

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND AND ELEVEN

S.P. 491 - L.D. 1541

An Act To Amend the Campaign Finance Laws

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period because it amends certain provisions of the campaign finance laws that take effect August 1, 2011 and September 1, 2011; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §19, sub-§7, as amended by PL 1991, c. 331, §3, is further amended to read:

7. Disclosure of reportable liabilities. Each executive employee shall include on the statement of income under subsection 2 all reportable liabilities incurred while employed as an executive employee. The executive employee shall file a supplementary statement with the ~~Secretary of State~~ Commission on Governmental Ethics and Election Practices of any reportable liability within 30 days after it is incurred. The report must identify the creditor in the manner of subsection 2.

Sec. 2. 21-A MRSA §1002, as repealed and replaced by PL 2007, c. 571, §5, is amended to read:

§1002. Meetings of commission

1. Meeting schedule. The commission shall meet in Augusta for the purposes of this chapter at least once per month in any year in which primary and general elections are held ~~and every 2 weeks in the 60 days preceding an election.~~ In the 28 days preceding an election, the commission shall meet in Augusta within ~~one calendar day~~ 2 business days of the filing of any complaint ~~or question~~ with the commission, unless the

complainant and respondent agree otherwise. Agenda items in the 28 days preceding an election must be decided within 24 hours of the filing unless all parties involved agree otherwise. Regardless of whether the complainant or respondent agree, the commission may defer until after the election considering complaints determined by the chair to involve allegations of minor violations of this chapter or chapter 14, such as disclaimer statements omitted from campaign signs or transactions of less than \$100 omitted from campaign finance reports.

2. Telephone meetings. The commission may hold meetings over the telephone if necessary, as long as the commission provides notice to all affected parties in accordance with the rules of the commission and the commission's office remains open for attendance by complainants, witnesses, the press and other members of the public. Notwithstanding Title 1, chapter 13, telephone meetings of the commission are permitted:

A. During the 28 days prior to an election when the commission is required to meet within ~~24 hours~~ 2 business days of the filing of any complaint ~~or question~~ with the commission; or

B. To address procedural or logistical issues before a monthly meeting, such as the scheduling of meetings, deadlines for parties' submission of written materials, setting of meeting agenda, requests to postpone or reschedule agenda items, issuing subpoenas for documents or witnesses and recusal of commission members.

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.~~

Sec. 3. 21-A MRSA §1003, sub-§1, as amended by PL 2009, c. 524, §4, is further amended to read:

1. Investigations. The commission may undertake audits and investigations to determine the facts concerning the registration of a candidate, treasurer, party committee, political action committee, ballot question committee or other political committee ~~or political action committee~~ and contributions by or to and expenditures by a person, candidate, treasurer, party committee, political action committee, ballot question committee or other 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~~ entity 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.

Sec. 4. 21-A MRSA §1003, sub-§2, as amended by PL 1991, c. 839, §1 and affected by §34, is further amended to read:

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 as described in subsection 1.~~ 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.

Sec. 5. 21-A MRSA §1011, as amended by PL 2009, c. 366, §1 and affected by §12 and amended by c. 652, Pt. A, §19, is further amended to read:

§1011. Application

This subchapter applies to candidates for all state and county offices ~~and all candidates for municipal office as defined in Title 30-A, section 2502, subsection 1~~ and to campaigns for their nomination and election.

Candidates for municipal office as described in Title 30-A, section 2502, subsection 1 are governed by this subchapter.

3. Role of the municipal clerk; commission. For candidates for municipal office, the municipal clerk is responsible for any duty assigned to the commission in this subchapter related to the registration of candidates, receipt of reports and distribution of information or forms, unless otherwise provided. Notwithstanding any other deadline set forth in this chapter, candidates must file their reports by the close of business on the day of the filing deadline established for the office of the municipal clerk. The commission retains the sole authority to prescribe the content of all reporting forms. The commission does not have responsibility to oversee the filing of registrations or campaign finance reports relating to municipal campaigns, except that the commission shall enforce late-filing penalties under section 1020-A, subsection 3 upon the request of a municipal clerk.

4. Exemptions. Exemptions for municipal candidates from the reporting requirements of this subchapter are governed by this subsection.

A. At the time a municipal candidate registers under section 1013-A, the candidate may notify the municipal clerk in writing that the candidate will not accept contributions, make expenditures or incur financial obligations associated with that person's candidacy. A candidate who provides this written notice is not required to appoint a treasurer or to meet the filing requirements of this section as long as the candidate complies with the commitment.

B. The notice provided to the municipal clerk in paragraph A may be revoked. A written revocation must be presented to the municipal clerk before the candidate may accept contributions, make expenditures or incur obligations associated with that person's candidacy. A candidate who has filed a notice with the municipal clerk under paragraph A and accepts contributions, makes expenditures or incurs obligations associated with that person's candidacy prior to filing a revocation may be assessed a penalty of \$10 for each business day that the revocation is late, up to a maximum of \$500. This penalty may be imposed in addition to the penalties assessed under other sections of this Title.

Sec. 6. 21-A MRSA §1012, sub-§2, ¶B, as amended by PL 2007, c. 443, Pt. A, §3, is further amended to read:

B. Does not include:

- (1) The value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;
- (2) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the individual on behalf of any candidate does not exceed \$100 with respect to any election;
- (3) The sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if the charge to the candidate is at least equal to the cost of the food or beverages to the vendor and if the cumulative value of the food or beverages does not exceed \$100 with respect to any election;
- (4) Any unreimbursed travel expenses incurred and paid for by an individual who volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election;
- (4-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;
- (5) The payment by a party's state, district, county or municipal committee of the costs of preparation, display or mailing or other distribution of a party candidate listing;
- (6) Documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this Title, lists of registered voters and voter identification information, created, obtained or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party;
- (7) Compensation paid by a state party committee to its employees for the following purposes:
 - (a) Providing no more than a total of 40 hours of assistance from its employees to a candidate in any election;
 - (b) Recruiting and overseeing volunteers for campaign activities involving 3 or more candidates; or
 - (c) Coordinating campaign events involving 3 or more candidates;
- (8) Campaign training sessions provided to 3 or more candidates;
- (8-A) Costs paid for by a party committee in connection with a campaign event at which 3 or more candidates are present;

(8-B) Wood or other materials used for political signs that are found or contributed if not originally obtained by the candidate or contributor for campaign purposes;

(8-C) The use or distribution of any communication, as described in section 1014, obtained by the candidate for a previous election and fully paid for during that election;

(9) The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider; ~~or~~

(10) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate; or

(11) A purchase of apparel from a commercial vendor with a total cost of \$25 or less by an individual when the vendor has received a graphic or design from the candidate or the candidate's authorized committee.

