

# Agenda Item #9



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

To: Legislative Leadership and Staff  
 Joint Standing Committee on Legal and Veterans Affairs  
 Joint Standing Committee on Appropriations and Financial Affairs  
 State Political Parties  
 Other Interested Persons

From: Jonathan Wayne, Executive Director

Date: June 26, 2007

Re: Invitation to Comment on Maine Clean Election Act Issues

At their meeting on July 16, 2007 at 9:00 a.m., the members of the Ethics Commission will be making two decisions about administering the Maine Clean Election Act in the 2008 elections. You are invited to comment in writing or in person at the meeting. My e-mail address is [Jonathan.Wayne@maine.gov](mailto:Jonathan.Wayne@maine.gov).

#### Payment Amounts for Maine Clean Election Act Candidates

The amounts of the initial payments made to MCEA candidates are based on average candidate spending in the two previous elections. The Commission is required to recalculate the payment amounts at least once every four years. At the July 16 meeting, the Commission members will decide whether to adjust the payment amounts for 2008 or to keep them at the 2006 levels.

|                               | 2006<br>Payment<br>Amounts | Adjusted<br>Amounts<br>(based on<br>spending in<br>2004 and 2006) | Percent<br>Difference |
|-------------------------------|----------------------------|---|-----------------------|
| <b>Primary Election</b>       |                            |   |                       |
| Contested House candidates    | \$1,504                    | \$1,708   | 14%                   |
| Uncontested House candidates  | \$512                      | \$556   | 9%                    |
| Contested Senate candidates   | \$7,746                    | \$7,900   | 2%                    |
| Uncontested Senate candidates | \$1,927                    | \$2,072   | 8%                    |
| <b>General Election</b>       |                            |   |                       |
| Contested House candidates    | \$4,362                    | \$5,116   | 17%                   |
| Uncontested House candidates  | \$1,745                    | \$2,046   | 17%                   |
| Contested Senate candidates   | \$20,082                   | \$23,381  | 16%                   |
| Uncontested Senate candidates | \$8,033                    | \$9,352   | 16%                   |

OFFICE LOCATED AT: 242 STATE STREET, AUGUSTA, MAINE  
 WEBSITE: [WWW.MAINE.GOV/ETHICS](http://WWW.MAINE.GOV/ETHICS)

The Commission staff is inclined to use the 2006 payment amounts in 2008 for two reasons. First, maintaining the 2006 payment levels would control the long-term cost of the program to a degree. In 2006, the Commission paid about \$3.3 million to legislative candidates. Since the Commission is anticipating a shortfall for the 2010 elections, it seems prudent to take reasonable measures now to reduce the size of the shortfall. The second reason is that the 2006 amounts were adequate for legislative campaigns. We received no complaints that the 2006 amounts were inadequate or that MCEA candidates were at a disadvantage.

### **Proposed Changes to Expenditure Guidelines for 2008**

On July 16<sup>th</sup>, the staff will propose the attached changes to the MCEA expenditure guidelines for legislative candidates. We try to find the right balance between keeping the public funding program accountable to taxpayers and giving candidates the flexibility they need to campaign as they think best. If you believe the staff is headed in the wrong direction, please let the Commission know. Our proposed changes would:

- give candidates greater latitude to use MCEA funds to attend a party or charity event or to purchase an ad in an event newsletter, as long as the expenditure has value for the campaign.
- clarify that MCEA candidates may reimburse the candidate or a supporter for car travel in any amount up to \$0.38 per mile. The amended guidelines would emphasize that the person being reimbursed is required to keep a log of their travel, which has been in the Commission's rules since 1998.
- prohibit candidates from using MCEA funds to buy gifts for volunteers and supporters. Candidates could continue to use MCEA funds to compensate campaign workers for their labor or to use a limit amount of MCEA funds for a post-election party. We propose prohibiting gifts, however, to safeguard the public perception that MCEA funds are well-spent. Candidates could use their *personal* funds to buy a gift for a volunteer.
- clarifying that if a consultant working for a MCEA candidate purchases services from another vendor (such as a mailhouse), that purchase should be itemized in the invoice that the candidate receives from the consultant. All candidates are required to itemize purchases made by consultants on their campaign finance reports.
- giving candidates clear notice of what records are required for expenditures over \$50 and that the Commission intends to audit 20% of legislative candidates.

Thank you very much for any comments you wish to provide.

