

BERNSTEIN SHUR
COUNSELORS AT LAW

207 774-1200 main
207 774-1127 facsimile
bernsto@shur.com

100 Middle Street
PO Box 9720
Portland, ME 04104-5029

Kato R. Knox
207 228-7229 direct
kknox@bernsteinshur.com

VIA EMAIL

November 2, 2012

Jonathan Wayne
Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, Maine 04333

Re: REQUEST FOR INVESTIGATION

Dear Mr. Wayne:

Pursuant to Maine Commission on Governmental Ethics and Election Practices Rule 94-270 C.M.R. ch. 1, § 4(2)(C), the Maine Democratic Party (the "Party") hereby requests an investigation into the propriety of Independent Expenditures made by Citizens for Effective Government in House District 1. A review of publicly filed campaign finance reports and Independent Expenditure #205 provide sufficient grounds for believing that the organization has made, and Candidate has accepted, a prohibited campaign contribution, 21-A M.R.S.A. § 1003(2).

FACTS

Citizens for Effective Government ("CEG") filed an Independent Expenditure report with the Ethics Commission on November 1, 2012. CEG is not a registered PAC and information about its organizational structure is not available.¹ The Independent Expenditure Report at issue ("IE #205") does list "L. Phillip Soucy, Treasurer." (See Attachment #1)

L. Phillip Soucy is also listed as the Treasurer for candidate Allen Nadeau running for House District #1. Candidate Nadeau is certified as a Maine Clean Election Candidate. (See Attachment #2)

On November 1, 2012, CEG designed and mailed literature in support of Candidate Nadeau. The Party contends that IE #205 which discloses that expenditure shows illegal and prohibited coordination between CEG and Candidate Nadeau's campaign. In sum, the fact that L. Phillip Soucy is the Treasurer of both CEG and Candidate Nadeau's campaign violates several provisions of election law, and has resulted in a prohibited contribution to Candidate Nadeau's campaign by CEG.

November 2, 2012
Page 2 of 2

Candidates who choose to be certified as Maine Clean Election Act candidates agree not to accept any contributions from any individual or organization, 21-A M.R.S.A. §1125(6). As a result, individuals or organizations are limited in their ability to make direct expenditures on behalf of MCEA candidates. They can, however, make "Independent expenditures" ("IE's") to support or oppose candidates, *as long as those expenditures are made independently without any direct involvement with the candidate or the candidate's agents.*

In order for expenditure to qualify as "Independent" – an organization must make a communication which expressly advocates for an identified candidate without coordinating that expenditure with candidates or their agents who may benefit from the communication. "Coordination" is defined as an organization making an expenditure in cooperation, consultation or in concert with a candidate or a candidate's agent. Maine Commission on Governmental Ethics and Election Practices Rule 94-270 C.M.R. ch 1 §6(9). The Commission Rule on Coordination states that expenditure is presumed to be prohibited coordination when "the expenditure is made in cooperation, consultation or in concert with any person, who, during the twelve months preceding the expenditure, *has been the candidate's treasurer...*" (emphasis added).

In this instance, the Party contends that Mr. Soucy, by virtue of his role as Treasurer in both organizations, has clearly and blatantly coordinated IE #205 with Mr. Nadeau's campaign. As Treasurer of Mr. Nadeau's campaign – he is clearly an "agent" of the campaign and as such, is prohibited from coordinating with any outside organization on expenditures (let alone an organization he controls). As a result, the \$1,475.16 expenditure made by CEG to support Candidate Nadeau is an illegal contribution to the campaign.¹¹

The Party argues that these actions are serious and constitute a major violation of campaign finance law. Participating candidates agree to abide by strict contribution limits in exchange for public financing. They should not be allowed to circumvent the system by coordinating with outside groups or individuals who wish to supplement those funds with private expenditures.

Due to the serious nature of these allegations and the closeness of the election, the Party requests that the Commission hear this matter as soon as possible. When assessing the actions of both CEG and Treasurer Soucy, we urge consideration of both civil and criminal sanctions.

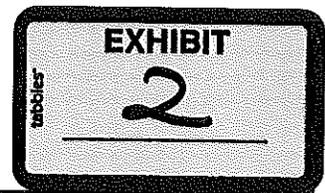
Sincerely,



Kato R. Knox

¹ The Party would also ask the Commission to inquire whether or not CEG should have registered as a PAC as required under 21-A M.R.S.A. §1052(5).

¹¹ Astonishingly, as part of IE #205, Mr. Soucy signed an affidavit swearing that he had not coordinated the expenditure with the candidate or any candidate's agent. Mr. Soucy appears to forget that he himself is an agent of the campaign.



Wayne, Jonathan

From: Lavin, Paul
Sent: Friday, November 02, 2012 8:35 PM
To: 'louispsoocy@yahoo.com'; 'wtpford1st1@yahoo.com'
Cc: Wayne, Jonathan; Marett, Matthew
Subject: Notice of the Maine Democratic Party's Request for Investigation
Attachments: Nadeau RFI (FINAL).pdf

Mr. Soucy and Mr. Nadeau,

Thank you both for taking the time to talk with me this evening.

I have attached a request for an investigation filed by the Maine Democratic Party (MDP) regarding an independent expenditure by the Citizens for Effective Government (CEG) on Friday, November 1, 2012 (IE #205). The expenditure was for a mailing in support of Mr. Nadeau's candidacy. The independent expenditure report was signed by Mr. Soucy as the authorized individual or treasurer for CEG. A copy of IE #205 is attached to the MDP's request.

For an expenditure for a campaign communication to be an independent expenditure under Maine Election Law, there can be no coordination between the person spending the money and the candidate the expenditure is intended to benefit. In its request, the Maine Democratic Party contends that the expenditure was not made independently from the candidate but was coordinated with the candidate's campaign by virtue of Mr. Soucy's dual roles in the CEG and as treasurer for the Nadeau campaign. The MDP contends that this coordination resulted in an impermissible in-kind contribution from CEG to the Nadeau campaign in violation of the Maine Clean Election Act.

There is a high probability that the Commission will hear the MDP's request on Monday afternoon. However, we do not have a specific time yet but will notify you immediately when we do. The Commission's usual practice is that all parties to a complaint or request for an investigation appear before the Commission but given that you are in northern Aroostook County and the election is this Tuesday, this would seem to be highly impracticable. We will also notify you about how the hearing will be conducted as soon as those procedures have been decided upon. If you have someone who will be assisting you in responding to the MDP's request, please let us know as soon as possible or have that person contact Jonathan Wayne, the Commission's Executive Director, by phone or e-mail.

Jonathan Wayne will be sending a more detailed letter by e-mail tomorrow. He will also be in the office tomorrow if you wish to speak with him. Matt Marett, the Commission's PAC/Party/Lobbyist Registrar will also be in the office tomorrow morning and he is familiar with this matter.

The office's main line is 287-4179.

Jonathan Wayne's direct line is 287-6219. His e-mail address is Jonathan.Wayne@Maine.gov.

Matt Marett's direct line is 287-6221. His e-mail address is Matthew.Marett@Maine.gov.

My contact information is below.

Thank you again.

Paul Lavin
Assistant Director
Maine Ethics Commission
Office: 45 Memorial Circle
Mailing address: 135 State House Station

Augusta, Maine 04333-0135
207-287-3024
Paul.Lavin@maine.gov



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



To: File
From: Jonathan Wayne, Executive Director
Date: November 4, 2012
Re: Summary of Interview of Phillip Soucy

I called Phillip Soucy yesterday. I explained that the Commission was meeting Monday afternoon and the Chair had wanted me to gather some information. He said he heard I might call and that he would answer my questions. He told me the following:

Political Activities of Phillip Soucy and Citizens for Effective Government

- The Citizens for Effective Government are three individuals: Phil Soucy, Dana Saucier, and Jim Milka.¹
- It is not a formal group. They started raising money for political purposes, which he later clarified meant influencing the House election in District 1.
- All of the money that they had raised was spent for one filer that was reported to our office.
- When asked where the money came from, Mr. Soucy replied individuals giving small amounts under \$100. He said that Dana Saucier and Jim Milka may have put some of their own money into the filer, but he had not. Other than small donors, and possibly Mr. Saucier and Mr. Milka, he was not aware of money coming from any other source. I asked about the Maine Republican Party or PACs based in Augusta, and he said no.
- Mr. Soucy said that he was active in a local group of Republicans that meet sometimes. Mr. Saucier and Mr. Milka are not as active. I thought that he initially said that the group did not have a name, but he later said that he was the Chair of the Fort Kent Republican Party Committee. [I am not sure if the later statement was meant as a correction to his earlier statement, or whether he was talking about two different groups.]
- He said that he had invited Mike Nadeau to come to some Republican meetings but that the candidate had not come. The candidate did not take other recommendations that Mr. Soucy had offered. He said Mike Nadeau was one of most independent candidates he had ever seen.

