission

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
 Phone: 207-287-4179
 Fax: 207-287-6775

REGISTRATION: POLITICAL ACTION COMMITTEES

A political action committee must register with the Commission within 7 days of making expenditures to influence an election, including unpaid obligations, or receives contributions that total more than:

- \$1,500 for an organization whose major purpose is to influence candidate or ballot question elections or
- \$5,000 for organizations which participate in candidate elections but whose major purpose is something other than influencing candidate elections.

An Initial Campaign Finance Report must accompany this form - Political Action Committees must report all contributions and expenditures, whether cash or in-kind, made since January 1st of the reporting year. Be sure to include expenditures such as those associated with the collection of signatures, paid staff time, travel reimbursement, and fundraising expenses.

Within 10 days of a change in PAC information an amended registration form must be submitted to the Commission. The committee must also file an updated registration every election year between January 1st and March 1st.

Is this an amendment? Yes No

ALL SECTIONS OF THIS FORM MUST BE COMPLETED.

COMMITTEE INFORMATION	
Committee name Maine Senate Republican Majority	Acronym MSRM
Mailing address P.O. Box 1	Phone
City, zip code Augusta, ME 04332	Fax
E-mail kathie@deatonriver.com	Website
TREASURER INFORMATION	
Name Kathleen Summers-Orice	Phone 207.449.1000
Mailing address PO Box 398	
City, zip code Manchester, ME 04351	E-mail kathie@deatonriver.com
PRINCIPAL OFFICER INFORMATION	
Name Senator Jon Courtney	Title Majority leader
Mailing address 31 Birchwood Lane	Phone 207.324.5467
City, zip code Springvale, ME	
Name Senator Debra Plowman	Title Majority Whip
Mailing address PO Box 468	Phone 207.862-4506
City, zip code Hampden, ME	

ALTERNATE E-MAIL ADDRESSES

To receive filing reminders and important information from the Commission.

1.

2.

PRIMARY FUNDRAISERS AND DECISION MAKERS

Identify any candidates, Legislators or other individuals who are the primary fundraisers and decision makers for the committee.

1. Senator Jon Courtney

2.

3. Senator Debra Plawman

4.

5.

6.

COMMITTEE MAILING ADDRESS

Correspondence will be mailed to this address.

Street address or PO Box PO Box 1

City, zip code Augusta, ME 04332

FORM OF ORGANIZATION

Name the form or structure of organization, i.e., cooperative, corporation, voluntary association, partnership, etc.

Form of organization Volunteer

Date of origin/incorporation 11/18/2008

STATEMENT OF SUPPORT OR OPPOSITION

Indicate whether the committee supports or opposes a candidate, political committee, referendum, initiated petition or campaign. If unknown at the time of registration, the committee must inform the Commission as soon as this information is known.

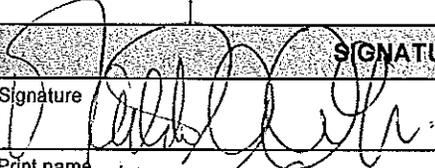
SUPPORT

Republican Candidates for State Senate

OPPOSE

Democrat Candidates For State Senate

SIGNATURE OF PRINCIPAL PAC OFFICER OR TREASURER

Signature 

Title Treasurer

Print name Kathleen Summers-Once

Date 1/5/2012

IMPORTANT NOTICE:

An initial campaign finance report must be filed with the Commission at the time of registration.



RECEIVED
FEB 2 2012

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
Phone: 207-287-4179
Fax: 207-287-6775

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Within 10 days of a change in PAC information an amended registration form must be submitted to the Commission. The committee must also file an updated registration every election year between January 1st and March 1st.

Is this an amendment? Yes No

ALL SECTIONS OF THIS FORM MUST BE COMPLETED.

