

# Agenda

## Item #2



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: June 14, 2011  
Re: Request to Investigate the Working People for Hope and Change PAC

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On May 3, 2011, the Ethics Commission received an e-mailed request from journalist Colin Woodard to investigate the reporting of 2010 contributions received by the Working People for Hope and Change political action committee (PAC). The PAC was formed by State Representative Dale J. Crafts. He registered his PAC in May 2010. He is serving in his second term at the Legislature.

**Correspondence in May and June 2011**

The PAC registered on May 20, 2010. The PAC filed campaign finance reports on May 20, 2010 and October 12, 2010 which stated that the PAC received contributions totaling \$1,260.00 and \$5,628.17 in contributions of \$50 or less. Those two campaign finance reports are attached. (PACs are not required to itemize contributions of \$50 or less.) Mr. Woodard requests that the Commission investigate whether these total amounts of small contributions are accurate. He believes these amounts are high for a PAC controlled and directed by a Maine Legislator who has not raised political contributions for his two legislative campaigns.

A few days later, I interviewed Rep. Crafts by telephone concerning how the funds were raised. On May 6, 2010, I sent an e-mail to Mr. Woodard conveying the Representative's explanation of the PAC's fundraising. On May 18, Mr. Woodard replied with a confirmation that he believes an investigation is warranted. In response to a written request from me, Rep. Crafts provided the attached letter dated June 3, 2011 describing the PAC's 2010 fundraising.

### **Legal Duty of PAC to Report Contributors of More than \$50**

Campaign finance reports filed by PACs are required to identify the names of contributors who have given *more than \$50* to the PAC during the time period covered by the report. (21-A M.R.S.A. § 1060(6), attached) Maine, like many other states, does not require PACs or candidates to itemize donors who have given relatively small amounts, because they have less potential to influence governmental decision-making.

Since PACs are under no legal duty to name contributors that give \$50 or less, the Commission's on-line form directs PACs to enter an unitemized total (a lump sum) of all contributions of \$50 or less in the report period.

### **Standard of Evidence to Trigger a Commission Investigation**

The Legislature has adopted a standard to guide the Commission concerning when to undertake an investigation requested by a source outside the Commission. The Commission is required by the statute to conduct an investigation "if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred." (21-A M.R.S.A. § 1003(2), attached) Under the Commission's Rules, all decisions to conduct an investigation are made by the members of the Commission at a public meeting. (Chapter 1, Section 5)

### **Staff Analysis and Recommendation**

Applying the standard set by the Legislature, the Commission staff tends to conclude that Mr. Woodard has not provided evidence showing "sufficient grounds for believing that a violation may have occurred."

The Commission must apply this standard in a consistent manner in the context of a competitive political environment. Suspicions sometimes develop among partisans that campaign finance reporting by "the other side" is not trustworthy and should be verified by the Commission. The staff generally believes that to trigger an investigation, the person making the request should be required to show affirmative evidence that the reporting by a candidate or PAC is not accurate. Otherwise, all candidates, PACs, and political parties would face a very low evidentiary threshold to be investigated.

Rep. Crafts has explained his PAC's 2010 fundraising as follows:

[The PAC's] "goal for the 2010 election cycle was simple: solicit and collect small donations from working people to help working class candidates get elected to the state legislature. This was accomplished by collecting many \$49 contributions from people around the state.

WPPAC intentionally did not solicit contributions from companies as we wanted this to be about working people. There was one voluntary contribution from Anheuser-Busch of \$250.

This strategy was carried out by many people who volunteered for WPPAC during the summer and fall of 2010. It proved to be very successful.