Sec. 7. 21-A MRSA §1012, sub-§3, as amended by PL 2007, c. 443, Pt. A, §4, is further amended to read:

3. Expenditure. The term "expenditure:"

A. Includes:

(1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination or election of any person to political office, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included;

(2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure;

(3) The transfer of funds by a candidate or a political committee to another candidate or political committee; and

(4) A payment or promise of payment to a person contracted with for the purpose of ~~supporting or opposing~~ influencing any candidate, campaign, political committee, political action committee, political party, referendum or initiated petition or circulating an initiated petition as defined in section 1052, subsection 1; and

B. Does not include:

(1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless the facilities are owned or controlled by any political party, political committee, candidate or candidate's immediate family;

(1-A) Any communication distributed through a public access television station if the communication complies with the laws and rules governing the station and

all candidates in the race have an equal opportunity to promote their candidacies through the station;

(2) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate;

(3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;

(4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities does not exceed \$100 with respect to any election;

(5) Any unreimbursed travel expenses incurred and paid for by an individual who volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election;

(5-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;

(6) Any communication by any person that is not made for the purpose of influencing the nomination for election, or election, of any person to state or county office;

(7) The payment by a party's state, district, county or municipal committee of the costs of preparation, display or mailing or other distribution of a party candidate listing;

(8) The use or distribution of any communication, as described in section 1014, obtained by the candidate for a previous election and fully paid for during that election campaign;

(9) Documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this Title, lists of registered voters and voter identification information, created or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party;

(10) Compensation paid by a state party committee to its employees for the following purposes:

(a) Providing no more than a total of 40 hours of assistance from its employees to a candidate in any election;

(b) Recruiting and overseeing volunteers for campaign activities involving 3 or more candidates; or

(c) Coordinating campaign events involving 3 or more candidates;

(10-A) Costs paid for by a party committee in connection with a campaign event at which 3 or more candidates are present;

(11) Campaign training sessions provided to 3 or more candidates;

(11-A) Wood or other materials used for political signs that are found or contributed if not originally obtained by the candidate or contributor for campaign purposes; ~~or~~

(12) The use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the provider; or

(13) A purchase of apparel from a commercial vendor with a total cost of \$25 or less by an individual when the vendor has received a graphic or design from the candidate or the candidate's authorized committee.

Sec. 8. 21-A MRSA §1012, sub-§4-A is enacted to read:

4-A. Influence. "Influence" means to promote, support, oppose or defeat.

Sec. 9. 21-A MRSA §1013-A, sub-§1, ¶A, as amended by PL 2009, c. 366, §2 and affected by §12, is further amended to read:

A. No later than 10 days after becoming a candidate and before accepting contributions, making expenditures or incurring obligations, a candidate for state, or county or municipal office or a candidate for municipal office who has not filed a written notice in accordance with section 1011, subsection 4, paragraph A shall appoint a treasurer. The candidate may serve as treasurer, except that a participating candidate, as defined in section 1122, subsection 6, or a candidate certified in accordance with section 1125 may not serve as treasurer, except that the candidate may serve as treasurer or deputy treasurer for up to 14 days after declaring an intention to qualify for campaign financing under chapter 14 until the candidate identifies another person to serve as treasurer. The candidate may have only one treasurer, who is responsible for the filing of campaign finance reports under this chapter. A candidate shall register the candidate's name and address and the name and address of the treasurer appointed under this section no later than 10 days after the appointment of the treasurer. A candidate may accept contributions personally or make or authorize expenditures personally, as long as the candidate reports all contributions and expenditures to the treasurer. The treasurer shall make a consolidated report of all income and expenditures and provide this report to the commission.

(1) A candidate may appoint a deputy treasurer to act in the absence of the treasurer. The deputy treasurer, when acting in the absence of the treasurer, has the same powers and responsibilities as the treasurer. A candidate certified in accordance with section 1125 may not serve as deputy treasurer. When a treasurer dies or resigns, the deputy treasurer may not assume the position of treasurer unless the candidate appoints the deputy treasurer to the position of treasurer. The candidate shall report the name and address of the deputy treasurer to the commission no later than 10 days after the deputy treasurer has been appointed.

Sec. 10. 21-A MRSA §1014, sub-§1, as repealed and replaced by PL 2009, c. 652, Pt. A, §20, is amended to read:

1. Authorized by candidate. Whenever a person makes an expenditure to finance a communication expressly advocating the election or defeat of a clearly identified candidate through broadcasting stations, cable television systems, newspapers, magazines, campaign signs or other outdoor advertising facilities, publicly accessible sites on the Internet, direct mails or other similar types of general public political advertising or through flyers, handbills, bumper stickers and other nonperiodical publications, the communication, if authorized by a candidate, a candidate's authorized political committee or their agents, must clearly and conspicuously state that the communication has been so authorized and must clearly state the name and address of the person who made or financed the expenditure for the communication. The following forms of political communication do not require the name and address of the person who made or authorized the expenditure for the communication because the name or address would be so small as to be illegible or infeasible: ashtrays, badges and badge holders, balloons, campaign buttons, clothing, coasters, combs, emery boards, envelopes, erasers, glasses, key rings, letter openers, matchbooks, nail files, noisemakers, paper and plastic cups, pencils, pens, plastic tableware, 12-inch or shorter rulers, swizzle sticks, tickets to fund-raisers, electronic media advertisements where compliance with this section would be impracticable due to size or character limitations and similar items determined by the commission to be too small and unnecessary for the disclosures required by this section. A communication financed by a candidate or the candidate's committee is not required to state the address of the candidate or committee that financed the communication. A communication in the form of a sign that is financed by a candidate or the candidate's committee and that clearly identifies the name of the candidate and is lettered or printed individually by hand is not required to include the name and address of the person who made or financed the communication or to include a statement that the communication has been authorized by the candidate, the candidate's authorized committee or their agents.