**Wayne, Jonathan**

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**From:** Pat Flood [patricksafood@adelphia.net]  
**Sent:** Friday, June 29, 2007 12:46 PM  
**To:** Wayne, Jonathan  
**Subject:** MCEA Comments requested

Dear Jonathan,

Thanks for the chance to comment on the ideas in your June 26th memo.

I concur that we should keep the 2008 payment amount to MCEA candidates to the 2006 levels. I generally just think it's a good idea to be conservative with the money that the People entrust us to use. I agree with the Commission staff's thoughts on this.

I agree we should be clear that MCEA funds can not be used to buy gifts for campaign volunteers or supporters.

I agree with all the other items you listed as well.

I've run as both a Traditional and Clean Election candidate and I thought that the Clean Election process was quite straightforward.

I hope you have a pleasant summer.

Sincerely,

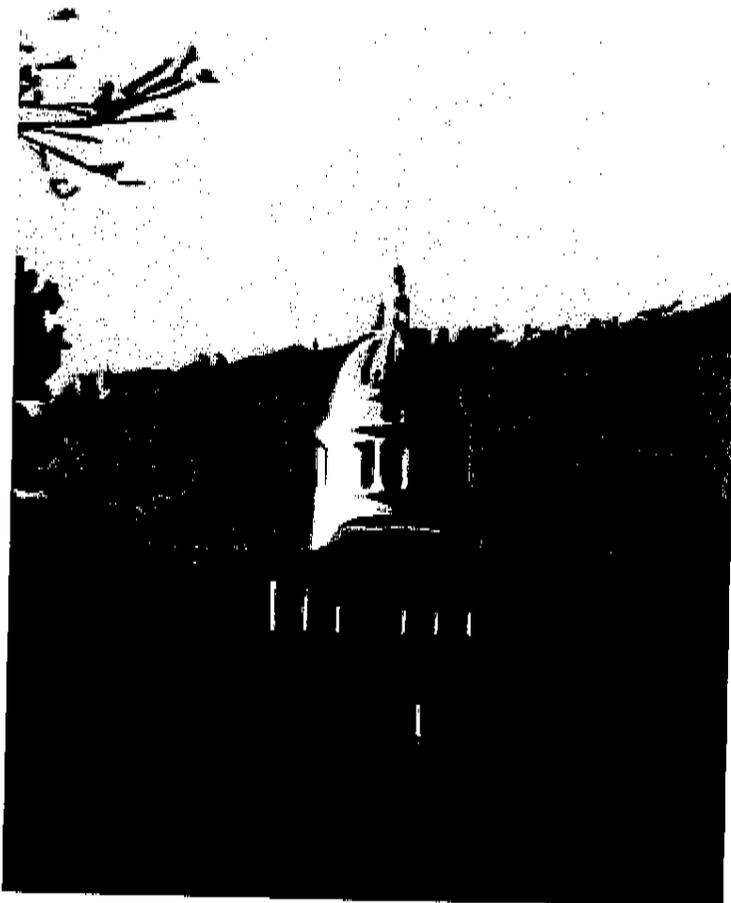
Pat Flood  
State Representative Dist 82 Winthrop and Readfield

2007 REPORT ON THE MAINE CLEAN ELECTION ACT

# 2007 Study Report

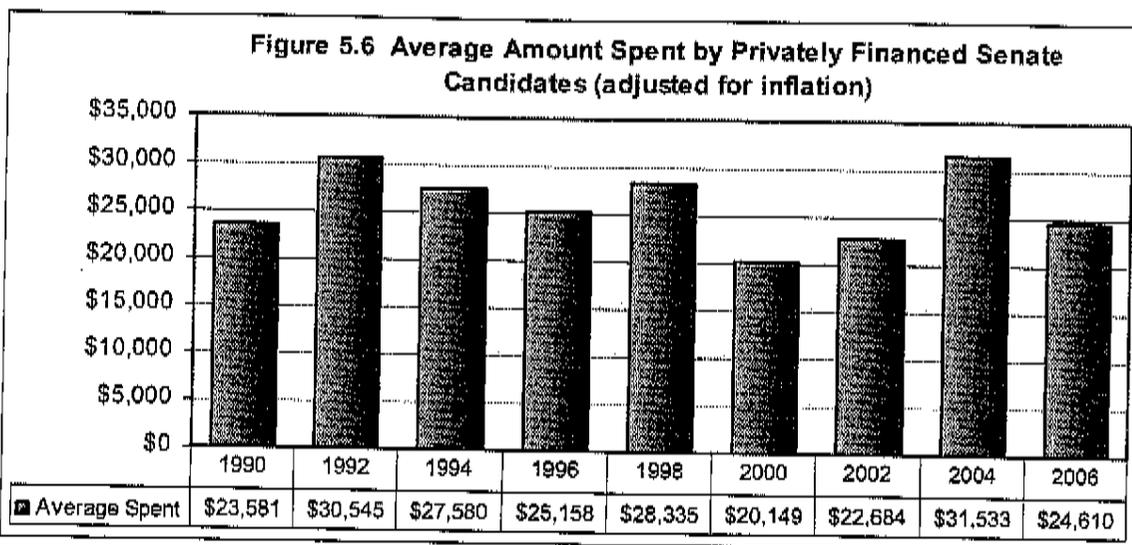
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*Has Public Funding Improved Maine Elections?*



