



SUMMARY OF ENACTED LEGISLATION - 2013 SESSION

COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0135
(207) 287-4179



Questions?

Call: 207-287-4179

Website:
www.maine.gov/ethics

AMENDMENTS TO CAMPAIGN FINANCE, LOBBYING & LEGISLATIVE ETHICS LAWS

During the 2013 legislative session, bills were enacted that amended Maine's campaign finance, lobbying, and governmental ethics laws. This newsletter highlights and summarizes some of these amendments. The effective date of these amendments is **effective on October 9, 2013**. For a complete text of the new laws, please check the Commission's website (www.maine.gov/ethics).

CHANGES TO CAMPAIGN FINANCE LAWS (LD 1299 — P.L. 2013, c. 334)

Changes Affecting Political Action Committees

Duties and Responsibilities:

Treasurer

- Responsible for filing complete and accurate reports, regardless of whether the duty is delegated to another.

Treasurer & Principal Officer

- Jointly responsible for ensuring all required records are kept.
- Jointly liable for all penalties assessed for violations of reporting or record-keeping requirements.

Treasurer, Principal Officer & Decision-Maker(s)

- Deemed to have participated in all spending decisions.

Changes to PAC Registration: In addition to existing requirements, when a PAC registers it must:

- name a treasurer and a principal officer. They cannot be the same person.
- if the PAC is formed by one or more for-profit or non-profit corporations or other organizations, state the names and addresses of those corporations and organizations.
- include the name on the campaign bank account and the name and address of the financial institution where the account is established (see "campaign bank account" below).
- submit a signed acknowledgement of responsibilities from the treasurer, principal officer and any decision-makers — see "duties and responsibilities" to the left. All replacement officers must also sign the acknowledgement within 10 days of joining the PAC.

Campaign Bank Account: PACs are now required to maintain a separate bank account for campaign activity. All contributions must be deposited into the account and all campaign payments must be made through the account. This requirement applies to all PACs. Account records must be kept for 4 years.

PACs can now spend \$250 per election on invitations, food and beverages when providing voluntary personal services for candidate-related activities. This is up from \$100.

Penalties for Failure to File a Registration and Failure to Keep Required Records: The maximum fine for a PAC that fails to register has been increased from \$250 to \$2,500. PACs that fail to keep required records may also be fined up to \$2,500. In each case, the Commission will consider the circumstances surrounding the failure to register or keep records before assessing a penalty.

Changes Affecting Candidates and Candidate Committees

24-Hour Reports: Contributions: Now, if a candidate receives a contribution of \$1,000 or more after the 14th day before the election, it is required to be reported in a 24-hour report. Previously, a report was required for contributions aggregating \$1,000 or more from a single contributor after the 14th day before the election. Expenditures: Certain expenditures of \$1,000 or more are not required to be reported in a 24-hour report. Those expenditures are: overhead expenses, such as rent, utility payments and taxes; and compensation paid to employees or other members of campaign staff who have received regular payments disclosed in prior reports.

"Testing the Waters": Individuals are now allowed to receive funds, goods or services which they can use in their effort to determine whether to become a candidate. The amount of funds, goods or services received may not exceed the contribution limits of \$375 for legislative candidates, \$750 for county and municipal candidates and \$1,500 for gubernatorial candidates. If the individual becomes a candidate, all funds, goods or services received, and any payments made, must be disclosed as contributions and expenditures for the campaign.

Duties and Responsibilities of Candidates and Treasurers.

- Ensuring all required records are kept.
- Filing complete and accurate reports with the Commission.
- Jointly liable for all penalties for violations of reporting or record keeping requirements.

AMENDMENTS TO CAMPAIGN FINANCE LAWS (continued)

Changes Affecting Candidates and Political Committees

Disclosure Requirements

Requirement for Radio Advertisements: Previously, radio communications were required to include a complete mailing address. Now, only the city and state of the person paying for and/or authorizing the communication is required. (LD 922, P.L. 2013, c. 362)

NEW REQUIREMENT FOR BALLOT QUESTION COMMUNICATIONS

Communications costing more than \$500 which expressly advocate the passage or defeat of a ballot question must now include a disclosure statement identifying the name and address of the person who financed the communication.

Reporting Changes

Presumption of Independent Expenditure: Any communication that clearly identifies a candidate in the last 21 or 35 days before the primary or general election, respectively, which is not made in cooperation, consultation or concert with a candidate, is presumed to be independent and therefore to require an Independent Expenditure report. This previously applied only communications in races with MCEA candidates.

PAC, BQC and Party Committee 24-Hour Reports: Contributions of \$5,000 or more received by these committees after the 14th day before the election must now be reported in a 24-hour report. Certain expenditures of \$1,000 or more are not required to be reported in a 24-hour report. Those expenditures are: overhead expenses, such as rent, utility payments and taxes; and compensation paid to employees or other members of campaign staff who have received regular payments disclosed in prior reports.

Travel Expenses by Volunteers:

Individual volunteers for candidate campaigns are now allowed to spend \$350 of their own money on the cost of travel in the course of providing voluntary personal services to a candidate. This is up from \$100.

Miscellaneous

Donations for the Purpose of a Recount: Individuals and groups are now allowed to give donations to candidates for the purpose of a recount. Donations from individuals and groups are limited to \$375 for legislative candidates, \$750 for county candidates and \$1,500 for gubernatorial candidates. The contribution limit does not apply to donations from party committees and caucus campaign committees, and attorneys and consultants donating their time without reimbursement.

CHANGES TO LOBBYING LAWS (LD 184 & LD 859)

Waiting Period Before Engaging in Lobbying

Legislators: Beginning with the 127th Legislature (December 2014), an individual who served as a Legislator may not engage in more than 8 hours of lobbying in a calendar month until one year after their term in office ends. This ban does not apply to uncompensated lobbying. (LD 184 — P.L. 2013, c. 129)

Executive Branch Officials: Beginning on January 1, 2015, individuals whose salary is subject to adjustment by the Governor or who are in a “major-policy influencing” position may not engage in lobbying for more than 8 hours in a calendar month until one year after their employment in that office ends. (LD 859 — P.L. 2013, c. 288)

CHANGES TO GOVERNMENTAL ETHICS LAWS (LD 1001 — P.L. 2013, c. 401)

Financial Disclosures by Legislative and Executive Branch Officials

Ownership or Control of a Business: Legislators and certain executive branch officials are now required to disclose whether they or members of their immediate family own or control more than 5% of any business that has received annual revenue of \$2,000 or more.

Description of Sources of Income: Legislators and certain executive branch officials are now required to provide a description of income of \$2,000 or more received during the year. Descriptions will include the nature of the income, such as rental income, dividend income or capital gains.

Positions in a PAC, BOC or Political Party Committee: Legislators and certain executive branch officials are now required to indicate whether they or any member of their immediate family is a treasurer, principal officer, principal decision-maker or principal fundraiser for a political party committee, political action committee, or ballot question committee.

Income Ranges: The Commission staff has been directed to recommend to the Veterans and Legal Affairs Committee a method for Legislators and executive branch officials to report income received in specific income ranges.