Sec. 11. 21-A MRSA §1014, sub-§3, as amended by PL 2007, c. 443, Pt. A, §9, is further amended to read:

3. Broadcasting prohibited without disclosure. No person operating a broadcasting station or cable television system within this State may broadcast any communication, as described in subsections 1 to 2-A, without an oral or written visual announcement of the disclosure required by this section.

Sec. 12. 21-A MRSA §1014, sub-§4, as amended by PL 2007, c. 443, Pt. A, §9, is further amended to read:

4. Enforcement. ~~An expenditure, communication or broadcast made within 20 days before the election to which it relates that results in a Δ violation of this section may result in a civil ~~fine~~ penalty of no more than \$5,000, except that an expenditure for yard signs lacking the required information may result in a maximum civil penalty of \$200. In assessing a civil penalty, the commission shall consider, among other things, how widely the communication was disseminated, whether the violation was intentional, whether the violation occurred as the result of an error by a printer or other paid vendor and whether the communication conceals or misrepresents the identity of the person who financed it.~~ The If the person who financed the communication or who committed the violation shall

~~correct~~ corrects the violation within 10 days after receiving notification of the violation from the commission by adding the missing information to the communication, the commission may decide to assess no civil penalty. An expenditure, communication or broadcast made more than 20 days before the election that results in a violation of this section may result in a civil fine of no more than \$100 if the violation is not corrected within 10 days after the person who financed the communication or other person who committed the violation receives notification of the violation from the commission. If the commission determines that a person violated this section with the intent to misrepresent the name or address of the person who made or financed the communication or whether the communication was or was not authorized by the candidate, the commission may impose a fine of no more than \$5,000 against the person responsible for the communication. Enforcement and collection procedures must be in accordance with section 1020 A.

Sec. 13. 21-A MRSA §1014, sub-§6 is enacted to read:

6. Exclusions. The requirements of this section do not apply to:

A. Handbills or other literature produced and distributed at a cost not exceeding \$100 and prepared by one or more individuals who are not required to register or file campaign finance reports with the commission and who are acting independently of and without authorization by a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee or an agent of a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee;

B. Campaign signs produced and distributed at a cost not exceeding \$100, paid for by one or more individuals who are not required to register or file campaign finance reports with the commission and who are acting independently of and without authorization by a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee or an agent of a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee; and

C. Internet and e-mail activities costing less than \$100, as excluded by rule of the commission, paid for by one or more individuals who are not required to register or file campaign finance reports with the commission and who are acting independently of and without authorization by a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee or an agent of a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee.

Sec. 14. 21-A MRSA §1015, sub-§4, as amended by PL 2007, c. 443, Pt. A, §13, is further amended to read:

4. Political committees; intermediaries. For the purpose of the limitations imposed by this section, contributions made to any political committee authorized by a candidate to accept contributions on the candidate's behalf are considered to be contributions made to that candidate. If the campaign activities of a political action committee within a calendar year primarily promote or support the nomination or election of a single

candidate, contributions to the committee that were solicited by the candidate are considered to be contributions made to the candidate for purposes of the limitations in this section. For purposes of this subsection, solicitation of contributions includes but is not limited to the candidate's appearing at a fundraising event organized by or on behalf of the political action committee or suggesting that a donor make a contribution to that committee.

For the purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, that are in any way earmarked or otherwise directed through an intermediary or conduit to the candidate are considered to be contributions from that person to the candidate. The intermediary or conduit shall report the original source and the intended recipient of the contribution to the commission and to the intended recipient.

Sec. 15. 21-A MRSA §1017, sub-§3-A, as amended by PL 2009, c. 190, Pt. A, §5 and c. 366, §3 and affected by §12, is further amended to read:

3-A. Other candidates. A treasurer of a candidate for state, ~~or county or municipal~~ office other than the office of Governor shall file reports with the commission and municipal candidates shall file reports with the municipal clerk as follows. Once the first required report has been filed, each subsequent report must cover the period from the end date of the prior report filed.

A. In any calendar year in which an election for the candidate's particular office is not scheduled, when any candidate or candidate's political committee has received contributions in excess of \$500 or made or authorized expenditures in excess of \$500, reports must be filed no later than 11:59 p.m. on July 15th of that year and January 15th of the following calendar year. These reports must include all contributions made to and all expenditures made or authorized by or on behalf of the candidate or the treasurer of the candidate as of the end of the preceding month, except those covered by a previous report.

B. Reports must be filed no later than 11:59 p.m. on the 11th day before the date on which an election is held and must be complete as of the 14th day before that date. If a report was not filed under paragraph A, the report required under this paragraph must cover all contributions and expenditures through the 14th day before the election.

C. Contributions aggregating \$1,000 or more from any one contributor or single expenditures of \$1,000 or more made after the 14th day before any election and more than 24 hours before 11:59 p.m. on the day of any election must be reported within 24 hours of those contributions or expenditures.

D. Reports must be filed no later than 11:59 p.m. on the 42nd day after the date on which an election is held and must be complete for the filing period as of the 35th day after that date.

D-1. Reports must be filed no later than 11:59 p.m. on the 42nd day before the date on which a general election is held and must be complete as of the 49th day before that date, except that this report is not required for candidates for municipal office.

E. Unless further reports will be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit in excess of \$100 shown in the reports described in paragraph D must be reported as provided by this paragraph. The treasurer of a candidate with a surplus or deficit in excess of \$100 shall file reports semiannually with the commission within 15 days following the end of the 2nd and 4th quarters of the State's fiscal year, complete as of the last day of the quarter, until the surplus is disposed of or the deficit is liquidated. The first report under this paragraph is not required until the 15th day of the period beginning at least 90 days from the date of the election. The reports will be considered timely if filed electronically or in person with the commission on that date or postmarked on that date. The reports must set forth any contributions for the purpose of liquidating the deficit, in the same manner as contributions are set forth in other reports required in this section.

