



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

Agenda

Meeting of May 14, 2007

9:00 a.m., Commission Offices, 242 State Street, Augusta, Maine

1. Ratification of Minutes of the January 19, February 27, and April 6, 2007 Meetings

2. Audit Findings/Hon. Philip A. Cressey

Representative Philip A. Cressey ran for re-election as a Maine Clean Election Act candidate in 2006. In the audit of his campaign, he was unable to produce documentation of a reported expenditure of \$571.63 to Staples for printing and cardstock. In addition, he purchased a flash drive for \$62.50. The Commission rules may have required him to sell the flash drive and return the proceeds to the Maine Clean Election Fund.

3. Complaints/Carol Grose and Susan Wasserott Campaigns

Carol Grose and Susan Wasserott ran against each other for the Maine House of Representatives in District 65. The Grose campaign filed a letter by e-mail alleging that the Wasserott campaign received unreported contributions that violated the Maine Clean Election Act: free advertising in a local newspaper, uncompensated website services, and wood from a former candidate that was used for signs. Attorney Daniel I. Billings submitted a complaint alleging that a cable television provider aired advertising paid for by the Grose campaign that incorrectly stated that it was paid for by the Sagadahoc County Democratic Committee. *Staff recommendation: the staff recommends that the Commission find the Grose campaign and/or the agent for the television provider in violation (no penalty assessed) for not including accurate information about the financing for the ads. The donation of the services and wood likely are covered by exceptions to what is a contribution under the Election Law, although it is not definite based on the information provided.*

4. Audit Findings/Hon. S. Peter Mills

State Senator Peter Mills was a candidate for Governor in the 2006 Republican primary election. He qualified to receive \$200,000 in Maine Clean Election Act (MCEA) funds. In the audit of his campaign, the Commission staff found that the campaign reimbursed the Senator for \$253 in money order purchase fees using MCEA funds rather than seed money, and that the reimbursement was in the wrong amount. The final audit report includes other findings regarding reimbursements to campaign staff for expenses.

5. Request for Investigation/Carl Lindemann and Maine Heritage Policy Center

At its December 20, 2006 meeting, the Ethics Commission determined that the Maine Heritage Policy Center (MHPC) did not qualify as a political action committee on the basis of its financial activity supporting the Taxpayer Bill of Rights citizen initiative. On March 6, 2007, the MHPC filed a financial report under 21-A M.R.S.A. §1056-B at the request of the Commission. Carl Lindemann filed a second request for an investigation arguing that the report is not accurate and complete. The MHPC responds that the Commission should not consider the second complaint until the Maine Superior Court decides on Mr. Lindemann's appeal of the Commission's December 20, 2006 determination. *Staff recommendation: the staff recommends that the Commission decide whether the allegations in the second complaint are worth pursuing, and if so, to request any additional information required and to schedule this matter for the June meeting of the Commission.*

6. Presentation of Audit Reports

The Commission's auditor will present "no exception" audit reports to the Commission for four legislative campaigns with no audit findings.

7. Request for Waiver of Late Filing Penalty/Jennifer Anderson

Jennifer Anderson was a lobbyist and employee of Environment Maine until March 30, 2007. She was required to file a monthly lobbyist report by Tuesday, April 17th disclosing her lobbying work and compensation during the month of March. She was one day late in filing the report. The statutory penalty is \$100. She requests a waiver of the penalty because she was in bed due to an illness and because her power went out on the Patriots Day holiday. *Staff recommendation: the staff recommends finding Ms. Anderson in violation and waiving the monetary penalty.*

8. Referral to Attorney General for Possible Criminal Prosecution/Kenneth Anderson

Kenneth Anderson was a traditionally financed candidate for the Maine House of Representatives for District 10 covering Millinocket and other towns. He did not file the post-election campaign finance report due December 19, 2006. Under 21-A M.R.S.A. §1020-A(8), a candidate who fails to file a campaign finance report as required by the Election Law is guilty of a Class E crime. *Staff recommendation: the staff recommends referring Mr. Anderson's failure to file this report to the State Attorney General for possible criminal prosecution.*