COMMITTEE INFORMATION

Committee name Maine Senate Republican Majority		Acronym MSRM
Mailing address PO Box 1		Phone
City, zip code Augusta, ME 04332		Fax
E-mail	Website	

TREASURER INFORMATION

Name Sara Vanderwood		Phone 207 539 9685
Mailing address 65 French Road		
City, zip code Oxford, ME 04270		E-mail Sara.vanderwood@gmail.com

PRINCIPAL OFFICER INFORMATION

Name Sen. Jon Cornsney, Majority leader		Title
Mailing address 31 Birchwood Lane		Phone 207-324-5467
City, zip code Springdale, ME 04083		
Name Sen. Debra Plawman, Majority Whip		Title
Mailing address PO Box 468		Phone 207-862-4506
City, zip code Hampden, ME 04444		

ALTERNATE E-MAIL ADDRESSES

To receive filing reminders and important information from the Commission.

1.	2.
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PRIMARY FUNDRAISERS AND DECISION MAKERS

Identify any candidates, Legislators or other individuals who are the primary fundraisers and decision makers for the committee.

1. sen. Plawman	2. sen. Courtney
3.	4.
5.	6.

COMMITTEE MAILING ADDRESS

Correspondence will be mailed to this address.

Street address or PO Box
PO Box 1

City, zip code
Augusta, ME 04332

FORM OF ORGANIZATION

Name the form or structure of organization, i.e., cooperative, corporation, voluntary association, partnership, etc.

Form of organization Volunteer	Date of origin/incorporation 11/2008
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STATEMENT OF SUPPORT OR OPPOSITION

Indicate whether the committee supports or opposes a candidate, political committee, referendum, initiated petition or campaign. If unknown at the time of registration, the committee must inform the Commission as soon as this information is known.

SUPPORT	Senate Candidates
OPPOSE	Senate D. Candidates

SIGNATURE OF PRINCIPAL PAC OFFICER OR TREASURER

Signature 	Title Treasurer
Print name: Sara Brinderwood	Date 1/26/12

IMPORTANT NOTICE:

An initial campaign finance report must be filed with the Commission at the time of registration.

Marett, Matthew

From: Marett, Matthew
Sent: Monday, March 05, 2012 9:09 AM
To: 'sara.vanderwood@gmail.com'
Subject: Senator Plowman

Sara,

Senator Plowman contacted our office this morning and asked to be removed as a principle officer and decision maker for the Maine Senate Republican Majority PAC. As you know, she has chosen to run for the open U.S. Senate seat, and is required to vacate PAC positions by the FEC. Jonathan Wayne and I have removed Senator Plowman from the PACs most recent registration. As a consequence, the PACs home page shows that the registration was recently modified. Please let me know if you have any questions about this. I can be reached at 287-6288.

Thanks,

Matt Marett

Matthew Marett
Candidate Registrar
Maine Ethics Commission
Office: 45 Memorial Circle
Mailing address: 135 State House Station
Augusta, Maine 04333-0135
207-287-6288
Matthew.Marett@Maine.gov

Marett, Matthew

From: Marett, Matthew
Sent: Monday, March 05, 2012 4:32 PM
To: 'joncourtney@metrocast.net'
Subject: PAC officer positions

Senator Courtney,

You have been removed as officer and principle decision maker from the Maine Senate Republican Majority PAC, the Pine Tree Fund, and the Common Sense Solutions PAC. Please let me know if there is anything else I can do for you.

Sincerely,

Matt Marett

Matthew Marett
Candidate Registrar
Maine Ethics Commission
Office: 45 Memorial Circle
Mailing address: 135 State House Station
Augusta, Maine 04333-0135
207-287-6288
Matthew.Marett@Maine.gov

Marett, Matthew

From: Sara Vanderwood [sara.vanderwood@gmail.com]
Sent: Friday, March 16, 2012 3:02 PM
To: Marett, Matthew
Subject: Re: Maine Senate Republican Majority

Senator Nichi Farnham
11 Fairmont Park West
Bangor, ME 04401
207-990-2011

Senator Thomas Saviello
60 Applegate Lane
Wilton, ME 04294
207-645-3420

On Wed, Mar 14, 2012 at 12:49 PM, Marett, Matthew <Matthew.Marett@maine.gov> wrote:

Sara,

At your earliest convenience, will you please provide me with the names and contact information for the new officers and principle fundraisers/decisions makers for the Maine Senate Republican Majority PAC?