¹ Mr. Soucy said that he did not have the exact spelling of Jim Milka's name. He pronounced it "MY-kah".

No Involvement by Mike Nadeau in the Filer

- When asked whether Mike Nadeau knew about the filer, he replied "As far as I know, he didn't know, but I can't verify that because I am not Mike." He said "We operated independently of him [Mike Nadeau]."
- He said that he was "definite" that Mike Nadeau would not have requested or suggested the filer. He repeated that "he is so darned independent."

Phil Soucy's Role in the Nadeau Campaign

- Mr. Soucy said that he offered to help Mike Nadeau, and the candidate invited him to be the treasurer of the campaign. He agreed, and he signed the registration form.
- Mr. Soucy said that it was understood that Mike Nadeau would be filing the campaign finance reports himself. When Mr. Soucy received forms or notices from the Ethics Commission, he would pass them on to Mike Nadeau to keep him on track.
- When asked what else he did to assist the candidate, he said that he passed out lawn signs, which meant he went to houses and asked the owners if they would put up a sign for Mike Nadeau. He said he did this a handful of times, but "not a lot."
- When asked if he had done anything else, he said that he invited the candidate to come to Republican meetings. Mike Nadeau did not come to them.
- He said he had seen Dana Saucier and Jim Milka passing out signs for Mike Nadeau, but he was not sure if they did anything else for the campaign.
- When asked who were the primary people helping Mike Nadeau with his campaign, he said that he did not know. He said that he had wondered that himself, because he could see a lot of people helping him out.

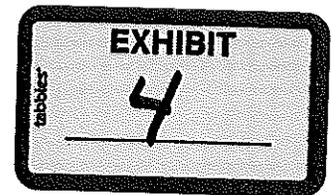
Other Information

- When asked whether he knew who had written the language in the filer, he said that it was not him. I believe he implied that Dana Saucier would know. He said that he has trouble printing. So, Dana Saucier printed most of the information on the independent expenditure report, and he signed it.

After I finished my questions, we began to discuss the logistics of the Commission meeting. He suggested that I work with an attorney, Bill Logan. I said that I wished he had brought that up Mr. Logan earlier. Mr. Soucy said that he did not mind talking to me. I agreed to contact Mr. Logan concerning the meeting.



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To: Commissioners

From: Jonathan Wayne, Executive Director

Date: November 4, 2012, 4:30 p.m.

Re: Request to Investigate Flier in Support of House Candidate Michael Nadeau

The Maine Democratic Party has filed a request for investigation with the Ethics Commission concerning a flier mailed to voters in House District 1 (attached). The candidates in that district are Democratic Rep. John L. Martin and Republican nominee Allen Michael ("Mike") Nadeau. Both candidates are financing their campaigns through the Maine Clean Election Act and are bound by the spending limits of the program.

Around November 1, 2012, a mailing was sent to voters in House District #1 that promoted Mr. Nadeau and criticized Rep. Martin. A group of people calling themselves Citizens for Effective Government apparently was responsible for the mailing and submitted an independent expenditure report to the Commission in the amount of \$1,475. The Maine Democratic Party contends that Mr. Nadeau has accepted an improper contribution, because his campaign treasurer cooperated with the mailing.

Legal Requirements

Definition of contribution

Maine Election Law defines “contribution” to mean “money or anything of value made for the purpose of influencing the nomination or election of any person to state, county or municipal office.” (21-A M.R.S.A. § 1012(2)(A)(1)) Candidates must report all cash and in-kind contributions received. (21-A M.R.S.A. § 1017(5))

Limitations on Accepting Contributions

After qualifying to receive public campaign funds, Maine Clean Election Act candidates may not accept cash or in-kind campaign contributions. (21-A M.R.S.A. § 1125(6))

Traditionally financed candidates for the Legislature may accept up to \$350 per donor for an election. (21-A M.R.S.A. §§ 1015(1) & (2))

Coordinated Expenditures

If a candidate – or the candidate’s campaign committee or their agents – has cooperated with an expenditure to promote the candidate, the expenditure constitutes a contribution to the candidate’s campaign:

Any expenditure made by any person in cooperation, consultation or concert with, or at the request or suggestion of, *a candidate, a candidate’s political committee or their agents* is considered to be a contribution to that candidate.

(21-A M.R.S.A. § 1015(5), emphasis added) These are sometimes referred to as “coordinated expenditures.” I have attached a diagram illustrating the required separation. The term “agent” is not defined in the Election Law.

The Commission adopted a rule last year setting out some activities or circumstances that are – and are not – characteristics of coordinated expenditures. (Chapter 1, Section 6(9))

Under the rule, a coordinated expenditure *is presumed to have occurred*, if the treasurer or other officer of the candidate’s campaign committee has cooperated with an expenditure by an outside group. (Chapter 1, Section 6(9)(B)(1))

The Commission may assess civil penalties of up to \$10,000 for any violation of the Maine Clean Election Act. (21-A M.R.S.A. § 1127(1))

Standard for Conducting Investigations

Under the Commission’s statute, “a person may apply in writing to the commission requesting an investigation” concerning “contributions by or to and expenditures by ... a candidate [or] political action committee” (21-A M.R.S.A. § 1003(1)) 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 ground for believing that a violation may have occurred.” (21-A M.R.S.A. § 1003(2))

Contention by Maine Democratic Party

On November 2, a group of persons calling themselves Citizens for Effective Government filed Independent Expenditure Report #205 for a mailing in support of Mike

Nadeau in the amount of \$1,475.16. The report was signed by Philip Soucy. Mr. Soucy is *also* the campaign treasurer for Mr. Nadeau.

The Maine Democratic Party contends that Mr. Nadeau has received a contribution because his treasurer – an agent of the campaign – cooperated with the expenditure:

As Treasurer of Mr. Nadeau's campaign – he is clearly an "agent" of the campaign and as such, is prohibited from coordinating with any outside organization on expenditures (let alone an organization he controls). As a result, the \$1,475.16 expenditure made by CEG to support Candidate Nadeau is an illegal contribution to the campaign.

(Knox letter, at 2) As a Maine Clean Election Act candidate, Mr. Nadeau is not permitted to accept campaign contributions.

Preliminary Fact-Gathering

On the morning of Saturday, November 3, 2012, the Commission Chair authorized the Commission to meet on this complaint. We agreed that I would gather preliminary factual information over the weekend to provide you with as much background information as possible. I attempted to interview three individuals:

- Philip Soucy
- Dana Saucier, who apparently had greater responsibility for the flier than Mr. Soucy; and
- Candidate Mike Nadeau.

Interview of Philip Soucy

On Saturday, November 3, 2012, I interviewed Philip Soucy. I have attached a typed summary of his responses, which include:

- The Citizens for Effective Government are three individuals: Phil Soucy, Dana Saucier, and Jim Mika (spelling unconfirmed). It is not a formal group. They have raised money to influence the House election in District 1. All of the money raised has been spent on the flier.
- When asked whether Mike Nadeau knew about the flier, Mr. Soucy replied "As far as I know, he didn't know, but I can't verify that because I am not Mike." He said "We operated independently of him [Mike Nadeau]."
- He said that he was "definite" that Mike Nadeau would not have requested or suggested the flier.

Mike Nadeau

Following my conversation with Phil Soucy, I left a voicemail message for candidate Mike Nadeau on his cell phone number, inviting him to call me at the Commission Office on Sunday, November 4 between 8:00 a.m. and 5:00 p.m. for an interview. I suggested in my message that if he was represented by an attorney, he should consult with the attorney before calling me. I did not hear back from him today (as of 4:30 p.m.).

Dana Saucier

I believe Mr. Saucier has greater knowledge concerning the flier than Mr. Soucy. I left a voicemail message for him on Saturday, November 3, inviting him to return my call on November 4. He did not return my call today, either.

Role of the Campaign Treasurer

Every candidate is required by law to appoint a campaign treasurer and to list that treasurer on the candidate's registration statement. (21-A M.R.S.A. § 1013-A(1)) In Election Law, the primary responsibilities of the treasurer are to file campaign finance reports and to keep records.

In practice, the role of campaign treasurer varies greatly. Sometimes the treasurer actually performs the financial reporting and record-keeping for the campaign, and sometimes these duties are performed by other persons, such as the candidate or a family member. The treasurer may merely be a bookkeeper for the campaign or may be actively involved in day-to-day activities of the campaign.

Staff Recommendation

The Commission staff cannot make a recommendation at this time (Sunday, November 4, at 4:30 p.m.). We have received no response from Mr. Nadeau. If a written response is submitted, I will forward it to you.

