

Agenda Item #5

**IRWIN
TARDY
MORRIS**

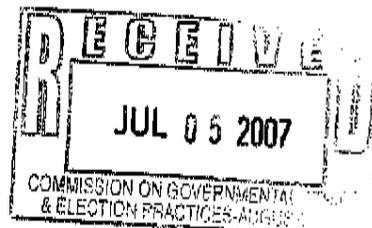
P.O. Box 476
159 Main Street
Newport, ME 04953

Joshua A. Tardy
tardylaw@adelphia.net

207.368.2828 T
207.368.2822 F

July 3, 2007

Martha Demeritt, PAC Registrar
State of Maine Commission on
Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333-0135



Via facsimile transmission and U.S. Mail

RE: Leadership for Maine's Future PAC

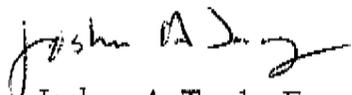
Dear Martha:

Please accept this letter on behalf of Leadership for Maine's Future PAC, as a request for waiver or, in the alternative, a partial waiver of the proposed penalty set forth in your letter of June 19, 2007.

I will provide a detailed basis for my waiver request in a separate filing.

Thank you.

Very truly yours,


Joshua A. Tardy, Esq.

JAT/met



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

June 19, 2007

Mrs. Mary Ellen Tardy, Treasurer
Leadership for Maine's Future
P.O. Box 381
Newport, ME 04953

Dear Mrs. Tardy:

You filed the 6-Day Pre-Election campaign finance report on 6/13/07 that was due on 6/6/07. A penalty must be assessed for late reports based on the amount of financial activity conducted during the filing period, the number of calendar days a report is filed late, and the PAC's filing record. Based on the prescribed statutory formula, the preliminary determination of the penalty for the late filing of your report is \$340.68. Please refer to the enclosed penalty matrix for more details on how the penalty is computed. *Since Commission staff failed to notify you within 3 days of the deadline of your late report, we have automatically deducted 3 days from the late filing penalty calculation.*

If you have a reason for filing late, you may request the Commission to make a final penalty determination. Any request for a Commission determination must be made within 10 calendar days of receipt of this notice, beginning on the day you sign for receipt. If this notice has been refused or left unclaimed at the post office, the 10-day period begins on the day the post office indicates it has given first notice of a certified letter. Upon receipt of your request for a Commission determination, we will schedule you to appear and will notify you of the date and time of the next Commission meeting. You or a person you designate may then appear personally before the Commission or you may send a written statement for the Commission's consideration. A statement must be notarized and contain a full explanation of the reason you filed late. Statements should be sent to the address shown on this letterhead. The Commission will notify you of the disposition of your case within 10 days after its determination.

Please note that the Commission may waive the penalty in whole or in part if it determines the failure to file a timely report was due to mitigating circumstances. "Mitigating circumstances" means 1) 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; 2) an error by the Commission staff; or 3) other circumstances determined by the Commission that warrant mitigation of the penalty, based upon relevant evidence presented that a bona fide effort made to file the report in accordance with the statutory requirements, including, but not limited to, unexplained delays in postal service.

Sincerely,

A handwritten signature in black ink, appearing to read 'Martha Demeritt', written over a light blue horizontal line.

Martha Demeritt
PAC Registrar

Enc.: PAC Penalty Matrix

OFFICE LOCATED AT: 242 STATE STREET, AUGUSTA, MAINE
WEBSITE: WWW.MAINE.GOV/ETHICS

LEADERSHIP 10K TRAINING TUIURE

6-DAY PRE-ELECTION

COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES

PENALTY MATRIX FOR LATE POLITICAL ACTION COMMITTEE REPORT FILINGS

BASIS FOR PENALTIES
21-A M.R.S.A. Section 1062-A

The penalty for filing a required report late is a percentage of the total contributions or expenditures for the filing period, whichever is greater, multiplied by the number of calendar days the report is filed late, as follows:

For the first violation, 1%

For the second violation, 3%

For the third and each subsequent violation, 5%

Example: The treasurer files the PACs report two (2) calendar days late. The PAC has not had any previous late filings in the past 2 years. The PAC reports a total of \$2,500 in contributions and \$1,500 in expenditures for the filing period. The penalty is calculated as follows:

\$2,500 Greater of the amount of total contributions received or expenditures made during the filing period.