Thanks, and please let me know if you have any questions.

Matt Marett

Matthew Marett

Candidate Registrar
Maine Ethics Commission
Office: 45 Memorial Circle
Mailing address: 135 State House Station
Augusta, Maine 04333-0135
[207-287-6288](tel:207-287-6288)
Matthew.Marett@Maine.gov



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
Phone: 207-287-4179
Fax: 207-287-6775

2012 REGISTRATION: POLITICAL COMMITTEES

Amended/Filed 3-16-12

COMMITTEE INFORMATION	
MAINE SENATE REPUBLICAN MAJORITY P.O. BOX 1 AUGUSTA, ME 04332	TEL: (207)205-6632 FAX: (207)547-2123 EMAIL:
TREASURER INFORMATION	
SARA VANDERWOOD PO BOX 1 AUGUSTA, ME 04332	TEL: (207)539-9685 FAX: EMAIL: sara.vanderwood@gmail.com
PRINCIPAL OFFICER INFORMATION	
FARNHAM, NICH PRINCIPLE 11 FAIRMONT PARK WEST BANGOR, ME 04401 (207)990-2011	SAVIELLO, THOMAS PRINCIPLE 60 APPLGATE LANE WILTON, ME 04294 (207)645-3420
PRIMARY FUNDRAISERS AND DECISION MAKERS	
FARNHAM, NICH	SAVIELLO, THOMAS
FORM OF ORGANIZATION	
Form of organization VOLUNTEER	Date of origin/incorporation 11/1/2008
STATEMENT OF SUPPORT OR OPPOSITION	
THIS COMMITTEE IS FORMED TO SUPPORT OR OPPOSE CANDIDATES.	
supports Senate Republican Candidates - opposes Senate Democratic Candidates	
CERTIFICATION	
I, SARA VANDERWOOD, CERTIFY THAT THE INFORMATION IN THIS REGISTRATION IS TRUE, ACCURATE AND COMPLETE.	
SIGNATURE ON FILE	DATE: 3/16/2012

Marett, Matthew

From: Sara Vanderwood [sara.vanderwood@gmail.com]
Sent: Friday, October 05, 2012 4:26 PM
To: Marett, Matthew
Cc: wplogan@hotmail.com
Subject: Re: October Quarterly PAC Report Reminder

Matt,
Please consider this as an amendment to the Maine Senate Republican Majority PAC. I respectfully request that Senator Nichi Farnham be removed as a Principal Officer from the aforementioned PAC. Further, I ask that you respond to this email to confirm receipt of this request.

Please do not hesitate to contact me if you have questions about this matter.

Best,
Sara Vanderwood
Treasurer, MSRM PAC
On Fri, Oct 5, 2012 at 8:50 AM, Marett, Matthew <Matthew.Marett@maine.gov> wrote:

Happy Friday. Before you leave for the long weekend, please remember to file the October Quarterly PAC report by 11:59 p.m. tonight, October 5, 2012. Reports are due for all PACs, regardless of their activity or participation in the general election. If you have not had any activity, please file a no-activity report. I will be in the office until 5:00 this evening, so please feel free to call or email with questions.