My own calculation is that if the two reported totals were obtained through contributions of \$49, the PAC would have raised approximately 25 and 114 contributions for the reports filed in May and October 2010:

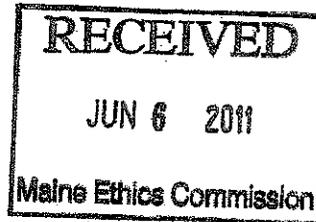
<b>Report Date</b>	<b>Total Contributions in Report</b>	<b>Divided by \$49</b>	<b>Time Period for Report</b>
5/20/2010	\$1,260.00	25.7	(4 ½ months) 1/1/2010 – 5/20/2010
10/12/2010	\$5,628.17	114.9	(2 ½ months) 7/14/2010 – 9/30/2010

Mr. Woodard believes that these amounts are surprisingly high for a member of the Maine Legislature who has not engaged in political fundraising for his two legislative campaigns. I suspect that Mr. Woodard seeks to rule out that the PAC received its 2010 contributions from sources with deeper pockets that support Rep. Crafts' political or legislative agenda. That is a traditional avenue of inquiry for the press to pursue. Nevertheless, as a state agency that is empowered to conduct investigations, the Commission must apply the standard set by the Legislature. It does not appear that Mr. Woodard has produced sufficient evidence indicating that a violation may have occurred that is the threshold for triggering an investigation.

If you believe that a limited investigation is appropriate under the circumstances, you could request that Rep. Crafts permit me to briefly inspect and make a tally of copies

of contribution checks his PAC received in 2010. I could report back to you at the July 28 meeting, or in the interim. Other requests could be made of the PAC, such as requesting bank records relating to the deposit of receipts or interviewing Rep. Crafts further concerning the PAC's fundraising or other fundraisers for the PAC.

Thank you for your consideration of this memo.



June 3, 2011

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

To Whom It May Concern:

This letter is a response to your request of May 23, 2011. In your letter you asked for clarification of the large number of anonymous donations of under \$50. According to our records, we can find no violation of state ethics law.

The Working People for Hope and Change PAC's (WPPAC) goal for the 2010 election cycle was simple: solicit and collect small donations from working people to help working class candidates get elected to the state legislature. This was accomplished by collecting many \$49 donations from people around the state.

WPPAC intentionally did not solicit contributions from companies as we wanted this to be about working people. There was one voluntary donation from Anheuser-Busch of \$250.

This strategy was carried out by many people who volunteered for WPPAC during the summer and fall of 2010. It proved to be very successful.

Upon your request, we will be able to provide copies of most donations made to WPPAC for the May 20 and October 12, 2010 filing reports. As we are under no duty to report the contributor's information to you we will not be supplying you with personal copies of these contribution checks.

We hope this clears up any questions regarding WPPAC. I will be attending the hearing on June 23 to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale Crafts". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dale Crafts  
Working People for Hope and Change PAC  
2 Passing Lane  
Lisbon Falls, ME 04252



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

May 23, 2011

Hon. Dale Crafts  
2 Passing Lane  
Lisbon Falls, ME 04252

**Re: Notice of Request for Investigation**

Dear Rep. Crafts:

As you are aware, the Ethics Commission has received a request to investigate the reporting of 2010 contributions received by the Working People for Hope and Change political action committee (PAC). The request was made by journalist Colin Woodard in the attached May 3, 2011 e-mail.

Mr. Woodard requests that the Commission investigate whether the PAC received \$1,260.00 and \$5,628.17 in contributions of \$50 or less, as the PAC disclosed in its reports filed May 20, 2010 and October 12, 2010. He believes these amounts are unusually high for a PAC controlled and directed by a Maine legislator. On May 6, 2010, I sent an e-mail to Mr. Woodard conveying your explanation of how you raised the funds. On May 18, he replied with a confirmation that he believes an investigation is warranted.

**Applicable Law: PAC Reporting Requirements and Commission's Procedures**

Campaign finance reports filed by PACs are required to identify the names of contributors who have given more than \$50 to the PAC during the time period covered by the report. (21-A M.R.S.A. § 1060(6)) PACs are under no legal duty to name contributors who give \$50 or less. So, the Commission's on-line form directs PACs to enter an unitemized total of all contributions of \$50 or less.