F. Reports with respect to a candidate who seeks nomination by petition must be filed on the same dates that reports must be filed by a candidate for the same office who seeks that nomination by primary election.

Sec. 16. 21-A MRSA §1017-A, sub-§2, as amended by PL 2009, c. 190, Pt. A, §9, is further amended to read:

2. Expenditures to influence a campaign. A party committee shall report all expenditures made to ~~support or oppose a candidate, political committee, political action committee or party committee registered under this chapter~~ influence a campaign, as defined in section 1052, subsection 1. The party committee shall report:

- A. The name of each candidate, political committee, political action committee or party committee;
- B. The office sought by a candidate and the district that the candidate seeks to represent; and
- C. The date, amount and purpose of each expenditure.

Sec. 17. 21-A MRSA §1017-A, sub-§3, as amended by PL 2009, c. 190, Pt. A, §10, is further amended to read:

3. Other expenditures. Operational expenses and other expenditures that are not made to ~~support or oppose a candidate, committee, political action committee or party committee~~ influence a campaign, as defined in section 1052, subsection 1 must be reported separately. The party committee shall report:

- A. The name and address of each payee;
- B. The purpose for the expenditure; and
- C. The date and amount of each expenditure.

Sec. 18. 21-A MRSA §1017-A, sub-§4-A, ¶C, as amended by PL 2007, c. 443, Pt. A, §17, is further amended to read:

C. ~~Reports of spending to influence~~ Preelection and post-election reports for special elections, referenda, initiatives, bond issues or constitutional amendments must be filed by 11:59 p.m.:

(1) On the 11th day before the date on which the election is held and must be complete up to 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 up to the 35th day after that date.

Sec. 19. 21-A MRSA §1017-A, sub-§8, as amended by PL 2009, c. 366, §4 and affected by §12, is further amended to read:

8. Municipal elections. When a party committee makes contributions or expenditures on behalf of a candidate for municipal office ~~in a town or city that has chosen to be governed by~~ subject to this subchapter, it shall file a copy of the reports required by this section with the clerk in that candidate's municipality.

Sec. 20. 21-A MRSA §1019-B, sub-§4, as enacted by PL 2009, c. 524, §7, is amended to read:

4. Report required; content; rules. A person, party committee, political committee or political action committee that makes independent expenditures aggregating in excess of \$100 during any one candidate's election shall file a report with the commission. In the case of a municipal election ~~in a town or city that has chosen to be governed by this subchapter, a copy of the same information~~ the report must be filed with the municipal clerk.

A. A report required by this subsection must be filed with the commission according to a reporting schedule that the commission shall establish by rule that takes into consideration existing campaign finance reporting requirements and matching fund provisions under chapter 14. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

B. A report required by this subsection must contain an itemized account of each expenditure aggregating in excess of \$100 in any one candidate's election, the date and purpose of each expenditure and the name of each payee or creditor. The report must state whether the expenditure is in support of or in opposition to the candidate and must include, under penalty of perjury, as provided in Title 17-A, section 451, a statement under oath or affirmation whether the expenditure is made in cooperation, consultation or concert with, or at the request or suggestion of, the candidate or an authorized committee or agent of the candidate.

C. A report required by this subsection must be on a form prescribed and prepared by the commission. A person filing this report may use additional pages if necessary, but the pages must be the same size as the pages of the form.

This subsection takes effect August 1, 2011.

Sec. 21. 21-A MRSA §1019-B, sub-§5 is enacted to read:

5. Exclusions. An independent expenditure does not include:

A. An expenditure made by a person in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's political committee or their agents;

B. A telephone survey that meets generally accepted standards for polling research and that is not conducted for the purpose of changing the voting position of the call recipients or discouraging them from voting;

C. A telephone call naming a clearly identified candidate that identifies an individual's position on a candidate, ballot question or political party for the purpose of encouraging the individual to vote, as long as the call contains no advocacy for or against any candidate; and

D. A voter guide that consists primarily of candidates' responses to surveys and questionnaires and that contains no advocacy for or against any candidate.

Sec. 22. 21-A MRSA §1020-A, sub-§3, as amended by PL 2009, c. 366, §6 and affected by §12, is further amended to read:

3. Municipal campaign finance reports. Municipal campaign finance reports must be filed, subject to all the provisions of this subchapter, with the municipal clerk ~~in a town or city that has chosen to be governed by this subchapter~~ on forms prescribed by the Commission on Governmental Ethics and Election Practices. The municipal clerk shall send any notice of lateness required by subsection 6 and shall notify the commission of any late reports subject to a penalty.

Sec. 23. 21-A MRSA §1020-A, sub-§5-A, ¶A, as amended by PL 2009, c. 190, Pt. A, §14, is further amended to read:

A. Five thousand dollars for reports required under section 1017, subsection 2, paragraph B, C, D, E or H; section 1017, subsection 3-A, paragraph B, C, D, D-1 or F; and section 1017, subsection 4; ~~and section 1019-B, subsection 3;~~

Sec. 24. 21-A MRSA §1020-A, sub-§5-A, ¶A-1 is enacted to read:

A-1. Five thousand dollars for reports required under section 1019-B, subsection 4, except that if the financial activity reported late exceeds \$50,000, the maximum penalty is 1/5 of the amount reported late;

Sec. 25. 21-A MRSA §1020-A, sub-§5-A, ¶B, as amended by PL 2003, c. 628, Pt. A, §4, is further amended to read:

B. Five thousand dollars for state party committee reports required under section 1017-A, subsection 4-A, paragraphs A, B, C and E, except that if the financial activity reported late exceeds \$50,000, the maximum penalty is 1/5 of the amount reported late;

Sec. 26. 21-A MRSA §1052, sub-§1, as amended by PL 1995, c. 483, §17, is further amended to read:

1. Campaign. "Campaign" means any course of activities ~~for a specific purpose such as the initiation, promotion or defeat of~~ to influence the nomination or election of a

candidate or ~~question, including~~ to initiate or influence any of the following ballot measures:

- A. ~~The A people's veto~~ referendum ~~procedure~~ under the Constitution of Maine, Article IV, Part Third, Section 17;
- B. ~~The A direct~~ initiative ~~procedure of legislation~~ under the Constitution of Maine, Article IV, Part Third, Section 18;
- C. An amendment to the Constitution of Maine under Article X, Section 4;
- D. ~~Legislation A~~ referendum vote on a measure enacted by the Legislature and expressly conditioned upon ratification by a referendum vote under the Constitution of Maine, Article IV, Part Third, Section 19;
- E. The ratification of the issue of bonds by the State or any agency thereof; and
- F. Any county or municipal referendum.