Based on no other information than the independent expenditure report and our interview of Philip Soucy, there is evidence present to suggest preliminarily that candidate Mike Nadeau has received a contribution, in violation of 21-A M.R.S.A. § 1125(6). His campaign treasurer (Phil Soucy) should be viewed as part of the "candidate's political committee." Since Mr. Soucy cooperated with the expenditure, by operation of 21-A

M.R.S.A. § 1015(5) the candidate has accepted a contribution even if he did not personally know about the expenditure or the flier.

The question may arise at the meeting how this matter differs from the Democratic Party's complaint concerning Senator Farnham which you considered on October 31. In the opinion of the Commission staff, there is a very important distinction:

- In this matter, it seems undeniable that Philip Soucy, a member of the candidate's campaign committee, *directly cooperated* in an expenditure by a group other than the candidate's campaign. In other words, Mr. Soucy finds himself on both sides of the dotted line in the diagram.
- In the case of Sen. Farnham, there was no evidence that Sen. Farnham, her campaign committee, or their agents cooperated to any extent with the PAC's television advertising against her opponent – other than the PAC registration form. While Sen. Farnham was listed as an officer on a PAC registration form, the PAC registration form was regrettably erroneous and the PAC submitted credible evidence that it had procedures in place to avoid cooperation with the candidates benefitted by the expenditures.

With respect to any civil penalty or other negative consequence for Mr. Nadeau, there may be mitigating circumstances present. We believe that Mr. Nadeau's knowledge of the flier – or lack of knowledge – would certainly be relevant considerations. If you decide to find that Mr. Nadeau has violated 21-A M.R.S.A. § 1125(6), you may wish to

defer any monetary penalty until your November 28 meeting, after his counsel has had an opportunity to submit a more complete written response.

On the issue of PAC registration, the amount of the independent expenditure is approximately \$25 less than the \$1,500 threshold for forming a PAC. It is legal for organizations to collect just enough money to avoid a registration or reporting requirement, and that is not necessarily suspicious. Nevertheless, at the meeting, to increase confidence that the PAC laws have been followed, you may feel it is appropriate for the Commission staff to ask some additional questions concerning how Citizens for Effective Government raised just enough money *not* to trigger PAC registration status. I did not discuss that issue with Mr. Soucy in my interview.

Thank you for your consideration of this memo.

Candidate

Campaign Committee

Agents

Spender

No

Consultation
Cooperation
Suggestion
concerning the
expenditure



STATE OF MAINE
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Agenda

Meeting of November 5, 2012, at 3:00 p.m.
Commission Office, 45 Memorial Circle, 2nd Floor, Augusta, Maine

1. Request for Investigation of Candidate Michael Nadeau and Citizens for Effective Government

The Maine Democratic Party contends that candidate Michael Nadeau of Fort Kent, who is running for the Maine House of Representatives (District 1), has accepted an illegal contribution, because his campaign treasurer cooperated in a mailing costing \$1,475.16 by a group of persons calling themselves Citizens for Effective Government.

Other Business

EXECUTIVE SESSION

If necessary.

ADJOURNMENT



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
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04333-0135



To: Commissioners
From: Jonathan Wayne, Executive Director
Date: November 5, 2012, 12:05 p.m.
Re: Participation of House Candidate Michael Nadeau in Meeting

This is to inform you of the staff's efforts to notify Michael Nadeau that the Commission would be meeting at 3:00 p.m. today concerning a matter that could result in a finding of violation against him. You may wish to consider whether he has received adequate notice of a proposed violation and an adequate opportunity to respond.

- On the evening of Friday, November 2, Assistant Director Paul Lavin talked to Mr. Nadeau by telephone and explained that a complaint had been filed. Mr. Lavin said that the Commission may hold a meeting this afternoon.
- Later that evening, Mr. Lavin sent Mr. Nadeau the attached e-mail to wtpfordist1@yahoo.com. That is the e-mail address that Mr. Nadeau instructed Mr. Lavin to use. The complaint by the Maine Democratic Party was attached to the e-mail. In the e-mail, Mr. Lavin stated "[T]here is a high probability that the Commission will hear the MDP's request on Monday afternoon."
- On the morning of Saturday, November 3, I left a voicemail message for Mr. Nadeau informing him that the Commission would be meeting Monday and that I would be interested in interviewing him on November 4. He did not return my call on November 4.

- On November 3, Philip Soucy informed me that he would be represented by legal counsel, William Logan. I assumed erroneously that Mr. Logan would also be representing Mr. Nadeau, since he is the Republican nominee in House District #1. Mr. Logan informed me this morning that he is not representing Mike Nadeau, which surprised me.
- Therefore, this morning I called Mike Nadeau and reached him by telephone on a cell phone. I mentioned that the Commission was meeting at 3:00 p.m. and asked whether he could participate by phone. The phone connection deteriorated and I could only hear him sporadically by the end of the call. Although he understood me clearly at the start of the phone call, he may not have heard me toward the end.
- At 10:49 a.m., the Commission Assistant e-mailed him the call-in information (attached e-mail).
- I tried reaching him a little before 12:00 noon by phone and he did not answer. I left a voicemail asking him to return my call.

At this time, it is unconfirmed whether he will be participating in the meeting by phone.

Thank you for your consideration of this memo.



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To: Commissioners
From: Jonathan Wayne, Executive Director
Date: November 5, 2012
Re: Information from Rep. John L. Martin

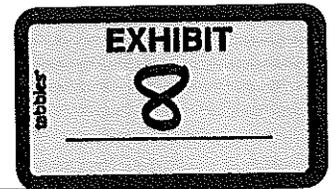
Rep. John L. Martin telephoned the Commission office to provide information relevant to the 3:00 p.m. meeting. Rep. Martin said

- Rep. Martin spoke to the owner of Paper Signs Ink in Fort Kent, which prepared the flier. The print shop received the content for the flier by e-mail from Jim Mijka. The shop owner believes that Mr. Mijka was probably the designer of the flier.
- Mr. Mijka has been trailing candidate Mike Nadeau at campaign events this week and taking pictures. He has had a movie camera. Mr. Mijka is self-employed and takes pictures of weddings. Rep. Martin suspects that Mr. Mijka has been involved in posting these pictures to Mike Nadeau's campaign website.
- The print shop owner said that Dana Saucier had communicated with the shop concerning the disclaimer statement on the flier.
- When asked to name the individuals in the inner circle of Mike Nadeau's campaign, Rep. Martin replied Phil Soucy and Dana Saucier. He mentioned that he had seen Dana Saucier's vehicle parked in front of the Nadeau campaign office. He later amended his answer to say that he believed Jim Mijka would be in the inner circle as well.

Thank you for your consideration of this memo.



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Approved on: 12/19/2012

Minutes of the November 5, 2012, Special Meeting of the
Commission on Governmental Ethics and Election Practices
Held at the Commission Office, 45 Memorial Circle,
Augusta, Maine

Present: Walter F. McKee, Esq., Chair; André G. Duchette, Esq.; Margaret E. Matheson, Esq.; Michael T. Healy, Esq.; Hon. Jane A. Amero
Staff: Executive Director Jonathan Wayne; Phyllis Gardiner, Counsel

At 9:05 a.m., Chair Walter McKee convened the meeting.

The Commission considered the following items:

Agenda Item #1. Request for Investigation of Candidate Michael Nadeau and Citizens for Effective Government

The Maine Democratic Party contends that candidate Allen Michael ("Mike") Nadeau of Fort Kent, who is running for the Maine House of Representatives (District 1) as a Maine Clean Election Act (MCEA) candidate, has accepted a contribution which is prohibited for MCEA candidates. The basis for the allegation is that Philip Soucy, who is Mr. Nadeau's campaign treasurer, coordinated with an organization to make an expenditure for a mailing in support of Mr. Nadeau costing \$1,475.16. The organization is called Citizens for Effective Government. Mr. Wayne explained that Mr. Soucy signed and filed an independent expenditure report on behalf of the Citizens for Effective Government on November 2 disclosing the expenditure for the mailing. The independent expenditure report contained a notarized affidavit signed by Mr. Soucy stating that the expenditure was made without cooperation or consultation with the candidate, candidate's committee or agent of the candidate. The Maine Democratic Party contends that since Mr. Soucy is both Mr. Nadeau's campaign treasurer and the treasurer for the group making the expenditure, the expenditure for the mailing cannot be an independent expenditure under Maine's campaign finance law and is, therefore, an in-kind contribution to Mr. Nadeau. MCEA candidates, such as Mr. Nadeau, are not permitted to accept contributions after being certified for the program.