Best,

Matt Marett

Maine Ethics Commission

PAC, Party & Lobbyist Registrar

(207) 287-6221



RECEIVED
 OCT 05 2012
 BY: _____

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
 Phone: 207-287-4179
 Fax: 207-287-6775

2012 REGISTRATION: POLITICAL COMMITTEES

COMMITTEE INFORMATION	
MAINE SENATE REPUBLICAN MAJORITY P.O. BOX 1 AUGUSTA, ME 04332	TEL: (207)205-6632 FAX: (207)547-2123 EMAIL:
TREASURER INFORMATION	
SARA VANDERWOOD PO BOX 1 AUGUSTA, ME 04332	TEL: (207)539-9685 FAX: EMAIL: sara.vanderwood@gmail.com
PRINCIPAL OFFICER INFORMATION	
FARNHAM, NICH PRINCIPLE 11 FAIRMONT PARK WEST BANGOR, ME 04401 (207)990-2011	SAVIELLO, THOMAS PRINCIPLE 60 APPLGATE LANE WILTON, ME 04294 (207)645-3420
PRIMARY FUNDRAISERS AND DECISION MAKERS	
FARNHAM, NICH	SAVIELLO, THOMAS
FORM OF ORGANIZATION	
Form of organization VOLUNTEER	Date of origin/incorporation 11/1/2008
STATEMENT OF SUPPORT OR OPPOSITION	
THIS COMMITTEE IS FORMED TO SUPPORT OR OPPOSE CANDIDATES.	
supports Senate Republican Candidates - opposes Senate Democratic Candidates	
CERTIFICATION	
I, SARA VANDERWOOD, CERTIFY THAT THE INFORMATION IN THIS REGISTRATION IS TRUE, ACCURATE AND COMPLETE.	
SIGNATURE ON FILE	DATE: 3/16/2012



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
Phone: 207-287-4179
Fax: 207-287-6775

2012 REGISTRATION: POLITICAL COMMITTEES

COMMITTEE INFORMATION	
MAINE SENATE REPUBLICAN MAJORITY P.O. BOX 1 AUGUSTA, ME 04332	TEL: (207)205-6632 FAX: (207)547-2123 EMAIL:
TREASURER INFORMATION	
SARA VANDERWOOD PO BOX 1 AUGUSTA, ME 04332	TEL: (207)539-9685 FAX: EMAIL: sara.vanderwood@gmail.com
PRINCIPAL OFFICER INFORMATION	
SAVIELLO, THOMAS PRINCIPAL 60 APPLGATE LANE WILTON, ME 04294 (207)645-3420	KATZ, ROGER PRINCIPAL 3 WESTVIEW STREET AUGUST, ME 04330 (207)622-9921
THIBODEAU, MICHAEL PRINCIPAL 169 COLES CORNER ROAD WINTERPORT, ME 04496 (207)223-5177	
PRIMARY FUNDRAISERS AND DECISION MAKERS	
SAVIELLO, THOMAS	KATZ, ROGER
THIBODEAU, MICHAEL	
FORM OF ORGANIZATION	
Form of organization VOLUNTEER	Date of origin/incorporation 11/1/2008
STATEMENT OF SUPPORT OR OPPOSITION	
THIS COMMITTEE IS FORMED TO SUPPORT OR OPPOSE CANDIDATES.	
supports Senate Republican Candidates - opposes Senate Democratic Candidates	