Under the Commission's statute, "a person may apply in writing to the commission requesting an investigation concerning ... contributions [to a PAC]." (21-A M.R.S.A. § 1003(2)) Under the Commission's rules, all decisions to conduct an investigation are made by the members of the Commission at a public meeting. (Chapter 1, Section 5) The Commission is required by the statute to conduct an investigation "if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred." (21-A M.R.S.A. § 1003(2))

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE  
WEBSITE: [WWW.MAINE.GOV/ETHICS](http://WWW.MAINE.GOV/ETHICS)

PHONE: (207) 287-4179

FAX: (207) 287-6775

Hon. Dale J. Crafts  
Page 2  
May 23, 2011

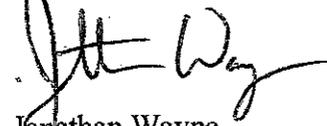
**Your Opportunity to Respond or Comment**

The Commissioners will consider whether to authorize an investigation in this matter at their meeting on Thursday, June 23, at 9:00 a.m. The meeting will take place in our office at 45 Memorial Circle in Augusta.

Please submit a letter by Wednesday, June 8 explaining how the PAC conducted its fundraising in 2010 and provide any other information that you believe the Commission needs to know. I would also suggest that you attend the Commission's meeting to answer any questions from the Commissioners, although that is not required.

Thank you for your consideration of this letter. Please call me at 287-4179 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Wayne". The signature is stylized and written in a cursive-like font.

Jonathan Wayne  
Executive Director

cc: Mr. Colin Woodard

## Wayne, Jonathan

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**From:** Colin Woodard [cswoodard@gwi.net]  
**Sent:** Wednesday, May 18, 2011 2:23 PM  
**To:** Wayne, Jonathan  
**Subject:** Re: Working People for Hope and Change

**Importance:** High

Dear Mr. Wayne:

Thank you for your correspondence regarding the contributions to the Working People for Hope and Change PAC.

My cursory review of small contributions to PACs controlled and directed by a Maine legislator suggests Rep. Crafts' PAC appears to have outperformed even the PACs of ranking legislators. The amount of money raised for the PAC from small, unreportable contributors does strike me as unusually high and worthy of scrutiny to ensure the integrity of your campaign finance regulatory process.

While Rep. Crafts may simply be an unusually effective fundraiser, I would like to request that the Commission consider further investigation to determine if this is indeed the case.

Thanking you for your attention in this matter and

Best Regards,  
Colin Woodard  
Portland, Maine

----- Original Message -----

**From:** Wayne, Jonathan  
**To:** Colin Woodard  
**Cc:** Lavin, Paul ; Sullivan, Cindy  
**Sent:** Friday, May 06, 2011 10:06 AM  
**Subject:** RE: Working People for Hope and Change

Mr. Woodard,

Thank you for your e-mail. My understanding is that you are requesting that the Commission investigate whether the contributions received by the PAC (\$1,260.00 reported on 5/20/10 and \$5,628.17 reported on 10/12/10) were in the amount of \$50 or less, so that the PAC was not required to disclose the contributors.

I contacted Rep. Dale Crafts. He said that his strategy in 2010 was to seek small donations from working people, consistent with the name and purpose of the PAC. He avoided accepting larger donations from political organizations such as PACs. He explained that he had "a bunch of people" assisting him. He said that a lot of the checks were donated at the 2010 state Republican convention. I believe that he said that contributions were received at other events. He did not use fundraising letters. When asked, he said that he assumes some of the people assisting him may have asked for donations over the telephone. Rep. Crafts said that he has kept photocopies of the checks, although he is not legally required to do so. He said that to his knowledge, the PAC received only one contribution larger than \$50 from Anheuser-Busch, which has been disclosed.

Please let me know if you would like the Commission to conduct a further investigation. (Under the Commission's rules, investigations are authorized by the members of the Commission.) If so, I will request a written response from Rep. Crafts and will put your request on the agenda of the Commission's meeting for June 23. If the Commissioners

find that "the reasons stated in the request show sufficient grounds for believing that a violation may have occurred" (21-A MRSA 1003(2)), they will authorize an investigation.