Kate R. Knox, Esq., representing the Maine Democratic Party (MDP), said this complaint is relatively straight forward. As treasurer for a group called Citizens for Effective Government, Mr. Soucy filed an independent expenditure report for an expenditure made to support Mike Nadeau's campaign. Mr. Soucy is also serving as the treasurer for Mr. Nadeau's campaign. Ms. Knox said the MDP considers this a clear violation of the cooperation rule which says that a candidate, candidate's committee or candidate's agent may not cooperate or coordinate with a third party on making an expenditure. If there is coordination between the spender and the candidate, candidate's committee or the candidate's agent, the expenditure is considered an in-kind contribution which Clean Election candidates are not allowed to accept. She said it is clear from the paperwork that Mr. Soucy is the treasurer of the group that made the expenditure and the treasurer of the candidate's committee which puts him on both sides of the fence. It is clear that an expenditure cannot be independent of the candidate under this circumstance. Ms. Knox said there have been several attempts to contact Mr. Nadeau by the Commission staff but Mr. Soucy is the person to whom the Commission should be directing its questions since he made the expenditure. She said whether Mr. Nadeau knew about the expenditure is irrelevant to the finding of violation in this case. Due to the delicate timing with respect to election tomorrow, she stressed the importance for the Commission to find that a violation has occurred and perhaps hold off on assessing the penalty until after the election.

Mr. Healy asked Ms. Knox to explain who she thought should be found in violation.

Ms. Knox said there are potentially several violations. The MDP's request relates to the candidate's committee, she said, and finding Mr. Nadeau's campaign committee in violation because Mr. Soucy is an agent of his campaign.

Mr. Healy asked Ms. Knox whether the committee would be assessed the penalty and pay the fine, if the candidate's committee is found in violation,

Ms. Knox agreed with that assessment. She said there are outstanding questions about Citizens for Effective Government because they are not a registered PAC and whether the group did stay under the \$1,500 threshold for PAC registration. The lack of information about this PAC and the people involved is troublesome, she said.

Mr. McKee said it appears Mr. Soucy was alone in the expenditure because he signed the affidavit stating he did it independently and did not coordinate with the Nadeau campaign.

Mr. Healy said there is enough evidence to presume a violation; however, not being able to hear from Mr. Nadeau makes the decision more difficult.

Ms. Knox said Mr. Nadeau did speak with Assistant Director Paul Lavin so he was alerted to the issue. She said it is troubling that he has not responded at all despite knowing that an allegation has been made against his campaign treasurer and that a meeting would be taking place today. She said she understood the concern, however, she urged the Commission not to defer finding a violation simply because the candidate avoids making a response in hopes the Commission will not take action.

William P. Logan, Esq., representing Philip Soucy, explained that Mr. Soucy agreed to be the treasurer for Mr. Nadeau's campaign with the understanding that Mr. Soucy would not actively be involved as the campaign treasurer. As the Commission may know, treasurers may have varying levels of participation in candidates' campaigns. In this case, Mr. Nadeau ran his own campaign and filed his own reports. Mr. Soucy did not perform any duties as a treasurer, did not have an active role in the campaign, and has never been a campaign treasurer before. Mr. Soucy did not intend for the mailer to be in coordination with the campaign and did not communicate with Mr. Nadeau about the mailer. He said the Citizens for Effective Government is an informal group of individuals who wanted to support the election of Mr. Nadeau and did not have to register as a PAC. He said that the Commission's rules create a rebuttable presumption of coordination under certain circumstances; however, there is no evidence that this expenditure was coordinated with the candidate. Mr. Logan said with regard to Mr. Soucy being an agent of the campaign, there is no definition of agent in the statute and rules. In federal elections, the FEC's regulations say the individual must have actual authorization, either express or implied, from the principal. Mr. Logan said that was not the case here because Mr. Nadeau has not delegated any authority to Mr. Soucy to produce any communications on his behalf. Mr. Nadeau has run his own campaign and wrote all the checks from his campaign account.

Mr. Healy asked whether Mr. Soucy wrote any checks from the campaign account and Mr. Logan said he did not. Mr. Logan was not certain whether Mr. Soucy had signature authority on the account.

Mr. Logan summed up by saying there is sufficient evidence to rebut the presumption of coordination. The group financing the expenditure was an informal group of individuals who did not have any contact with the candidate regarding the expenditure. Mr. Soucy did not have an active role in the Nadeau campaign and was treasurer in name only as Mr. Nadeau ran his campaign and fulfilled all the duties of the treasurer by himself. While it may have been better practice for Mr. Soucy not to have been involved at all in the expenditure, there was no actual coordination between the candidate and the Citizens for Effective Government in making the expenditure.

Mr. Philip Soucy, joining the meeting via teleconference, said that he was treasurer for the campaign in name only. He said when Mr. Nadeau asked him to be treasurer, he told Mr. Soucy he would do all the work himself. Mr. Soucy also said he did not sign any checks on behalf of the campaign. It could be possible that Mr. Nadeau put his name on the campaign account but he never used the signature authority and never wrote any checks.

Mr. Healy asked if the candidate assigned him any other duties or authority to act on Mr. Nadeau's behalf. Mr. Soucy said the candidate did not but he did call the candidate whenever he receives any notices from the Commission to be sure the reports were being filed.

Mr. Healy asked Mr. Soucy who came up with the idea to send out the mailing. Mr. Soucy said it was his idea as well as two other people on the committee. Mr. Soucy said they did not discuss the mailer in any way with Mr. Nadeau.

Mr. Duchette asked who the two other people on the committee were. Mr. Soucy said they were Dana Saucier and Jim Majka. Mr. Duchette asked if they had any relationship with Mike Nadeau and Mr. Soucy said they did not.

Mr. McKee asked Mr. Soucy whether he understood that he did have some responsibilities when he agreed to be the treasurer for the campaign. Mr. Soucy said he did know and was very sorry that he put himself down as treasurer for the group. He explained when he agreed to be treasurer of the Citizens for Effective Government, it did not occur to him that there may be a conflict. He said that he should have known but

he was unaware at the time. In response to a question from Mr. McKee, he said he was not aware that he could not be the treasurer for both the candidate and for the Citizens for Effective Government. He was also not aware that he would have to file a report when he made the expenditure.

Mr. McKee asked Mr. Soucy whether he would agree that since he was the treasurer of the candidate's campaign and of the Citizens for Effective Government, he was in essence coordinating the expenditure with the campaign.

Mr. Soucy said he could be accused of that but he was not thinking that way when he made the expenditure.

Mr. McKee said that his understanding of Mr. Soucy's position is that he did not know he could not be the treasurer for the candidate and be a part of a separate group that was spending money to support the candidate. Mr. Soucy agreed that was his position.

Mr. Healy asked whether Mr. Soucy had any knowledge that the other individuals involved discussed the expenditure with Mr. Nadeau. Mr. Soucy said he did not.

Mr. Soucy explained, in response to Mr. McKee, that he had not been involved in politics since Gov. McKernan appointed him to the Board of Environmental Protection. He said he was retired and had never run for office. He said he was involved in the Fort Kent Republican Committee since the primary and has helped two other candidates for the past 6 months. He said he also put up signs for Republican candidates who had asked for help in the past.

Mr. Wayne asked Mr. Soucy to describe how the money was raised for the expenditure. Mr. Soucy explained he was approached by three people who wanted to do something to help Mr. Nadeau's campaign and those people agreed to provide the money to pay for the mailing. Mr. Soucy said the three people were Renaldo Thibeault, a resident of Fort Kent, and Norman Nadeau and Kenneth Nadeau, who live in Connecticut but have summer homes in Fort Kent. They provided all the money for the expenditure.

Mr. Wayne asked how the cost for the mailing was determined. Mr. Soucy explained that he was told they would need \$1,500 for the printer to do the mailing. Once the money was raised, the purchase was made.

Mr. Wayne asked how Mr. Soucy received the money and what he did with it. Mr. Soucy explained that each individual paid him in cash and he put the cash in his safety deposit box and paid the printer with his credit card. Mr. Wayne asked if there was any paper record of that and Mr. Soucy said only his own record with his safety deposit box in his home.

Mr. Wayne asked if any of the contributors were related to the candidate and Mr. Soucy said he did not know.

Ms. Matheson asked whose name was on the credit card and Mr. Soucy said it was his name.

In response to Mr. McKee's question, Mr. Soucy said each contributor paid \$500 and will be refunded a portion of the balance (\$24.84) remaining after the expenditure was made. Mr. McKee asked how the \$1,500 amount was chosen. Mr. Soucy said he was told that he had to keep the expenditure under \$1,500 in order for the group not to be considered a PAC. Mr. McKee asked if he had received any funds from any other parties other than the three mentioned. Mr. Soucy said there were no other contributors. Mr. Soucy said he believed that Dana Saucier was the contact with the printer to set up the mailing. Mr. Saucier also determined the cost and designed the mailing with Jim Majka.