Sec. 27. 21-A MRSA §1052, sub-§3, ¶C, as amended by PL 2005, c. 575, §3, is further amended to read:

- C. Any funds received by a political action committee that are to be transferred to any candidate, committee, campaign or organization for the purpose of ~~promoting, defeating or initiating a candidate, referendum, political party or initiative, including the collection of signatures for a direct initiative, in this State~~ initiating or influencing a campaign; or

Sec. 28. 21-A MRSA §1052, sub-§3, ¶D, as enacted by PL 1985, c. 161, §6, is amended to read:

- D. The payment, by any person or organization, of compensation for the personal services of other persons provided to a political action committee ~~which that~~ is used by the political action committee to promote, defeat or initiate a candidate, campaign, political party, referendum or initiated petition in this State initiate or influence a campaign.

Sec. 29. 21-A MRSA §1052, sub-§4, as amended by PL 2007, c. 443, Pt. A, §28, is further amended to read:

4. Expenditure. The term "expenditure:"

A. Includes:

- (1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of initiating or influencing the nomination or election of any person to political office; or for the initiation, support or defeat of a campaign, referendum or initiative, including the collection of signatures for a direct initiative, in this State;
- (2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure for the purposes set forth in this paragraph; and

(3) The transfer of funds by a political action committee to another candidate or political committee; and

B. Does not include:

(1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless these facilities are owned or controlled by any political party, political committee, candidate or candidate's immediate family;

(2) Activity designed to encourage individuals to register to vote or to vote, if that activity or communication does not mention a clearly identified candidate;

(3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;

(4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by a political action committee in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the political action committee on behalf of any candidate does not exceed \$100 with respect to any election;

(5) Any unreimbursed travel expenses incurred and paid for by a political action committee that volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election; and

(6) Any communication by any political action committee member that is not made for the purpose of influencing the nomination ~~for election~~, or election, of any person to state or county office.

Sec. 30. 21-A MRSA §1052, sub-§4-A is enacted to read:

4-A. Influence. "Influence" means to promote, support, oppose or defeat.

Sec. 31. 21-A MRSA §1052, sub-§4-B is enacted to read:

4-B. Initiate. "Initiate" includes the collection of signatures and related activities to qualify a state or local initiative or referendum for the ballot.

Sec. 32. 21-A MRSA §1052, sub-§5, as amended by PL 2009, c. 190, Pt. A, §16, is further amended to read:

5. Political action committee. The term "political action committee:"

A. Includes:

(1) Any separate or segregated fund established by any corporation, membership organization, cooperative or labor or other organization whose purpose is to initiate or influence the outcome of an election, including a candidate election or ballot question ~~initiate or influence the outcome of an election, including a candidate election or ballot question~~ a campaign;

(4) Any organization, including any corporation or association, that has as its major purpose initiating, ~~promoting, defeating~~ or influencing a ~~candidate election, campaign or ballot question~~ and that receives contributions or makes expenditures aggregating more than \$1,500 in a calendar year for that purpose; ~~including for the collection of signatures for a direct initiative or referendum in this State;~~ and

(5) Any organization that does not have as its major purpose ~~promoting, defeating or~~ influencing candidate elections but that receives contributions or makes expenditures aggregating more than \$5,000 in a calendar year for the purpose of ~~promoting, defeating or~~ influencing ~~in any way~~ the nomination or election of any candidate to political office; and

B. Does not include:

(1) A candidate or a candidate's treasurer under section 1013-A, subsection 1;

(2) A candidate's authorized political committee under section 1013-A, subsection 1, paragraph B; ~~or~~

(3) A party committee under section 1013-A, subsection 3; or

(4) An organization whose only payments of money in the prior 2 years for the purpose of influencing a campaign in this State are contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and that has not raised and accepted any contributions during the calendar year for the purpose of influencing a campaign in this State.

Sec. 33. 21-A MRSA §1053, sub-§6, as amended by PL 2007, c. 443, Pt. A, §29, is further amended to read:

6. Statement of support or opposition. A statement indicating the positions of the committee, support or opposition, with respect to a candidate, political committee, ~~referendum, initiated petition~~ or campaign, ~~if known at the time of registration. If a committee has no position on a candidate, campaign or issue at the time of registration, the committee must inform the commission as soon as the committee knows this information.~~

Sec. 34. 21-A MRSA §1053, last ¶, as amended by PL 2007, c. 443, Pt. A, §29, is further amended to read:

Every change in information required by this section must be included in an amended registration form submitted to the commission within 10 days of the date of the change. The committee must file an updated registration form ~~every 2 years~~ between January 1st and March 1st of ~~an election~~ each year in which a general election is held. The commission may waive the updated registration requirement for newly registered political action committees or other registered political action committees if it determines that the requirement would cause an administrative burden disproportionate to the public benefit of updated information.

Sec. 35. 21-A MRSA §1053-A, as enacted by PL 2009, c. 190, Pt. A, §18, is amended to read:

§1053-A. Municipal elections

Organizations that qualify as political action committees under section 1052, subsection 5 and that ~~are organized~~ receive contributions or make expenditures to influence ~~elections on the~~ a municipal ballot campaign in towns or cities with a population of 15,000 or more shall register and file reports with the municipal clerk as required by Title 30-A, section 2502. The reports must be filed in accordance with the reporting schedule in section 1059 and must contain the information listed in section 1060. A political action committee registered with the commission and that receives contributions or makes expenditures relating to a municipal election shall file a copy of the report containing such contributions or expenditures with the clerk in the subject municipality. The commission retains the sole authority to prescribe the content of all reporting forms. The commission does not have responsibility to oversee the filing of registrations or campaign finance reports relating to municipal campaigns, except that the commission shall enforce late-filing penalties under section 1020-A, subsection 3 upon the request of a municipal clerk.