X .01 Percent prescribed for first violation

\$25.00 One percent of total contributions

X 2 Number of calendar days late

\$50.00 Total penalty Commission may assess

Your penalty is calculated as follows:

Contributions/Expenditures \$ 8,517.38

Percent prescribed: X 1%

\$ 85.17

Number of days late: X 4

Total penalty accrued: \$ 340.68

A penalty begins to accrue at 5:00 p.m. on the day the report is due.

Any penalty of less than \$5 is waived.

Violations accumulate on reports with filing deadlines in a 2-year period that begins on January 1st of each even-numbered year. Waiver of a penalty does not nullify the finding of a violation.

Title 21-A M.R.S.A. Section 1004-A(1) states the Commission may assess a penalty of no more than \$100 when a person files a late campaign finance report containing no contributions or expenditures.

MAXIMUM PENALTIES
21-A M.R.S.A. Section 1062-A (4)

\$10,000 for 6-day pre-election reports, 42-day post-election reports, and 24-Hour reports;
\$5,000 for quarterly reports.

LEADERSHIP FOR MAINE'S FUTURE

(Schedule B only)

Name of PAC

SCHEDULE B

**CONTRIBUTIONS AND EXPENDITURES
TO OR ON BEHALF OF CANDIDATES, COMMITTEES & PARTIES**

List the payee's name with the specific amount benefiting each candidate.
Do not include in-kind or operational expenditures on this schedule.

Expenditure Types Requiring NO Remark		Expenditure Types REQUIRING Remark	
CON	contribution	CNS	campaign consultants
EQP	equipment	OTH	other
FND	fundraising events	PRO	professional services
FOD	food for campaign events, volunteers		
I,IT	campaign literature (printing and graphics)		
MHS	mail house (all services purchased)		
OFF	office rent and utilities		
POL	polling and survey research		
PHO	phone banks, automated telephones calls		
POS	postage for U.S.Mail		
PRT	print media ads		
RAD	radio ads, production costs		
TRV	travel (fuel, mileage, lodging, etc.)		
TVN	TV or cable ads, production costs		
WEB	Internet and e-mail		

For every expenditure, list the appropriate code.

If a remark is required, list additional information such as type of consulting (media, messaging, campaign, etc.) or professional service provided.

Date Of Payment	Payee name	Candidate, Committee, or Party Supported		Amount contributed to or spent on behalf of each candidate, committee, or party
	Payee's complete mailing address	Code	Remarks	
4/28/2007	PENNY MORRELL	Morrell For House		250.00
	864 MANCHESTER ROAD, BELGRADE, ME, 04917	CON		
Total contributions this reporting period				250.00

Demeritt, Martha

From: Demeritt, Martha
Sent: Tuesday, June 12, 2007 4:20 PM
To: Experience Counts (sawinmillet@aol.com); jepi@pivot.net; Roy Lenardson; Leadership for Maine's Future (mtardy@itmlaw.com); Leadership for Maine's Future (tardylaw@adelphia.net)
Subject: LATE PAC REPORT NOTICE

Importance: High

Attachments: 2007 PAC Filing Schedule.doc

PAC Treasurers,

This e-mail serves as your formal notification that your 6-Day Pre-Election report has not been filed to date.

I apologize for this late notice, however, it was not until today that I realized your PAC has participated in the HD 83 race by giving donations to Penney Morrell during the reporting period for the 6-Day Pre-Election campaign finance report (April 1 - May 31). As you'll recall from my e-mail several weeks ago (see below), any PAC participating (by making an independent expenditure, giving contributions or otherwise) is required under 21-A MRSA Sec. 1059(2-C) to file both the 6-Day Pre-Election and 42-Day Post-Election Reports with the Ethics Commission.

Since penalties accrue daily, please file your PAC report as soon as possible.

Thank you,
 Martha

Martha Demeritt
 Lobbyist, PAC & Party Registrar
 Maine Ethics Commission
 135 S.H.S.
 Augusta, ME 04333
 (207) 287-6221
www.maine.gov/ethics

From: Demeritt, Martha
Sent: Monday, May 14, 2007 4:56 PM
Subject: PAC NOTICE, May 14, 2007
Importance: High

****** IMPORTANT AMENDED PAC SCHEDULE ATTACHED******

PAC Treasurers,

Please disregard my e-mail of May 10th regarding the amended PAC schedule. I made an error by omitting PACs participating in the HD 83 race. Simply put, those PACs spending money in the HD 83 race in addition to the bond referendum participants must file the 6-Day Pre and 42-Day Post election reports.