Mr. McKee asked if Mike Nadeau had any involvement with the design of the mailing and Mr. Soucy said he did not.

Mr. Duchette asked if Dana Saucier had a working relationship with the candidate and worked on his campaign. Mr. Soucy said that he was aware that Mr. Saucier tried to help but Mr. Nadeau was very independent and would not accept any help but he may have gotten some advice from Mr. Saucier.

Mr. McKee asked Mr. Soucy about the affidavit he signed stating there was no coordination with the candidate in making the expenditure and whether he understood what he was signing. Mr. Soucy said he did not know how to answer that question. As campaign treasurer for Mr. Nadeau, he said he was

accustomed to having Mike Nadeau do all the paperwork. He assumed that this form would be similar. He said he read it in a hurry and most likely missed the part about coordination. He said it did not occur to him that he should have checked it further.

Mr. McKee read the section from the affidavit which states that the expenditure was not made "in cooperation, consultation, or in concert with, or at the request or suggestion of, any candidate, authorized committee or agent of a candidate" and asked whether Mr. Soucy thought he was an agent at the time he signed the affidavit and had it notarized. Mr. Soucy replied that he and Dana Saucier went to the town office to get the affidavit notarized but he apparently did not know what he was signing at the time.

Mr. Wayne asked Mr. Soucy whether he could provide contact information for the other three individuals who contributed the funds for the expenditure and Mr. Soucy said he could do that.

Mr. Wayne asked if the cash was still in the safety deposit box and Mr. Soucy said it was not except for a balance of \$25 - \$30. Mr. Wayne asked why he did not pay the vendor with the cash. Mr. Soucy said he uses his credit card for all his purchases. Mr. Wayne asked if there was any receipt for the contributions. Mr. Soucy said he could contact the contributors to see if they would give him some form of documentation.

Mr. Wayne said that in the conversation they had on Saturday, Mr. Soucy told him that the contributions came from several people giving under \$100 and that Mr. Saucier and Mr. Majka may have put some of their own money in. Mr. Wayne said he asked Mr. Soucy on Saturday whether there were any other sources of money and Mr. Soucy told him that there were not. He said Mr. Soucy made no mention of the three people he named today. Mr. Wayne asked Mr. Soucy why he did not mention Mr. Thibeault and Norman and Kenneth Nadeau when Mr. Wayne spoke with him on Saturday.

Mr. Soucy said that he talked with Mr. Wayne before he spoke with his attorney and that he was apprehensive about being interrogated without an attorney.

Mr. McKee said that when Mr. Soucy was asked where the money came from, Mr. Soucy said the money came from individuals giving less than \$100. Mr. McKee asked Mr. Soucy if that was a truthful statement

at the time. Mr. Soucy said it was not truthful at the time. He said that it was his understanding that individuals giving smaller amounts do not need to be identified while those giving larger amounts do. If he said he had received smaller amounts, he was in error.

Mr. McKee said that did not have anything to do with whether he needed to talk with an attorney. Mr. McKee said that Mr. Wayne asked where the money came from and Mr. Soucy indicated that it came from people giving small amounts under \$100. Mr. McKee asked Mr. Soucy whether it was fair to say that Mr. Soucy was now saying that there were no individuals giving small amounts under \$100. Mr. Soucy said that was correct. He said there were no small contributions under \$100. In response to Mr. McKee's comment that what Mr. Soucy was now saying contradicted what he told Mr. Wayne on Saturday, Mr. Soucy said that what he told Mr. Wayne must have been in error.

Kate Knox said Mr. Soucy's testimony has raised more concerns and created inconsistencies. With regard to two of the contributors donating cash, she wondered how they could give cash if they are living out of state. She said Mr. Soucy has not denied his involvement on both sides of the fence. At this point, she said the question for the Commission may be who should be penalized and how much. The Commission may need more information to make that determination, which will require further investigation. In any event, this is a serious violation of the statute and she stressed the importance for the Commission to take immediate action before the election.

Mr. Healy asked Ms. Knox whether she believed Mr. Soucy was an agent for Mr. Nadeau and she said yes. He asked, based on the record so far, what Mr. Soucy's authority was. Ms. Knox said when someone signs up to be a treasurer there are certain duties that are required of the treasurer, including filing reports. She said whether Mr. Soucy had check signing authority or how much authority he had in the campaign is not particularly relevant. He was the treasurer of the campaign and the only other person listed in Mr. Nadeau's candidate registration. An analysis of how much of the treasurer's responsibilities he actually undertook or what parts of the campaign's operations he performed is not relevant. By nature of being the treasurer, he is an agent of the campaign.

Mr. Healy asked Ms. Knox if she believed Mr. Soucy was personally responsible for everything the campaign does or does not do. She said it was a complicated question. However, in this instance he is

responsible because the assumption is the candidate and the treasurer know about the campaign's expenses and operations. Regarding the matter at hand, Mr. Soucy is definitely responsible, because he is presumed to have the same knowledge as the candidate she said.

Ms. Knox said that Mr. Soucy claimed on the phone that he was only treasurer in name only and had no knowledge of expenditures. However, that argument does not hold in this case, she said, because a treasurer should not be allowed to claim he is not responsible.

Mr. McKee said when someone signs up to be a treasurer for a campaign they need to assume responsibility no matter how active they are. Ms. Knox agreed.

Mr. Healy said it is possible for someone to sign up as a treasurer and not perform the treasurer's duties and not be involved in the campaign at all. He said becoming a treasurer is a very important role and unless someone is willing to be an active treasurer, they should refrain from signing on as the treasurer. But that does not mean that an inactive treasurer who does nothing regarding campaign operations has all the knowledge he should have.

Ms. Knox explained that she does not believe that to be a fair analysis. She said someone cannot sign up to be a treasurer and then later claim no knowledge. If a treasurer makes the choice to be inactive, they do that at their own risk because they are ultimately responsible just by being on the form.

Mr. Duchette said that was the issue with Mr. Soucy. He claims he is not active in the campaign and so he believed he could be active in another group in supporting the candidate.

Ms. Knox said the statute and rules hold the treasurer in a position of responsibility and the treasurer can be found in violation if the campaign gets into trouble, based on their individual actions.

Mr. Logan said Ms. Knox argues that under the statute and rules, the treasurer must be considered an agent of the candidate. However, the commission's rule on coordination states that there is a rebuttable presumption of coordination if the treasurer is involved in expenditure by a third party. He said agents are limited by the scope of power designated by the principal.

Mr. Healy asked Mr. Logan whether the law required the treasurer to file reports. Mr. Logan said the candidate was allowed to file his own reports and many do. Mr. Logan said that treasurers' roles vary greatly and some candidates perform all duties assigned to the treasurer.

Ms. Amero said that sometimes a person who has good name recognition in the community and lends their name to the campaign because the treasurer's name is printed on all campaign communications.

Mr. Duchette said the issue really is not so much whether there was a violation but who is at fault.

With respect to the responsibilities of a candidate's treasurer, Ms. Gardiner said section 1016 of Title 21-A describes many of the statutory duties of a treasurer. In addition, she said section 1017 states that the treasurer shall file reports with the Commission. One possible line of inquiry for the Commission, if it decides to pursue it, is whether the Nadeau campaign was in compliance with these statutory provisions. She said the Commission could also address whether Mr. Soucy, as treasurer for the candidate, has violated any of these provisions. Furthermore, even though this may not be consistent with historical interpretation, Clean Election candidates are not allowed by statute to be their own treasurer for their campaigns. She said whether Mr. Nadeau should have functioned as his own treasurer and filed his own reports could be investigated further as well. She said another issue is whether the Citizens for Effective Government is a PAC and should have been registered. She said a determination of violation could be made today and the penalty phase deferred until after more fact finding has taken place.

Mr. McKee said if the Commission found a violation today it would be Mr. Soucy or the committee or both found in violation.

Ms. Gardiner said if the Commission found that Mr. Soucy was on both sides of the line in terms of coordination on the expenditure, there is the issue of whether he made a false statement by signing and submitting the affidavit. That violation would be specific to Mr. Soucy. In addition, if there is a finding of coordination, there is the issue of whether the candidate's committee accepted an impermissible in-kind contribution. Ms. Gardiner said that Ms. Knox was accurate as a matter of law that a treasurer can create some liability for the campaign by his actions.

Mr. McKee said that the two most likely defendants are Mr. Soucy and the candidate's committee. He said there are other aspects of this matter that may require further investigation at a later time as well.