Sec. 36. 21-A MRSA §1053-B, as enacted by PL 2009, c. 190, Pt. A, §19, is amended to read:

§1053-B. Out-of-state political action committees

A political action committee organized outside of this State shall register and file reports with the commission in accordance with sections 1053 and 1058. The committee is not required to register and file reports if the committee's only financial activity within the State is to make contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and the committee has not raised and accepted any contributions during the calendar year to influence ~~an election or~~ a campaign in this State.

Sec. 37. 21-A MRSA §1056, sub-§1, as amended by PL 2001, c. 430, §10, is further amended to read:

1. Aggregate expenditures. A committee may not make contributions in support of the candidacy of one person aggregating more than ~~\$500 in any election for a gubernatorial candidate, or \$250 in any election for any other candidate~~ the contribution limits established by the commission pursuant to section 1015.

Sec. 38. 21-A MRSA §1056-B, first ¶, as repealed and replaced by PL 2009, c. 524, §8, is amended to read:

A person not defined as a political action committee who receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, ~~promoting, defeating~~ or influencing ~~in any way~~ a campaign as defined by section 1052, subsection 1, ~~must~~ shall file reports with the commission in accordance with this section. For the purposes of this

section, "campaign" does not include activities to ~~promote or defeat or in any way~~ influence the nomination or election of a candidate. Within 7 days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the commission as a ballot question committee. For the purposes of this section, expenditures include paid staff time spent for the purpose of initiating or influencing ~~in any way~~ a campaign. The commission must prescribe forms for the registration, and the forms must include specification of a treasurer for the committee, any other principal officers and all individuals who are the primary fund-raisers and decision makers for the committee. ~~Until July 31, 2011, in the case of a municipal election, the registration and reports must be filed with the clerk of that municipality. Beginning August 1, 2011, in the case of a municipal election, the registration and reports must be filed with the commission.~~

Sec. 39. 21-A MRSA §1056-B, sub-§2, as amended by PL 2009, c. 524, §9, is further amended to read:

2. Content. A report must contain an itemized account of each expenditure made to and contribution received from a single source aggregating in excess of \$100 in any election; the date of each contribution; the date and purpose of each expenditure; the name and address of each contributor, payee or creditor; and the occupation and principal place of business, if any, for any person who has made contributions exceeding \$100 in the aggregate. The filer is required to report only those contributions made to the filer for the purpose of initiating, ~~promoting, defeating~~ or influencing ~~in any way~~ a campaign and only those expenditures made for those purposes. The definitions of "contribution" and "expenditure" in section 1052, subsections 3 and 4, respectively, apply to persons required to file ballot question reports.

Sec. 40. 21-A MRSA §1056-B, sub-§2-A, ¶B, as amended by PL 2009, c. 524, §11, is further amended to read:

B. Funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used specifically for the purpose of initiating, ~~promoting, defeating~~ or influencing ~~in any way~~ a campaign;

Sec. 41. 21-A MRSA §1056-B, sub-§2-A, ¶C, as amended by PL 2009, c. 524, §12, is further amended to read:

C. Funds that can reasonably be determined to have been provided by the contributor for the purpose of initiating, ~~promoting, defeating~~ or influencing ~~in any way~~ a campaign when viewed in the context of the contribution and the recipient's activities regarding a campaign; and

Sec. 42. 21-A MRSA §1056-B, sub-§4, ¶A, as amended by PL 2009, c. 524, §13, is further amended to read:

A. The filer shall keep a detailed account of all contributions made to the filer for the purpose of initiating, ~~promoting, defeating~~ or influencing ~~in any way~~ a campaign and all expenditures made for those purposes.

Sec. 43. 21-A MRSA §1059, first ¶, as repealed and replaced by PL 2009, c. 652, Pt. A, §22, is amended to read:

Committees required to register under section 1053, 1053-B or 1056-B shall file an initial campaign finance report at the time of registration and thereafter shall file reports in compliance with this section. All reports must be filed by 11:59 p.m. on the day of the filing deadline, except that reports submitted to a municipal clerk ~~in a town or city that has chosen to be governed by this subchapter~~ must be filed by the close of business on the day of the filing deadline.

Sec. 44. 21-A MRSA §1059, sub-§2, ¶A, as amended by PL 2009, c. 190, Pt. A, §24, is further amended to read:

A. ~~Quarterly~~ All committees shall file quarterly reports ~~must be filed~~:

- (1) On January 15th and must be complete as of December 31st;
- (2) On April 10th and must be complete as of March 31st;
- (3) On July 15th and must be complete as of June 30th; and
- (4) On October 10th and must be complete as of September 30th.

Sec. 45. 21-A MRSA §1059, sub-§2, ¶C, as amended by PL 2007, c. 443, Pt. A, §35, is further amended to read:

C. ~~Reports of spending to influence~~ Preelection and post-election reports for special elections, referenda, initiatives, bond issues or constitutional amendments ballot measure campaigns 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.

Sec. 46. 21-A MRSA §1060, sub-§4, as amended by PL 2009, c. 190, Pt. A, §25, is further amended to read:

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~~ initiate or influence any campaign, 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;

Sec. 47. 21-A MRSA §1060, sub-§6, as amended by PL 2007, c. 477, §6, is further amended to read:

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

Sec. 48. 21-A MRSA §1060, sub-§7, as amended by PL 2009, c. 190, Pt. A, §26, is further amended to read:

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.

Sec. 49. 21-A MRSA §1062-A, sub-§4, as amended by PL 2009, c. 190, Pt. A, §30, is further amended to read:

4. Maximum penalties. The maximum penalty under this subchapter is \$10,000 for reports required under section 1056-B or section 1059, except that if the financial activity reported late exceeds \$50,000, the maximum penalty is 1/5 of the amount reported late.