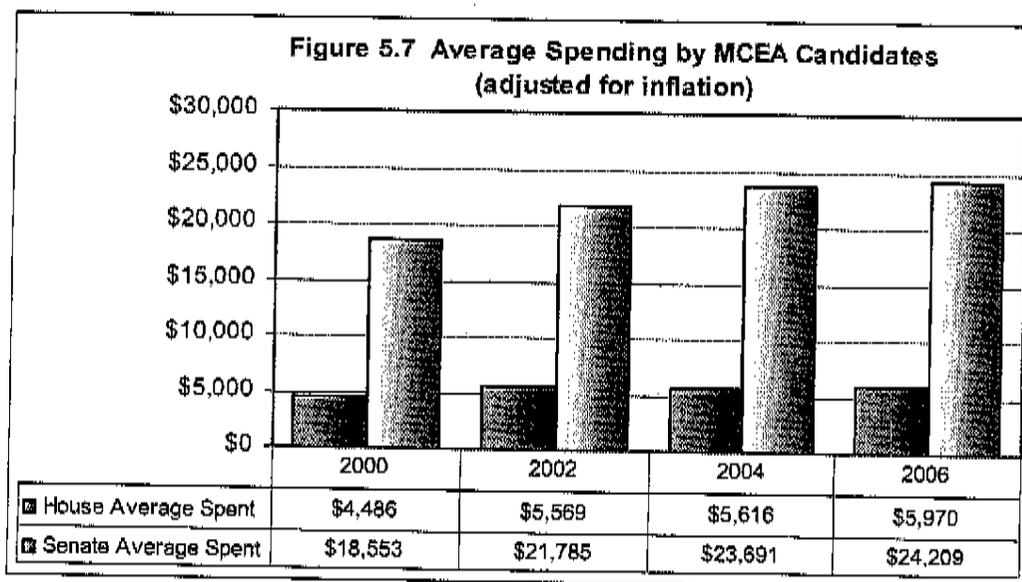
Maine Commission on Governmental  
Ethics and Election Practices

to be a reduction since the introduction of the MCEA. The average amounts spent by traditional Senate candidates in 2000, 2002, and 2006 were lower than in the 1992, 1994, 1996, and 1998 elections.



**Average Spending by MCEA Candidates**

Average spending by MCEA candidates has increased at a moderate rate between 2000 and 2006 (Figure 5.7). The Commission staff be-



lieves that one contributing factor is the increasing initial payments made to MCEA candidates for the general election (Table 5.A). While inflation has increased by 17% from 2000 to 2006, the initial payments have increased by 34% in the House and 56% in the Senate. The MCEA requires the Commission to recalculate the amounts of initial payments to candidates at least once every four years. By statute, the amount of the initial payments received by MCEA candidates is based on average spending by

**Table 5.A Initial Payment Amounts for Contested Candidates in the General Election**

|        | 2000     | 2002     | 2004     | 2006     | % Increase (2000 - 2006) | % Increase in Inflation (2002 - 2006) |
|--------|----------|----------|----------|----------|--------------------------|---------------------------------------|
| House  | \$3,252  | \$4,255  | \$4,032  | \$4,362  | 34%                      | 17%                                   |
| Senate | \$12,910 | \$17,528 | \$16,791 | \$20,082 | 56%                      | 17%                                   |

candidates in the previous two elections. The Commission staff is concerned that