Mr. Wayne said he thought the question is whether the candidate's committee or the candidate has received a contribution by the actions of the campaign treasurer in violation of the Maine Clean Election Act. Mr. Wayne said Mr. Soucy could be considered part of the political committee of the candidate as well as an agent. He said the candidate or candidate's committee could also be found in violation.

The Commissioners briefly discussed various ways in which the law of agency may apply in this instance.

Mr. Duchette asked what contact staff had with Mr. Nadeau. Mr. Wayne said that when he spoke to Mr. Nadeau he said he did not know about the mailing. Mr. Nadeau also spoke with Mr. Lavin on Friday night and told him that he did not know about the mailing or who the Citizens for Effective Government was.

Mr. Duchette asked whether Dana Saucier had been contacted and Mr. Wayne said he had not returned a phone call.

Mr. Wayne said there could be perception of unfairness if the candidate is being charged with accepting a contribution due to actions by his treasurer. However, he said that it was good policy that certain core people who are involved in a candidate's campaign should know that they cannot spend money to support the candidate in coordination with outside groups. He said in his view the candidate's committee accepted a contribution due to the treasurer's action even though the candidate did not know about it.

Mr. McKee said further investigation needs to be done to cover all the aspects of this matter. He said he would support a finding of violation against the committee but further investigation needs to take place in order to find whether Mr. Soucy was in violation by signing the affidavit stating there was no coordination with the candidate.

Mr. Healy asked if the Commission was under obligation to make a finding of violation today. Mr. McKee said because it was so close to the election, the Commission should make a determination about the expenditure today.

Mr. Duchette asked whether there was any doubt that a coordinated expenditure was made. He said it seemed obvious to him that there was coordination because the treasurer of the candidate's campaign and treasurer of the group spending money to support the candidate were the same individual.

Mr. Healy said he could agree that Mr. Soucy in his role of treasurer for the campaign and the committee violated the law. He said he was not comfortable, at this time, saying that Mr. Nadeau or his committee was in violation.

Mr. Duchette asked Mr. Healy whether he viewed Mr. Soucy as part of the candidate's committee or its agent. Mr. Healy said he agreed that Mr. Soucy was the treasurer of both which he should not have been. However, he questioned whether Mr. Nadeau did anything in violation of the statute since it appears Mr. Soucy acted on his own and there is no evidence of Mr. Nadeau's involvement. He would support a motion that further investigation take place.

Mr. McKee stated that although he would like Mr. Nadeau to be more responsive, he would give him the benefit of the doubt at this point and have staff do further investigation.

Mr. Duchette said he was unsure how Mr. Nadeau could shield himself from the actions of his committee but ultimately that may depend on what further investigation reveals. He said the candidate is responsible for the campaign and cautioned the Commission against holding other individuals responsible for actions and not the campaigns. He said in the past, the Commission has not done this and wondered how to find only Mr. Soucy in violation given his position on the candidate's committee. Mr. Duchette had questions about Dana Saucier's involvement with Mr. Nadeau. He wondered whether Mr. Soucy was put in this position of treasurer by the people around him. He said there needs to be more fact finding.

Mr. Healy suggested requiring the other parties be required to testify at a hearing in order to obtain more facts.

Mr. McKee said further factual findings would be necessary to determine who was in violation and said he was in favor of the hearing process Mr. Healy suggested.

Mr. Duchette moved that the Commission find that there was a coordinated expenditure under 21-A M.R.S.A. § 1015(5) as a result of the actions by and involvement of L. Phillip Soucy in both the Mike Nadeau campaign and the Citizens for Effective Government and to find that, as a result of the coordinated expenditure, there was a campaign contribution to the Mike Nadeau campaign which is not allowed under the Maine Clean Election Act. Mr. McKee seconded.

Motion passed (5-0).

Mr. McKee moved to have the staff commence an investigation regarding 1) the factual issues concerning the coordinated expenditure, 2) whether the Citizens for Effective Government should have registered as a political action committee, and 3) the issues raised by the sworn statement by L. Phillip Soucy that there was no coordination between the Mike Nadeau campaign and the Citizens for Effective Government regarding the expenditure for the communication. Mr. Duchette seconded.

Motion passed (5-0).

Mr. Duchette moved to adjourn and Ms. Matheson seconded the motion, which passed unanimously. The meeting adjourned at 10:15 a.m.

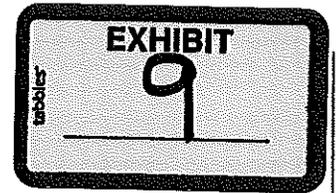
Respectfully submitted,

/s/ Jonathan Wayne

Jonathan Wayne, Executive Director



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



November 5, 2012

By E-Mail and Regular Mail

Allen Michael Nadeau
545 Caribou Road
Fort Kent, ME 04743

L. Philip Soucy
31 Pinkham Avenue
Fort Kent, ME 04743

DETERMINATION

Dear Sirs:

The Maine Commission on Governmental Ethics and Election Practices held a special meeting today to consider a request for investigation filed by the Maine Democratic Party on November 2, 2012. The Commission was required to meet within two business days of receiving the request, pursuant to 21-A M.R.S.A. § 1002(1).

The Maine Democratic Party requested an investigation into the costs of a mailing made around November 1, 2012 in support of Mike Nadeau, a candidate for the Maine House of Representatives, District #1. The expenditure was disclosed in Independent Expenditure Report #205 filed with the Commission on November 2, 2012. In the report, the name of the person making the expenditure was listed as Citizens for Effective Government, L. Philip Soucy, Treasurer.

Mr. Soucy also served as the treasurer of the campaign committee authorized by Mr. Nadeau to promote his election to the Maine House of Representatives. In its request, the Maine Democratic Party contends that the expenditure was an illegal contribution to Mr. Nadeau's campaign, because Mr. Soucy cooperated in the expenditure and was an agent of the campaign.

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE
WEBSITE: WWW.MAINE.GOV/ETHICS

PHONE: (207) 287-4179

FAX: (207) 287-6775

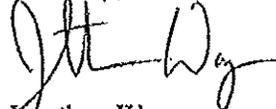
At the meeting, the Commission considered a presentation by William P. Logan, Esq., attorney for Mr. Soucy. Mr. Soucy provided information in response to questions from the Commission members and staff. The Commission also considered a presentation by Kate R. Knox, counsel for the Maine Democratic Party. In spite of receiving actual notice of the meeting by telephone and electronic communications, Mr. Nadeau chose not to participate in the meeting.

The Commissioners found unanimously that:

- (1) there was a coordinated expenditure under Title 21-A, section 1015(5) as a result of the involvement of treasurer L. Phillip Soucy in the Mike Nadeau campaign and the Citizens for Effective Government, and
- (2) as a result of the coordinated expenditure, there was a campaign contribution to the Mike Nadeau campaign which is not allowed under the Maine Clean Election Act.

In addition, the Commission directed its staff to commence an investigation regarding 1) the factual issues concerning the coordinated expenditure, 2) whether the Citizens for Effective Government should have registered as a political action committee, and 3) the issues raised by the sworn statement by L. Phillip Soucy that there was no coordination between the Mike Nadeau campaign and the Citizens for Effective Government regarding the expenditure for the communication.

Sincerely,

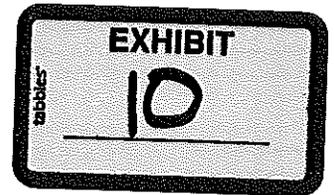


Jonathan Wayne
Executive Director

cc: Kate R. Knox, Esq.
William P. Logan, Esq.
Hon. John L. Martin



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



To: William P. Logan, Esq., attorney for Philip Soucy
Representative-Elect A. Michael Nadeau
James H. Majka
Dana Saucier
Katherine R. Knox, Esq., attorney for the Maine Democratic Party
Hon. John L. Martin

From: Jonathan Wayne, Executive Director

Cc: Walter F. McKee, Commission Chair
Assistant Attorney General Phyllis Gardner, Commission Counsel

Date: November 15, 2012

NOTICE OF HEARING

Hearing Scheduled for December 19, 2012

The Maine Commission on Governmental Ethics and Election Practices has scheduled a hearing to investigate matters raised in a complaint by the Maine Democratic Party concerning spending by L. Phillip Soucy and others under the name of Citizens for Effective Government to promote Michael Nadeau, candidate for Maine House of Representatives, District #1. The hearing will be held on Wednesday, December 19, 2012 at 9:00 a.m. at the Commission's office at 45 Memorial Circle, 2nd Floor, in Augusta, Maine. The hearing is being held pursuant to 21-A M.R.S. § 1003.