Sec. 50. 21-A MRSA §1124, sub-§2, ¶H, as enacted by IB 1995, c. 1, §17, is amended to read:

H. Fines collected under section 1020-A, subsection ~~4~~ 4-A and section 1127.

Sec. 51. 21-A MRSA §1125, sub-§1, as amended by PL 2007, c. 443, Pt. B, §6, is further amended to read:

1. Declaration of intent. A participating candidate must file a declaration of intent to seek certification as a Maine Clean Election Act candidate and to comply with the requirements of this chapter. The declaration of intent must be filed with the commission prior to or during the qualifying period, except as provided in subsection 11, according to forms and procedures developed by the commission. ~~A participating candidate must submit a declaration of intent within 5 business days of collecting qualifying contributions under this chapter.~~ Qualifying contributions collected more than 5 business days before the declaration of intent has been filed will not be counted toward the eligibility requirement in subsection 3.

Sec. 52. 21-A MRSA §1125, sub-§5, as amended by PL 2009, c. 190, Pt. B, §2 and c. 363, §5, is further amended to read:

5. Certification of Maine Clean Election Act candidates. Upon receipt of a final submittal of qualifying contributions by a participating candidate, the executive director of the commission ~~or its executive director~~ shall determine whether the candidate has:

- A. Signed and filed a declaration of intent to participate in this Act;
- B. Submitted the appropriate number of valid qualifying contributions;
- C. Qualified as a candidate by petition or other means no later than 5 business days after the end of the qualifying period;
- C-1. As a gubernatorial candidate, collected at least \$40,000 in seed money contributions from registered voters in the State;
- D. Not accepted contributions, except for seed money contributions, and otherwise complied with seed money restrictions;
- D-1. Not run for the same office as a nonparticipating candidate in a primary election in the same election year;
- D-2. Not been found to have made a material false statement in a report or other document submitted to the commission;
- D-3. Not otherwise substantially violated the provisions of this chapter or chapter 13;
- D-4. Not failed to pay any civil penalty assessed by the commission under this Title, except that a candidate has 3 business days from the date of the request for certification to pay the outstanding penalty and remain eligible for certification; ~~and~~
- D-5. Not submitted any fraudulent qualifying contributions or any falsified acknowledgement forms for qualifying contributions or seed money contributions;
and
- E. Otherwise met the requirements for participation in this Act.

The ~~commission or its~~ executive director shall certify a candidate complying with the requirements of this section as a Maine Clean Election Act candidate as soon as possible after final submittal of qualifying contributions and other supporting documents required under subsection 4 but no later than 3 business days for legislative candidates and 5 business days for gubernatorial candidates. The ~~commission and its~~ executive director may take additional time if further investigation is necessary to verify compliance with this Act as long as the commission notifies the candidate regarding the anticipated schedule for conclusion of the investigation. A candidate or other interested person may appeal the decision of the executive director to the members of the commission in accordance with subsection 14.

A certified candidate must comply with all requirements of this Act after certification and throughout the primary and general election periods. Failure to do so is a violation of this chapter.

Sec. 53. 21-A MRSA §1125, sub-§5-B, as enacted by PL 2007, c. 642, §11, is amended to read:

5-B. Restrictions on serving as treasurer. A participating or certified candidate may not serve as a treasurer or deputy treasurer for that candidate's campaign, except that the candidate may serve as treasurer or deputy treasurer for up to 14 days after declaring an intention to qualify for campaign financing under this chapter until the candidate identifies another person to serve as treasurer.

Sec. 54. 21-A MRSA §1125, sub-§6, as amended by PL 2009, c. 105, §1, is further amended to read:

6. Restrictions on contributions and expenditures for certified candidates. After certification, a candidate must limit the candidate's campaign expenditures and obligations, including outstanding obligations, to the revenues distributed to the candidate from the fund and may not accept any contributions unless specifically authorized by the commission. Candidates may also accept and spend interest earned on fund revenues in campaign bank accounts. All revenues distributed to a certified candidate from the fund must be used for campaign-related purposes. The candidate, the treasurer, the candidate's committee authorized pursuant to section 1013-A, subsection 1 or any agent of the candidate and committee may not use these revenues for any but campaign-related purposes. ~~A television advertisement purchased with these revenues must be closed-captioned when closed captioning is available from the broadcasting station who will broadcast the advertisement.~~ The commission shall publish guidelines outlining permissible campaign-related expenditures.

Sec. 55. 21-A MRSA §1125, sub-§6-E is enacted to read:

6-E. Expenditures for television advertising. A candidate must include closed-captioning within any television advertisement that the candidate provides to a broadcasting or cable television station for broadcast to the public, except for an advertisement aired in the final 4 days before an election if inclusion of closed-captioning during that period is impractical or would materially affect the timing of the candidate's advertisement.

Sec. 56. 21-A MRSA §1125, sub-§10, as repealed and replaced by PL 2009, c. 652, Pt. A, §27 and affected by §28, is amended to read:

10. Candidate not enrolled in a party. An unenrolled candidate for the Legislature who submits the required number of qualifying contributions and other required documents under subsection 4 by 5:00 p.m. on April ~~15th~~ 20th preceding the primary election and who is certified is eligible for revenues from the fund in the same amounts and at the same time as an uncontested primary election candidate and a general election candidate as specified in subsections 7 and 8-A. ~~Otherwise, an unenrolled candidate for the Legislature must submit the required number of qualifying contributions and the other required documents under subsection 4 by 5:00 p.m. on June 2nd preceding the general election. If certified, the candidate is eligible for revenues from the fund in the same amounts as a general election candidate, as specified in subsection 8-A.~~ Revenues for the general election must be distributed to the candidate no later than 3 days after certification. An unenrolled candidate for Governor who submits the required number of qualifying contributions and other required documents under subsections 2-B and 4 by 5:00 p.m. on April 1st preceding the primary election and who is certified is eligible for

revenues from the fund in the same amounts and at the same time as an uncontested primary election gubernatorial candidate and a general election gubernatorial candidate as specified in subsections 7 and 8-A. Revenues for the general election must be distributed to the candidate for Governor no later than 3 days after the primary election results are certified.