Thank you for letting me know either way.

Jonathan Wayne  
Executive Director  
Maine Ethics Commission  
135 SHS  
Augusta, ME 04333  
287-4179

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**From:** Colin Woodard [mailto:[cswoodard@gwi.net](mailto:cswoodard@gwi.net)]

**Sent:** Tuesday, May 03, 2011 12:31 PM

**To:** Wayne, Jonathan

**Subject:** Working People for Hope and Change

Mr. Wayne:

I am writing to request that the Ethics Commission seek clarification as to if and how the Working People for Hope and Change PAC raised some \$7000 in a few months entirely from small, unreportable donors during the 2010 election cycle, as reported to the Commission:

[http://www.mainecampaignfinance.com/Public/entity\\_financial\\_transactions.asp?TYPE=PAC&ID=5264](http://www.mainecampaignfinance.com/Public/entity_financial_transactions.asp?TYPE=PAC&ID=5264)

Perhaps the PAC did indeed raise the funds in this manner but – as this is an impressive accomplishment for a PAC run by a representative from a rural district who himself ran as a clean elections candidate and, so, would not have generated a donor pool in the conduct of his campaign – it is worthy of official review to ensure Maine's campaign finance laws are being properly observed.

I thank you for your attention in this matter and

Best Regards,  
Colin Woodard  
Journalist  
Portland, Maine



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

## 2010 CAMPAIGN FINANCE REPORT FOR POLITICAL ACTION COMMITTEES

COMMITTEE INFORMATION		
WORKING PEOPLE FOR HOPE AND CHANGE 2 PASSING LANE LISBON FALLS, ME 04252	TEL: (207)353-5469 FAX: (207)729-0118 EMAIL: dalecrafts@aol.com	
TREASURER		
KENNETH QUINN 5 SUNSET AVE LISBON FALLS, ME 04252	TEL: (207)713-8700 EMAIL: kennethquinn@roadrunner.com	
TYPE OF REPORT	DUE DATE	REPORTING PERIOD
INITIAL REPORT		1/1/2010 - 5/20/2010
NO FINANCIAL ACTIVITY IN THIS REPORTING PERIOD FOR SCHEDULES A1, B, B1, C, D		
CERTIFICATION		
I, KENNETH QUINN, CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS TRUE, ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.		
REPORT FILED BY: KENNETH QUINN REPORT FILED ON: May 20, 2010		
IF THIS REPORT IS FILED BY AN AUTHORIZED AGENT OF THE COMMITTEE, THE TREASURER AND AGENT ARE LIABLE FOR ANY VIOLATIONS OF MAINE CAMPAIGN FINANCE LAW (21-A M.R.S.A. CHAPTER 13) AND THE COMMISSION'S RULES THAT MAY RESULT FROM THE FILING OF A FALSE OR INACCURATE REPORT.		

UNSWORN FALSIFICATION IS A CLASS D CRIME (17-A M.R.S.A. § 453).

**SCHEDULE A  
CASH CONTRIBUTIONS**

- For contributors who gave more than \$50, the names, address, occupation, and employer must be reported. If "information requested" is listed instead of occupation and employer, the candidate is waiting to receive that information.
- Cash contributions of \$50 or less can be added together and reported as a lump sum.
- Contributor Types
  - 1 = Individuals
  - 2 = Commercial Sources
  - 3 = Political Action Committees
  - 4 = Party Committees
  - 5 = Candidate Committees
  - 6 = Unitemized Contributions

DATE RECEIVED	CONTRIBUTOR	OCCUPATION AND EMPLOYER	TYPE	AMOUNT
05/19/2010			6	\$1,260.00
<b>TOTAL CASH CONTRIBUTIONS ⇨</b>				<b>\$1,260.00</b>