At a meeting on November 5, 2012, after hearing from Mr. Soucy, his counsel, counsel for the Maine Democratic Party, and Commission staff, the Commission made initial findings that:

- (1) a coordinated expenditure (i.e., one made "in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's

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political committee or their agents") occurred under Title 21-A, section 1015(5) as a result of the involvement of treasurer L. Phillip Soucy in the Mike Nadeau campaign and Citizens for Effective Government, and

- (2) the coordinated expenditure, constituted a campaign contribution to the Mike Nadeau campaign which is not allowed under the Maine Clean Election Act.

The Commission then directed its staff to continue an investigation into the factual issues concerning: 1) the expenditure by Citizens for Effective Government, 2) whether Citizens for Effective Government should have registered as a political action committee, and 3) the sworn statement by L. Phillip Soucy that there was no coordination between the Nadeau campaign and Citizens for Effective Government regarding the expenditure for the communication.

The December 19, 2012 hearing will be conducted in accordance with Chapter 2 of the Commission's rules (see copy enclosed) and the Maine Administrative Procedure Act, 5 M.R.S. §§ 8001 et seq.

Issues to be addressed at the Hearing

The topics or issues to be addressed at the hearing will likely include:

- (1) whether the Michael Nadeau campaign should be found in violation of the Maine Clean Election Act for receiving a contribution in the form of a coordinated expenditure by the group known as Citizens for Effective Government
- (2) whether a penalty should be imposed on the candidate or the treasurer for receiving a contribution
- (3) whether Mr. Soucy made a material false statement in the affidavit filed with Independent Expenditure Report #205
- (4) whether Citizens for Effective Government made expenditures in excess of \$1,500 for the purpose of influencing the nomination or election of any candidate, thereby triggering an obligation to register and to file a campaign finance report as a political action committee.

Opportunity for Legal Argument

In addition to presenting evidence, there may be an opportunity for you to present legal argument at the December 19th meeting concerning whether any person committed a violation of law. The Commission may reach a final determination at the December 19th meeting, following the hearing, but it is also possible that the Commission will close the hearing and decide the matters at issue at a subsequent meeting. You will receive notice and have an opportunity to attend any such meeting.

Relevant Statutes

The following statutory provisions are relevant to the proceeding:

- 21-A M.R.S. § 1004-A(5)
- 21-A M.R.S. § 1015(5)
- 21-A M.R.S. §§ 1052(5)(4) & (5)
- 21-A M.R.S. § 1053
- 21-A M.R.S. § 1059
- 21-A M.R.S. § 1125(6)
- 21-A M.R.S. § 1127(1)

Applications to Intervene as a Party

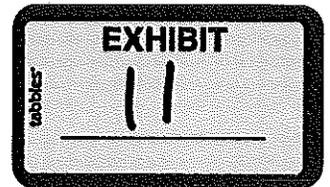
Any person who wishes to intervene as a party to this proceeding should submit a letter to the Commission addressed to Walter F. McKee, Chair, at the above address no later than November 30, 2012.

Questions

If you have any questions concerning this notice, please call me at (207) 287-4179 or e-mail me at Jonathan.Wayne@maine.gov.



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



To: File
From: Jonathan Wayne
Date : November 16, 2012
Re: Summary of Interview with James Majka

Assistant Director Paul Lavin and I interviewed James Majka (JM) yesterday by phone. Below is a summary of what he told us.

Flier

Three people (Jim Majka, Dana Saucier, and Phil Soucy) were involved in the flier. JM does not know anything about the financing for the flier. He does not know "where the money came from" for the flier.

JM worked with Dana Saucier on the flier. JM designed it using photoshop software. The ideas for the flier came from Dana Saucier and JM. They used research from publicly available sources such as articles and groups that had published information about John Martin. They wanted to hit on ideas that would appeal to Republicans and others. They did not talk to Phillip Soucy about who was going to pay for it.

JM knows Phillip Soucy from around town but only "cordially." He does not know how Phillip Soucy got involved in the flier.

The idea of sending a flier occurred to Dana Saucier and JM while they were talking. JM found going door-to-door and making calls were not cost effective and JM finds those contacts annoying. JM thought "If we do a flier, we could get into every household." The idea was to get the last campaign message out.

The candidate, Mike Nadeau, did not know that they were going to do the flier.

JM sent it to Mr. Daigle at the print shop who cleaned it up.

It was mailed using a process called something like EE Direct. JM brought the printed fliers to the town post offices around the district.

JM said "To tell the truth, I didn't think about whether or not it was part of the campaign" or whether the flier was separate from the campaign. He has never been involved in a campaign before.

Probably, Phillip Soucy came up with the name, Citizens for Effective Government.

Work for Campaign

JM said that he volunteered for Mike Nadeau because he "is a friend of mine." He did not have enough money to make a contribution to the campaign.

In August, JM worked on the campaign website. Mike Nadeau paid him \$350 for the work. JM is self-employed as a photographer and videographer. He has created websites, but that is not a big part of his current employment.

He later did work for the campaign as a volunteer. He distributed fliers, knocked on doors, and distributed lawn signs. Whenever Mike Nadeau needed an update to the website, he would do it. This happened every few days. It would take him 15-30 minutes. He updated the website on his laptop.

JM has videotaped some campaign events, and posted them to You Tube.

His volunteer work was "steady all the way through."

He did not perform any design services for the campaign's printed materials.

Advertisement in Fiddlehead Focus

JM paid for an ad in the Fiddlehead Focus supporting Mike Nadeau. He wanted to help Mike Nadeau. He wanted to push back against all the Democratic ads.

JM paid for the ad with his personal funds. No one gave him the money for the ad. No one reimbursed him for the ad. JM said that the ad cost \$300 or \$350. *[Note: the actual cost was \$420.]*

He paid cash. The Fiddlehead Focus had to be paid upfront. The paper did not send him a bill.

JM did the ad on his own. Mike Nadeau did not know about the ad. He was pleased but surprised by the ad.

JM gave the Fiddlehead Focus some text on a piece of paper. JM did not do the design.

JM did not see a proof of the ad. He did not make any changes to the ad. He does not remember who he dealt with at the paper.

Good Intentions

Nothing untoward was intended by JM or Dana Saucier. Everything was innocent. It was unnerving for JM to read his name in the paper. He said "I'm the most straight-up, honest guy you could meet."

JM would like to avoid coming to Augusta on December 19 if it is at all possible.

Contact Info

His e-mail address is JimMaika@fortkentvideo.com.



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES

In Re: Citizens for Effective)
Government)

WITNESS SUBPOENA
and SUBPOENA
TO PRODUCE RECORDS

To: James Majka
331 Violette Settlement Road
Fort Kent, ME 04743

You are hereby commanded to appear and attend at the Commission on Governmental Ethics and Election Practices for the State of Maine, at its offices located on the second floor of the building at 45 Memorial Circle, Augusta, Maine, on the 19th day of December, 2012, at 9:00 a.m. to testify and give evidence as part of the Commission's investigation, pursuant to 21-A M.R.S.A. §1003, concerning the following matters:

- 1) expenditures by you, Phillip Soucy, and others in support of Michael Nadeau for election to the Maine House of Representatives, District #1;
- 2) the financing of those expenditures;
- 3) any consultation or cooperation by Michael Nadeau, his campaign committee, or their agents in the expenditures; and
- 4) your activities in support of Mr. Nadeau's campaign.

You are also commanded to bring with you and produce at the time and place aforesaid, and to permit inspection and copying of, the following designated things:

- 1) all documents in your possession relating to paid advertising or mailings to promote the election of Michael Nadeau to the Maine House of Representatives, District #1, including but not limited to electronic mail communications, samples of advertising or mailings, invoices from vendors, or documents relating to payments to vendors.

This subpoena is issued on behalf of the Commission on Governmental Ethics and Election Practices, in conjunction with a Commission investigation to determine whether Citizens for Effective Government violated Maine's campaign finance laws by operating as an unregistered political action committee and whether the organization may have made an illegal contribution to Michael Nadeau, pursuant to 21-A M.R.S.A. §1003(1) & (2). The Commission's attorney is Phyllis Gardiner, Assistant Attorney General, Office

of the Attorney General, 6 State House Station, Augusta, Maine 04333-0006. She may be contacted at (207) 626-8830.

NOTICE: If you object to the subpoena, you must petition the Commission on Governmental Ethics and Election Practices to vacate or modify the subpoena before December 14, 2012. After such investigation as the Commission considers appropriate, it may grant the petition in whole or in part upon a finding that the testimony or evidence for which production is required does not relate with reasonable directness to any manner in question, or that a subpoena for the production of evidence is unreasonable or oppressive or has not been issued a reasonable period in advance of the time when the evidence is requested.