9. Request for Waiver of Late Filing Penalty/Richard Dort

Richard Dort was a candidate for the Maine House of Representatives in the 2006 elections. He filed the 42-Day Post-General Report 15 days late on January 3, 2007, which was his third late report for the election year. Based on the statutory formula, the preliminary penalty amount is \$1,908.32. In preparing this matter for your consideration, the Commission staff determined that the Commission inadvertently accepted two earlier penalty payments totaling \$403.49 from Mr. Dort which he made with Maine Clean Election Act funds. Using MCEA funds to pay penalties is not permitted under the Commission's rules. *Staff recommendation: the staff recommends reducing the penalty*

for the post-election report to \$300 because the preliminary penalty amount is disproportionate to the level of harm to the public from the late disclosure and the level of experience of the candidate. The staff also recommends requiring Mr. Dort to pay the two outstanding penalties totaling \$403.49.

10. Referral to Attorney General for Collection of Penalty/Phillip Morris Napier Thu Peoples Hero

Phillip Morris Napier Thu Peoples Hero was a candidate for Governor in the 2006 elections. He qualified for the ballot by collecting the required number of signatures on ballot petitions. He was required to file a 42-Day Pre-General campaign finance report on September 26, 2006, which was filed one day late. On October 4, 2006, the Commission sent Mr. Napier a preliminary penalty letter notifying him that the penalty amount was \$32.63 and asking him to pay the penalty or request a waiver. The candidate told the staff by telephone that he would do neither. A final notice letter was sent on January 19, 2007 by certified and regular mail. He has not paid his penalty or requested a waiver. *Staff recommendation: as required by statute, the staff recommends that the Commission refer Mr. Napier to the Attorney General for collection of the penalty.*

11. Violations of Maine Clean Election Act/Hon. Arthur H. Clement

Arthur H. Clement was a Maine Clean Election Act candidate for the Maine House of Representatives in the 2006 election. A review of his campaign by the Commission staff disclosed that he used MCEA funds for personal uses that were unrelated to his campaign, did not return unspent MCEA funds by the December 19, 2006 deadline, and commingled his MCEA funds with personal funds. He has repaid to the State of Maine all funds used for personal expenses, so all public funds retained by Mr. Clement were used for campaign purposes. The staff mailed Mr. Clement a notice of recommended penalties totaling \$2,000. *Staff recommendation: the staff recommends that the Commission hear Mr. Clement describe his personal circumstances at the May 14 meeting and decide whether they warrant a reduction in the recommended penalties totaling \$2,000.*

12. Request for Waiver of Late-Filing Penalty/ Hon. Arthur H. Clement

Arthur H. Clement was a candidate for the Maine House of Representatives in 2006. He was required to file a 42-Day Post General report by December 19, 2006. After a number of communications by the Commission staff, he filed the report 55 days late on February 12, 2007. Mr. Clement made no campaign expenditures during the report period, so the only financial activity included in the report was the State's payment of \$1,348.27 in matching funds. The preliminary penalty for the late filing is \$2,224.75. *Staff recommendation: the staff recommends that the Commission reduce the penalty to \$400 because the preliminary penalty amount was disproportionate to the level of harm suffered by the public and because of the other serious penalties recommended against Mr. Clement for Maine Clean Election Act violations.*

13. Violations of Maine Clean Election Act Funds/Thomas J. Bossie

Thomas J. Bossie was a Maine Clean Election Act candidate for the Maine House of Representatives in the 2006 election. A review of his campaign by the Commission staff disclosed that he used MCEA funds for personal uses that were unrelated to his campaign, did not return unspent MCEA funds by the November 21 and December 19, 2006 deadlines, failed to report accurately his expenditures of MCEA campaign funds, and commingled his MCEA funds with personal funds. He has repaid to the State of Maine all funds used for personal expenses, so all funds retained by Mr. Bossie were used for campaign purposes. On April 13, 2007, the Commission staff mailed to Mr. Bossie an explanation of the recommended penalties totaling \$2,750. Mr. Bossie has responded in writing that he does not wish to dispute the recommended penalties. *Staff recommendation: the staff recommends assessing penalties totaling \$2,750.*

Other Business

EXECUTIVE SESSION

If necessary.

ADJOURNMENT