CERTIFICATION

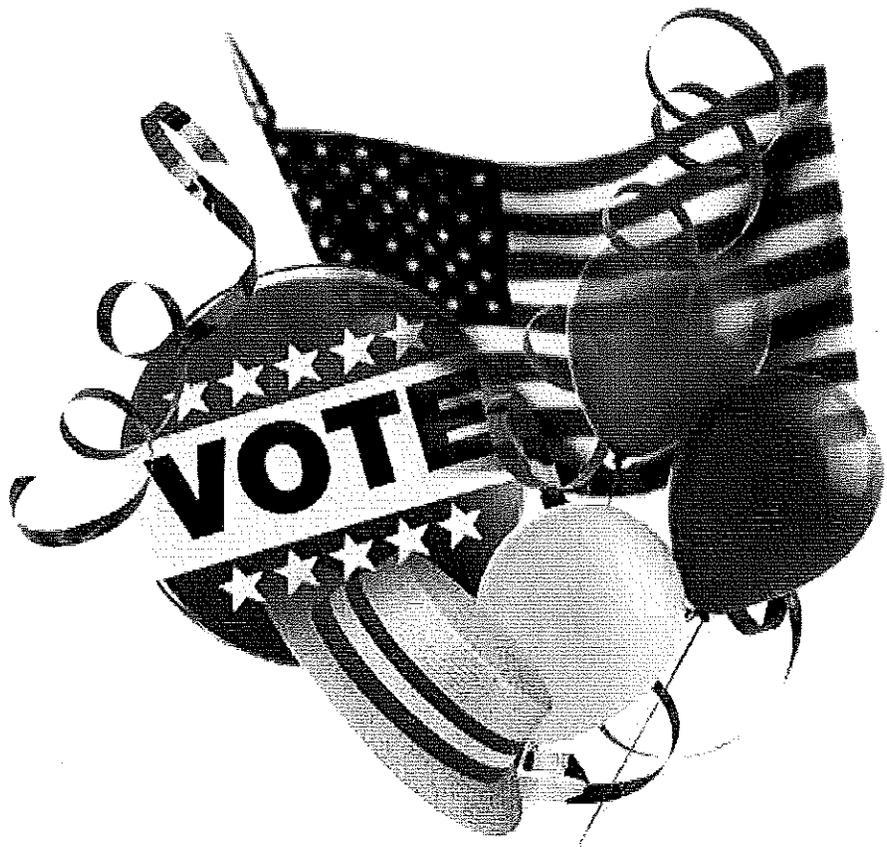
I, SARA VANDERWOOD, CERTIFY THAT THE INFORMATION IN THIS REGISTRATION IS TRUE, ACCURATE AND COMPLETE.

SIGNATURE ON FILE

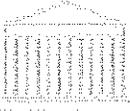
DATE: 10/19/2012

Guidebook for Political Action Committees & Ballot Question Committees

PAC & BQC Guidebook



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS AND
ELECTION PRACTICES



Expenditure. The term "expenditure" includes:

- A purchase, payment, distribution, loan, advance, deposit or gift of money, or anything of value, made for the purpose of initiating or influencing a campaign;
- A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make an expenditure to influence or initiate a campaign; and
- The transfer of funds by a political action committee to another candidate or political committee (e.g., another PAC, a candidate committee, a party committee, or a ballot question committee).

If you have any questions about whether your organization qualifies as a PAC or BQC under these definitions, please contact the Commission.

Registering with the Ethics Commission

Any organization that meets the criteria for being a PAC or BQC must register with the Commission no later than 7 calendar days after it qualifies as a PAC or BQC, i.e., after it has raised or spent \$1,500 or \$5,000 which threshold amount is applicable. It is important for an organization to keep track of its contributions and expenditures from the beginning of its campaign-related activities in order to know if and when it has to register with the Commission. An organization does not have to wait until it reaches the monetary threshold to register with the Commission. Many organizations register before they raise or spend any money because they know they will be politically active and will eventually qualify as a PAC or BQC. The organization must also file an initial campaign finance report at the same time it registers with the Commission (see below).

There is no fee to register a PAC or BQC.

A PAC or BQC that does not register with the Commission or that registers late may be subject to a \$250 fine and may be assessed additional penalties for a late-filed initial campaign finance report.

Registration Form. The organization must provide the name and contact information for the PAC's treasurer and its principal officers, and all primary fundraisers and decision-makers, including any Legislators and candidates who have a significant role in fundraising or decision-making. The organization must also state its purpose: whether it supports or opposes candidates, referenda, an initiated petition, or other campaigns. If the PAC or BQC is involved in a specific ballot question, the ballot question should be identified by its popular name or the bill title as well as the question number, if it has one. If the purpose of the PAC is more general, the statement should be as descriptive as possible, e.g., opposes statewide or local efforts to develop liquefied natural gas facilities in Maine. It is important that the committee fully complete the form, as missing

Who may contribute to a PAC or BQC?