**SCHEDULE F  
SUMMARY SCHEDULE**

<b>CASH ACTIVITY</b>		
<b>RECEIPTS</b>	<b>TOTAL FOR THIS PERIOD</b>	<b>TOTAL FOR YEAR</b>
1. CASH CONTRIBUTIONS (Schedule A)	\$1,260.00	\$1,260.00
2. OTHER CASH RECEIPTS (interest, etc.)	\$0.00	\$0.00
3. LOANS (Schedule C, new loans and additional amounts loaned)	\$0.00	\$0.00
4. TOTAL RECEIPTS (lines 1+2+3)	\$1,260.00	\$1,260.00
<b>EXPENDITURES</b>		
5. EXPENDITURES TO SUPPORT OR OPPOSE (Schedule B)	\$0.00	\$0.00
6. OPERATING EXPENDITURES (Schedule B-1)	\$0.00	\$0.00
7. LOAN REPAYMENTS (Schedule C)	\$0.00	\$0.00
8. TOTAL PAYMENTS (lines 5+6+7)	\$0.00	\$0.00
<b>CASH SUMMARY</b>		
9. CASH BALANCE AT BEGINNING OF PERIOD (from last report)	\$0.00	
10. PLUS TOTAL RECEIPTS THIS PERIOD (line 4 above)	\$1,260.00	
11. MINUS TOTAL PAYMENTS THIS PERIOD (line 8 above)	\$0.00	
12. CASH BALANCE AT END OF PERIOD	\$1,260.00	
<b>OTHER ACTIVITY</b>		
	<b>TOTAL FOR THIS PERIOD</b>	<b>TOTAL FOR YEAR</b>
13. IN-KIND CONTRIBUTIONS (Schedule A-1)	\$0.00	\$0.00
14. TOTAL LOAN BALANCE AT END OF PERIOD (Schedule C)	\$0.00	
15. TOTAL UNPAID DEBTS AT END OF PERIOD (Schedule D)	\$0.00	



COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES  
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## 2010 CAMPAIGN FINANCE REPORT FOR POLITICAL ACTION COMMITTEES

COMMITTEE INFORMATION		
WORKING PEOPLE FOR HOPE AND CHANGE 2 PASSING LANE LISBON FALLS, ME 04252	TEL: (207)353-5469 FAX: (207)729-0118 EMAIL: <a href="mailto:dalecrafts@aol.com">dalecrafts@aol.com</a>	
TREASURER		
KENNETH QUINN 5 SUNSET AVE LISBON FALLS, ME 04252	TEL: (207)713-8700 EMAIL: <a href="mailto:kennethquinn@roadrunner.com">kennethquinn@roadrunner.com</a>	
TYPE OF REPORT	DUE DATE	REPORTING PERIOD
QUARTERLY - OCTOBER	10/12/2010	7/14/2010 - 9/30/2010
NO FINANCIAL ACTIVITY IN THIS REPORTING PERIOD FOR SCHEDULES A1, B, B1, C, D		
CERTIFICATION		
I, KENNETH QUINN, CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS TRUE, ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.		
REPORT FILED BY: KENNETH QUINN REPORT FILED ON: October 12, 2010		
IF THIS REPORT IS FILED BY AN AUTHORIZED AGENT OF THE COMMITTEE, THE TREASURER AND AGENT ARE LIABLE FOR ANY VIOLATIONS OF MAINE CAMPAIGN FINANCE LAW (21-A M.R.S.A. CHAPTER 13) AND THE COMMISSION'S RULES THAT MAY RESULT FROM THE FILING OF A FALSE OR INACCURATE REPORT.		

UNSWORN FALSIFICATION IS A CLASS D CRIME (17-A M.R.S.A. § 453).