Sec. 57. 21-A MRSA §1125, sub-§12-A, ¶E, as enacted by PL 2009, c. 524, §16, is amended to read:

E. A contemporaneous document such as an invoice, contract or timesheet that specifies in detail the services provided by a vendor who was paid \$500 or more for the election cycle for providing campaign staff or consulting services to a candidate.

Sec. 58. 21-A MRSA §1125, sub-§13-A, as enacted by PL 2009, c. 524, §18, is amended to read:

13-A. Distributions not to exceed amount in fund. The commission may not distribute revenues to certified candidates in excess of the total amount of money deposited in the fund as set forth in section 1124. Notwithstanding any other provisions of this chapter, if the commission determines that the revenues in the fund are insufficient to meet distributions under subsection 8-A or 9, the commission may permit certified candidates to accept and spend contributions, reduced by any seed money contributions, aggregating no more than ~~\$750 per donor per election for gubernatorial candidates and \$350 per donor per election for State Senate and State House candidates~~ the applicable contribution limits established by the commission pursuant to section 1015, up to the applicable amounts set forth in subsections 8-A and 9 according to rules adopted by the commission.

This subsection takes effect September 1, 2011.

Sec. 59. 21-A MRSA §1125, sub-§14, as amended by PL 2007, c. 443, Pt. B, §6, is further amended to read:

14. Appeals. A candidate who has been denied certification as a Maine Clean Election Act candidate by the commission's executive director, the opponent of a candidate who has been granted certification as a Maine Clean Election Act candidate or other interested persons may challenge a certification decision by the ~~commission or its~~ executive director as follows.

A. A challenger may appeal to the ~~full~~ commission within 7 days of the certification decision. The appeal must be in writing and must set forth the reasons for the appeal.

B. Within 5 days after an appeal is properly made and after notice is given to the challenger and any opponent, the commission shall hold a hearing, except that the commission may extend this period upon agreement of the challenger and the candidate whose certification is the subject of the appeal, or in response to the request of either party upon a showing of good cause. The appellant has the burden of proving that the certification decision was in error as a matter of law or was based on factual error. The commission must rule on the appeal within 5 business days after the completion of the hearing.

C. A challenger may appeal the decision of the commission in paragraph B by commencing an action in Superior Court within 5 days of the date of the commission's decision. The action must be conducted in accordance with Rule 80C of the Maine Rules of Civil Procedure, except that the court shall issue its written decision within 20 days of the date of the commission's decision. Any aggrieved party may appeal the decision of the Superior Court by filing a notice of appeal within 3 days of that decision. The record on appeal must be transmitted to the Law Court within 3 days after the notice of appeal is filed. After filing the notice of appeal, the parties have 4 days to file briefs and appendices with the clerk of the court. The court shall consider the case as soon as possible after the record and briefs have been filed and shall issue its decision within 14 days of the decision of the Superior Court.

D. A candidate whose certification as a Maine Clean Election Act candidate is reversed on appeal must return to the commission any unspent revenues distributed from the fund. If the commission or court finds that an appeal was made frivolously or to cause delay or hardship, the commission or court may require the moving party to pay costs of the commission, court and opposing parties, if any.

Sec. 60. 30-A MRSA §2502, as amended by PL 2009, c. 366, §10 and affected by §12, is further amended to read:

§2502. Campaign reports in municipal elections

1. Reports by candidates. A candidate for municipal office of a town or city with a population of 15,000 or more is governed by Title 21-A, sections 1001 to 1020-A ~~and must register and file campaign reports with, except that registrations and campaign finance reports must be filed with the municipal clerk instead of the Commission on Governmental Ethics and Election Practices.~~ A town or city with a population of less than 15,000 may choose to be governed by Title 21-A, sections 1001 to 1020-A by vote of its legislative body at least 90 days before an election for office. ~~A candidate in a town or city with a population of less than 15,000 that has adopted those provisions must register and file campaign finance reports with the municipal clerk instead of the Commission on Governmental Ethics and Election Practices.~~ A town or city that votes to adopt those provisions may revoke that decision, but it must do so at least 90 days before an election subject to those sections.

2. Municipal referenda campaigns. Municipal referenda campaigns in towns or cities with a population of 15,000 or more are governed by Title 21-A, chapter 13, subchapter 4. The registrations and reports of political action committees and ballot question committees must be filed with the ~~Commission on Governmental Ethics and Election Practices~~ municipal clerk. A town or city with a population of less than 15,000 may choose to be governed by Title 21-A, chapter 13, subchapter 4 by vote of its legislative body at least 90 days before a referendum election. ~~The registrations and reports of political action committees and ballot question committees in a town or city that has adopted those provisions must be filed with the municipal clerk instead of the Commission on Governmental Ethics and Election Practices.~~ A town or city that votes to adopt those provisions may revoke that decision, but it must do so at least 90 days before an election subject to that subchapter.

3. Public access to records. A town or city ~~with a population of less than 15,000 that has adopted the provisions of Title 21-A, chapter 13~~ that receives registrations or reports pursuant to this section must keep the campaign reports for at least them for 8 years.

Sec. 61. Legislation. The Commission on Governmental Ethics and Election Practices is authorized to submit legislation to the Second Regular Session of the 125th Legislature to address the definition of "expenditure" in a campaign for office or by a political action committee relating to the production or distribution of a news story made by persons not directly connected to the candidate or to the political action committee. The commission shall consider similar provisions in other states and any relevant court decisions concerning disclosure of such expenditures.

Sec. 62. Effective date. Those sections of this Act that amend the Maine Revised Statutes, Title 21-A, section 1011; section 1013-A, subsection 1, paragraph A; section 1017, subsection 3-A; section 1017-A, subsection 8; section 1019-B, subsection 4; section 1020-A, subsection 3; section 1056-B, first paragraph; section 1059, first paragraph; and Title 30-A, section 2502 take effect August 1, 2011. Those sections of this Act that amend Title 21-A, section 1125, subsections 10 and 13-A take effect September 1, 2011.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved, except as otherwise indicated.

In House of Representatives, 2011

Read twice and passed to be enacted.

..... Speaker

In Senate, 2011

Read twice and passed to be enacted.

..... President

Approved 2011

..... Governor