In general, Maine Election Law does not place any restrictions on who may contribute to a PAC or BQC.

The only exception is that, during a legislative session, lobbyists and their clients may not contribute to a PAC in which certain governmental officials are involved.

Are there any limits on contributions to a PAC or BQC?

No. Maine law does not place any limit on the amount of a contribution to a PAC or BQC.



or incomplete information can delay the registration process. The registration form can be found on the Ethics Commission's website www.maine.gov/ethics > Forms and Guides.

If at any time the information provided on the registration form changes, including contact information, treasurer information, statements of support and opposition, or principal officers, the committee must file an amended registration within 10 calendar days of the change.

Initial Campaign Finance Report. The initial campaign finance report is due at the time of registration. PACs must report all contributions and expenditures made since January 1st of the reporting year. BQCs must report all contributions and expenditures made since the beginning of the campaign.

All expenditures made in carrying out the committee's political activities and general operations must be tracked so that a committee can ensure that it registers in a timely fashion. Expenditures that are most commonly overlooked by committees include:

- Expenditures associated with the collection of signatures - this also applies to expenditures by the opponents of a citizen initiative or people's veto petition drive
- Paid staff time or paid consultants and pollsters or other personal services costs
- Travel reimbursements
- Fundraising expenses
- Website set-up, design, and maintenance costs.

Town and Cities Subject to Campaign Finance Law	
Auburn	Saco
Augusta	Sanford
Bangor	Scarborough
Biddeford	South Portland
Brunswick	Waterville
Gorham	Westbrook
Lewiston	Windham
Portland	
Standish and Union has chosen to be subject to campaign finance laws for municipal referenda but not for candidate elections.	

If you are unclear as to whether something constitutes an expenditure, contact the Ethics Commission staff.

Biennial Re-Registration. All political action committees registered with the Ethics Commission must file an updated registration form every election (even-numbered) year, between January 1 and March 1. This biennial registration applies even if there has been no change to the information provided on the previous registration.

Appointing a Treasurer

Before registering with the Commission, every PAC and BQC is required to appoint a treasurer. The treasurer has specific duties under election law including the keeping of detailed records of all campaign contributions and expenditures, and completing and filing campaign finance reports on time. The treasurer, along with the PAC/BQC, is liable for violations of campaign finance laws and subject to any resulting penalty



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

October 19, 2012

By E-Mail and Regular Mail

William P. Logan, Esq.
Irwin, Tardy & Morris
P.O. Box 476
Newport, Maine 04953

Dear Mr. Logan:

Thank you for your response dated October 17, 2012 concerning the alleged involvement of State Senator Nichi Farnham in the purchase of television advertising by the Maine Senate Republican Majority political action committee ("MSRM"). The information you provided suggests that MSRM did not amend its registration form earlier this year, as required by law, to disclose its actual decision-makers and fundraisers for MSRM. The Commission staff appreciates that turnover in MSRM's administration may have contributed to the violation. Nevertheless, the staff of the Ethics Commission believes that the Commission should find that the Maine Senate Republican Majority PAC violated the registration requirements.

Legal Requirements

When a political action committee registers with the Commission for the first time or updates its registration in general election years, as required by law, a PAC must report the names and addresses of:

its treasurer, its principal officers, the names of any candidates and Legislators who have a significant role in fund raising or decision-making for the committee and all individuals who are the primary fundraisers and decision makers for the committee[.]

(21-A M.R.S.A. § 1053(1)) In addition, the registration must include other information concerning the PAC such as the date on which it was formed, and a general statement of the candidates or ballot questions the PAC will support or oppose. (21-A M.R.S.A. § 1053(4 & 6))

Maine Election Law also requires a PAC to file an amended registration form within 10 days of the change of any of the information contained in the PAC's registration. (21-A M.R.S.A. § 1053, last ¶) Timely amendments to registration statements provide the

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WEBSITE: WWW.MAINE.GOV/ETHICS

PHONE: (207) 287-4179

FAX: (207) 287-6775

public with important information with which to understand and evaluate the PAC's positions and campaign messages.