**SCHEDULE A  
CASH CONTRIBUTIONS**

- For contributors who gave more than \$50, the names, address, occupation, and employer must be reported. If "information requested" is listed instead of occupation and employer, the candidate is waiting to receive that information.
- Cash contributions of \$50 or less can be added together and reported as a lump sum.
- Contributor Types
  - 1 = Individuals
  - 2 = Commercial Sources
  - 3 = Political Action Committees
  - 4 = Party Committees
  - 5 = Candidate Committees
  - 6 = Unitemized Contributions

DATE RECEIVED	CONTRIBUTOR	OCCUPATION AND EMPLOYER	TYPE	AMOUNT
09/30/2010			6	\$5,628.17
<b>TOTAL CASH CONTRIBUTIONS ⇨</b>				<b>\$5,628.17</b>

**SCHEDULE F  
SUMMARY SCHEDULE**

<b>CASH ACTIVITY</b>		
<b>RECEIPTS</b>	<b>TOTAL FOR THIS PERIOD</b>	<b>TOTAL FOR YEAR</b>
1. CASH CONTRIBUTIONS (Schedule A)	\$5,628.17	\$6,888.17
2. OTHER CASH RECEIPTS (interest, etc.)	\$0.00	\$0.00
3. LOANS (Schedule C, new loans and additional amounts loaned)	\$0.00	\$0.00
4. TOTAL RECEIPTS (lines 1+2+3)	\$5,628.17	\$6,888.17
<b>EXPENDITURES</b>		
5. EXPENDITURES TO SUPPORT OR OPPOSE (Schedule B)	\$0.00	\$0.00
6. OPERATING EXPENDITURES (Schedule B-1)	\$0.00	\$0.00
7. LOAN REPAYMENTS (Schedule C)	\$0.00	\$0.00
8. TOTAL PAYMENTS (lines 5+6+7)	\$0.00	\$0.00
<b>CASH SUMMARY</b>		
9. CASH BALANCE AT BEGINNING OF PERIOD (from last report)	\$1,260.00	
10. PLUS TOTAL RECEIPTS THIS PERIOD (line 4 above)	\$5,628.17	
11. MINUS TOTAL PAYMENTS THIS PERIOD (line 8 above)	\$0.00	
12. CASH BALANCE AT END OF PERIOD	\$6,888.17	
<b>OTHER ACTIVITY</b>		
	<b>TOTAL FOR THIS PERIOD</b>	<b>TOTAL FOR YEAR</b>
13. IN-KIND CONTRIBUTIONS (Schedule A-1)	\$0.00	\$0.00
14. TOTAL LOAN BALANCE AT END OF PERIOD (Schedule C)	\$0.00	
15. TOTAL UNPAID DEBTS AT END OF PERIOD (Schedule D)	\$0.00	

C. Reports of spending to influence special elections, referenda, initiatives, bond issues or constitutional amendments must be filed:

- (1) On the 11th day before the date on which the election is held and must be complete as of the 14th day before that date; and
- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date.

D. A committee that files an election report under paragraph B or C is not required to file a quarterly report when the deadline for that quarterly report falls within ten (10) days of the filing deadline established in paragraph B or C.

E. A committee shall report any expenditure of \$500 or more made after the 14th day before the election and more than 24 hours before 5:00 p.m. on the day of the election within 24 hours of that expenditure.

**3. Report of expenditures made after the 11th day and more than 48 hours before any election. (REPEALED)**

**4. Special election reports. (REPEALED)**

**5. Electronic filing.** Committees shall file each report required by this section through an electronic filing system developed by the commission. The commission may make an exception to this electronic filing requirement if a committee submits a written request that states that the committee lacks access to the technology or the technological ability to file reports electronically. The request for an exception must be submitted within 30 days of the registration of the committee. The commission shall grant all reasonable requests for exceptions.

## **21A § 1060. Content of reports**

The reports must contain the following information and any additional information required by the commission to monitor the activities of political action committees:

**1. Identification of candidates.** The names of and offices sought by all candidates whom the committee supports, intends to support or seeks to defeat;

**2. Identification of committees; parties.** The names of all political committees or party committees supported in any way by the committee;

**3. Identification of referendum or initiated petition.** The referenda or initiated petitions that the committee supports or opposes;