Your PAC will only need to file the 6-Day Pre-Election and 42-Day Post-Election reports if you are participating (by spending money to influence the outcome) in the June **bond referendum** or **special election in HD 83**. If your PAC is not participating (by not spending money specifically for the purpose of influencing the outcome of the bonds or special election in HD 83), you fall into the category of needing only to concern yourself with filing the July Quarterly.

Independent expenditure reports and 24-Hour reports should also be on the radar if your PAC is spending money on the bonds or HD 83.

Demeritt, Martha

From: Demeritt, Martha
Sent: Monday, May 14, 2007 4:56 PM
Subject: PAC NOTICE, May 14, 2007

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Independent expenditure reports and 24-Hour reports should also be on the radar if your PAC is spending money on the bonds or HD 83.

Regarding the HD 83 race, we've established a special section of our website for that election:
http://www.maine.gov/ethics/disclosure/h83_special_election.htm

I've attached the AMENDED Filing Schedule. Remember, when in doubt or when you have questions, contact your PAC registrar!

Best wishes,
Martha



2007 PAC Filing
Schedule.doc (...)

Martha Demeritt
Lobbyist, PAC & Party Registrar
Maine Ethics Commission
135 S.H.S.
Augusta, ME 04333
(207) 287-6221
www.maine.gov/ethics

STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE 04333
Phone: (207)287-4179 Fax: (207)287-6775
Website: www.maine.gov/ethics

2007 FILING SCHEDULE - POLITICAL ACTION COMMITTEES

<u>Type of Report</u>	<u>Due Date</u>	<u>Covering Period</u>
January Quarterly	January 16, 2007	December 13, 2006 – January 5, 2007
April Quarterly	April 10, 2007	January 6, 2007 – March 31, 2007
July Quarterly	July 16, 2007	April 1, 2007 – July 5, 2007
October Quarterly	October 10, 2007	July 6, 2007 – September 30, 2007
January Quarterly	January 15, 2008	October 1, 2007 – January 5, 2008

PACs participating in the June 12, 2007 bond referendum or special election in HD 83 must file the following additional reports:

6-Day Pre-Election	June 6, 2007	April 1, 2007 – May 31, 2007
July Quarterly	-----	This does not need to be filed.
42-Day Post-Election	July 24, 2007	June 1, 2007 – July 17, 2007

If an election is held on November 6, 2007, PACs participating in that election must file the following additional reports:

6-Day Pre-Election	October 31, 2007	October 1, 2007 – October 25, 2007
42-Day Post-Election	December 18, 2007	October 26, 2007 – December 11, 2007

24-HOUR REPORTS

PACs participating in either the June 12, 2007 or November 6, 2007 elections must disclose any expenditure of \$500 or more made:

After May 31, 2007 and before 5:00 p.m. on June 11, 2007

After October 25, 2007 and before 5:00 p.m. on November 5, 2007

in a special report filed within 24 hours making the expenditure (including Saturdays and Sundays). This report can be filed electronically through the Commission's electronic filing system.

Demeritt, Martha

From: Demeritt, Martha
Sent: Thursday, May 10, 2007 12:10 PM
Subject: PAC NOTICE

Importance: High

Attachments: 2007 PAC Filing Schedule.doc

PAC Treasurers,

The purpose of this e-mail is to provide you with an **amended** 2007 PAC Filing Schedule, as it has come to my attention that I omitted the upcoming June referendum filing dates.

Your PAC will only need to file the 6-Day Pre-Election and 42-Day Post-Election reports if you are participating (by spending money to influence the outcome of the bonds) in the June **bond referendum** election. If your PAC is not participating (by not spending money specifically for the purpose of influencing the outcome of the bonds) in the referendum, you fall into the category of needing only concern yourself with filing the July Quarterly.

For those of you spending money on the HD 83 race you also need only concern yourselves with filing independent expenditure reports (as needed) and the July Quarterly report.

I've attached the AMENDED Filing Schedule. Remember, when in doubt or when you have questions, contact your PAC registrar!

Best wishes,
Martha

Martha Demeritt
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2007 PAC Filing
Schedule.doc (...)