Maine Senate Republican Majority PAC

The Maine Senate Republican Majority PAC filed an updated biennial registration form on February 3, 2012 as required. It indicated that its officers and principal decision-makers and fundraisers were Senator Jonathan Courtney, Senate Majority Leader, and Senator Debra Plowman, Assistant Majority Leader. On March 5, 2012, MSRSM amended its registration form to remove the names of Senators Courtney and Plowman, who were running for federal office, from MSRSM's registration. On March 16, 2012, MSRSM amended its registration form again to add Senators Nichi Farnham and Tom Saviello as officers and principal decision-makers and fundraisers. MSRSM did not amend its registration form again until October 5, 2012, when it removed Senator Farnham's name as an officer and principal decision-maker and fundraiser.¹

In responding to the complaint concerning Senator Farnham, MSRSM disclosed that its current primary decision-makers are State Senators Thomas Saviello, Michael Thibodeau, and Roger Katz. Accordingly, it should have amended its registration form soon after Senators Thibodeau and Katz became primary decision-makers and officers of MSRSM. Also, if Senator Farnham's involvement ceased in March 2012, MSRSM should have amended its registration form to reflect that change sooner than it did.

As noted above, the Commission staff acknowledges that MSRSM underwent several administrative changes in the spring of 2012. We also expect that other political action committees do not update their registration forms as quickly as is required by law. So, we are unsure whether we will recommend any financial penalty for the violation. Nevertheless, there appears to be a violation of law and the matter should be considered by the Commissioners at a public meeting.

Commission's Consideration of this Matter

The staff intends to schedule this matter for the Commission's October 31, 2012 meeting at 9:00 a.m., because it is closely related to the investigation requested by the Maine Democratic Party into allegations that Senator Farnham coordinated with MSRSM to make an expenditure to influence her election. The matter of MSRSM's registration would be listed as a separate item on the Commission's agenda. If the Maine Senate Republican Majority PAC objects to that scheduling because of inadequate time to respond, please let me know.

¹ The staff notes that, after discussing this matter with the Commission staff, the Maine Senate Republican Majority PAC amended its registration on October 18, 2012 to include Senators Katz and Thibodeau as officers and primary fundraisers and decision-makers.

William P. Logan, Esq.
Page 3
October 19, 2012

At the meeting, the Commission is expected to determine:

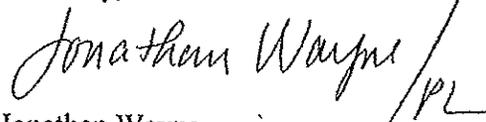
- whether the Maine Senate Republican Majority PAC violated 21-A M.R.S.A. § 1053 by not amending its registration form to disclose changes in the PAC's principal officers, primary decision-makers and fundraisers within 10 days of the change; and
- whether to assess any penalties under 21-A M.R.S.A. § 1062-A(1) for failing to provide information required by § 1053 and the Commission's registration form.

Opportunity to Respond

The Maine Senate Republican Majority PAC is welcome to respond in writing to the proposed violation. If the Commission staff receives a written response by Tuesday, October 23, we will include it with a packet of materials we mail to the Commissioners on the following day. If we receive it later, we will e-mail it to the Commissioners prior to the meeting. Also, the PAC is invited to respond to the proposed violation at the meeting in person. The meeting will be held at the Commission's office at 45 Memorial Circle in Augusta.

If you have any questions, please call me at 287-4179.

Sincerely,

A handwritten signature in cursive script that reads "Jonathan Wayne" followed by a stylized flourish or initials.

Jonathan Wayne
Executive Director

cc: Kate R. Knox, Esq.