**4. Itemized expenditures.** An itemization of each expenditure made to support or oppose any candidate, campaign, political committee, political action committee and party committee or to support or oppose a referendum or initiated petition, including the date, payee and purpose of the expenditure; the name of each candidate, campaign, political committee, political action committee or party committee supported or opposed; and each referendum or initiated petition supported or opposed by the expenditure. If expenditures were made to a person described in section 1012, subsection 3, paragraph A, subparagraph (4), the report must contain the name of the person; the amount spent by that person on behalf of the

candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition, including, but not limited to, expenditures made during the signature-gathering phase; the reason for the expenditure; and the date of the expenditure. The commission may specify the categories of expenditures that are to be reported to enable the commission to closely monitor the activities of political action committees;

**5. Aggregate expenditures.** An aggregation of expenditures and cumulative aggregation of expenditures to a candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition;

 **6. Identification of contributions.** Names, occupations, places of business and mailing addresses of contributors who have given more than \$50 to the political action committee in the reporting period and the amount and date of each contribution, except that an organization qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) is required to report only those contributions made to the organization for the purpose of promoting, defeating or influencing a ballot question or the nomination or election of a candidate to political office and all transfers to or funds used to support the political action committee from the general treasury of the organization; and

**7. Other expenditures.** Operational expenses and other expenditures that are not made on behalf of a candidate, committee or campaign, except that an organization qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) is required to report only those expenditures made for the purpose of promoting, defeating or influencing a ballot question or the nomination or election of a candidate to political office.

#### **21A § 1061. Dissolution of committees**

Whenever any political action committee determines that it will no longer accept any contributions or make any expenditures, the committee shall file a termination report that includes all financial activity from the end date of the previous reporting period through the date of termination with the commission. The committee must dispose of any surplus prior to termination. In the termination report, the committee shall report any outstanding loan, debt or obligation in the manner prescribed by the commission.

#### **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

**3. Other meetings.** The commission shall meet at other times on the call of the Secretary of State, the President of the Senate, the Speaker of the House or the chair or a majority of the members of the commission, as long as all members are notified of the time, place and purpose of the meeting at least 24 hours in advance.

**4. Office hours before election.** The commission office must be open with adequate staff resources available to respond to inquiries and receive complaints from 8 a.m. until at least 5:30 p.m. on the Saturday, Sunday and Monday immediately preceding an election, and from 8 a.m. until at least 8 p.m. on election day.

### **21A § 1003. Investigations by commission**

**1. Investigations.** The commission may undertake audits and investigations to determine the facts concerning the registration of a candidate, treasurer, political committee or political action committee and contributions by or to and expenditures by a person, candidate, treasurer, political committee or political action committee. For this purpose, the commission may subpoena witnesses and records whether located within or without the State and take evidence under oath. A person or political action committee that fails to obey the lawful subpoena of the commission or to testify before it under oath must be punished by the Superior Court for contempt upon application by the Attorney General on behalf of the commission.

**2. Investigations requested.** A person may apply in writing to the commission requesting an investigation concerning the registration of a candidate, treasurer, political committee or political action committee and contributions by or to and expenditures by a person, candidate, treasurer, political committee or political action committee. The commission shall review the application and shall make the investigation if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred.

#### **2-A. Confidentiality. (REPEALED)**

**3. State Auditor.** The State Auditor shall assist the commission in making investigations and in other phases of the commission's duties under this chapter, as requested by the commission, and has all necessary powers to carry out these responsibilities.

**3-A. Confidential records.** Investigative working papers of the commission are confidential and may not be disclosed to any person except the members and staff of the commission, the subject of the audit or investigation, other entities as necessary for the conduct of an audit or investigation and law enforcement and other agencies for purposes of reporting, investigating or prosecuting a criminal or civil violation. For purposes of this subsection, "investigative working papers" means documents, records and other printed or electronic information in the following limited categories that are acquired, prepared or maintained by the commission during the conduct of an investigation or audit:

- A. Financial information not normally available to the public;
- B. Information belonging to a party committee, political action committee, ballot question committee, candidate or candidate's authorized committee, that if disclosed, would reveal sensitive political or campaign information;