WARNING: Failure to comply with this subpoena shall be punishable as for contempt of court, pursuant to 5 M.R.S.A. § 9060(1) and Rule 66(c) of the Maine Rules of Civil Procedure.

Dated: 11/26/12



WALTER F. MCKEE
Commission on Governmental Ethics
and Election Practices

Aroostook, ss:

On the 3rd day of Dec, 2012, I served the above-named James Majka, by delivering a true copy of this Subpoena in hand. Along with a witness fee check in the amount of 140.00


Signature

Det. Dan Robertson
Print Name

Aroostook SO
Agency



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES

**In Re: Citizens for Effective
Government**)
)
)

**WITNESS SUBPOENA
and SUBPOENA
TO PRODUCE RECORDS**

To: L. Philip Soucy
31 Pinkham Avenue
Fort Kent, ME 04743

You are hereby commanded to appear and attend at the Commission on Governmental Ethics and Election Practices for the State of Maine, at its offices located on the second floor of the building at 45 Memorial Circle, Augusta, Maine, on the 19th day of December, 2012, at 9:00 a.m. to testify and give evidence as part of the Commission's investigation, pursuant to 21-A M.R.S.A. §1003, concerning the following matters:

- 1) expenditures by you and others in support of Michael Nadeau for election to the Maine House of Representatives, District #1;
- 2) the financing of those expenditures;
- 3) any consultation or cooperation by Michael Nadeau, his campaign committee, or their agents in the expenditures; and
- 4) your activities in support of Mr. Nadeau's campaign.

You are also commanded to bring with you and produce at the time and place aforesaid, and to permit inspection and copying of, the following designated things:

- 1) all documents in your possession relating to paid advertising or mailings to promote the election of Michael Nadeau to the Maine House of Representatives, District #1, including but not limited to electronic mail communications, samples of advertising or mailings, invoices from vendors, or documents relating to payments to vendors.

This subpoena is issued on behalf of the Commission on Governmental Ethics and Election Practices, in conjunction with a Commission investigation to determine whether Citizens for Effective Government violated Maine's campaign finance laws by operating as an unregistered political action committee and whether the organization may have made an illegal contribution to Michael Nadeau, pursuant to 21-A M.R.S.A. §1003(1) & (2). The Commission's attorney is Phyllis Gardiner, Assistant Attorney General, Office

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WARNING: Failure to comply with this subpoena shall be punishable as for contempt of court, pursuant to 5 M.R.S.A. § 9060(1) and Rule 66(c) of the Maine Rules of Civil Procedure.

Dated: 12/4/12



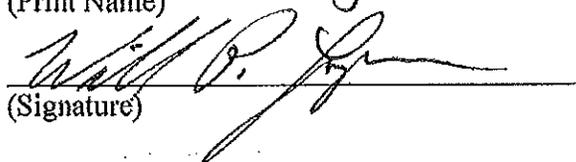
WALTER F. MCKEE
Commission on Governmental Ethics
and Election Practices

ACCEPTANCE OF SERVICE

On December 6, 2012, I accepted the service of the attached subpoena (and thereby waived service by a deputy sheriff) on behalf of L. Philip Soucy to appear and testify and to produce the requested documents at the Commission on Governmental Ethics and Election Practices, 45 Memorial Circle, Augusta, Maine, 04333, on December 19, 2012.

Date: 12/6/12

William P. Logan
(Print Name)


(Signature)



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: December 12, 2012
Re: Information for the December 19, 2012 Hearing

This memo provides background information for the Commission's December 19, 2012 hearing on financial activities to support A. Michael Nadeau for the Maine House of Representatives in District 1. In the November 6, 2012 general election, Mr. Nadeau defeated the incumbent, John L. Martin.

Complaint and Initial Determination

Mailing, and Report of Independent Expenditure

Around Thursday, November 1, 2012, a mailing was sent to voters in House District #1 that promoted Mr. Nadeau and criticized Rep. Martin. A copy is attached. At least three individuals had some involvement in the mailing: James Majka ("MI'-kah"), Dana Saucier, and Philip Soucy. On Friday, November 2, the Commission received a report of an independent expenditure for the mailing. Mr. Soucy signed the report. The person making the expenditure was identified in the report as Citizens for Effective Government, L. Philip Soucy, Treasurer. The cost of the mailing was \$1,475.16, according to the report. The Commission assigned the report an index number of 205. (Mr. Soucy later told me in an interview that Dana Saucier helped him enter the information on the report, because Mr. Soucy has trouble with printing by hand.)

Within the report, Mr. Soucy signed a form affidavit stating that he made the expenditure "not in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate, authorized committee or agent of a candidate" This was a problem

because Mr. Soucy *was the campaign treasurer for Michael Nadeau's campaign*. Although Mr. Soucy described himself to the Commission as a treasurer "in name only," he did sign campaign finance reports submitted by the campaign on paper, thus certifying that the reports were true, accurate, and complete (*see* attached registration form and report cover sheets). The Commission staff views Mr. Soucy as part of Mr. Nadeau's authorized political committee and an agent for the candidate and committee. So, it is difficult to see how the expenditure was not made in cooperation with the candidate's campaign committee or agents.

Political organizations and other associations that organize for the purpose of supporting candidates for state office are required to register and file financial reports as political action committees (PACs), if they receive contributions or make expenditures totaling more than \$1,500 in a calendar year for the purpose of influencing state candidate elections. (21-A M.R.S.A. § 1052(A)(4)) The report stated that Citizens for Effective Government spent \$1,475.16 on the mailing. Because this is less than the \$1,500 threshold, the expenditure for the mailing – in itself – apparently would not trigger the requirement to register and file reports as a PAC. Qualifying as a PAC entails disclosure of the sources of money used for campaign expenditures.

Filing of Complaint

At 6:59 p.m. on Friday, November 2, 2012, counsel for the Maine Democratic Party, Kate R. Knox, Esq., filed a request for investigation with the Ethics Commission by electronic mail. (attached) The Maine Democratic Party contended that Mr. Nadeau had received a contribution because his treasurer – an agent of the campaign – cooperated with the expenditure:

As Treasurer of Mr. Nadeau's campaign – he is clearly an "agent" of the campaign and as such, is prohibited from coordinating with any outside organization on expenditures (let alone an organization he controls). As a result, the \$1,475.16 expenditure made by [Citizens for Effective Government] to support Candidate Nadeau is an illegal contribution to the campaign.

(Knox letter, at 2) As a Maine Clean Election Act candidate, Mr. Nadeau is not permitted to accept campaign contributions.

Notice to Mr. Nadeau and Mr. Soucy of Complaint

Assistant Director Paul Lavin received the complaint the evening of Friday, November 2, 2012. In the next 90 minutes, he spoke separately with Michael Nadeau and Philip Soucy by telephone about the complaint. He transmitted a pdf of the complaint to both of them by electronic mail at 8:35 p.m. (see attached e-mail). Mr. Lavin used an e-mail address specified by Mr. Nadeau. Mr. Lavin's e-mail stated that "There is a high probability that the Commission will hear the [Maine Democratic Party's] request Monday afternoon."

On the morning of Saturday, November 3, 2012, the Commission Chair, Walter F. McKee, authorized the Commission to meet on the complaint and directed me to gather preliminary factual information over the weekend.

I called Mr. Soucy on Saturday, November 3 and he consented to answer my questions. A typed summary of his interview responses is attached, although I caution you that some of his responses on November 3 were contradicted by his comments at the November 5 meeting -- particularly concerning the source of the funds for the mailing. (Those discrepancies are described below). At the conclusion of the phone call when we started discussing the logistics for the November 5 meeting, he mentioned that a lawyer would be involved at the hearing. At that point, I terminated the phone call.

Following my interview of Philip Soucy, I left a voicemail message for candidate Michael Nadeau on his cell phone number, inviting him to call me at the Commission Office on Sunday, November 4. I did not hear back from him on November 3 or 4. I spoke with Mr. Nadeau by phone on the morning of November 5 and attempted to notify him of the meeting, but the phone connection was poor.

November 5, 2012 Meeting and Determination

The Commission met at 3:00 p.m. on Monday, November 5, 2012 (the day before the election). Mr. Soucy provided information by telephone in response to questions from the Commission members and staff. At the meeting, the Commission considered presentations by William P. Logan, Esq., attorney for Mr. Soucy, and Ms. Knox, attorney for the Maine Democratic Party. Mr. Nadeau did not participate in the meeting.

One of the topics discussed at the meeting was the source of funds for the mailing. Philip Soucy said that his group received three contributions of \$500 in cash from Norman Nadeau, Kenneth Nadeau, and Ronaldo Thibeault.¹ When asked if the contributors were related to the candidate, he said that he did not know. He said that he put the cash in his safe. He paid for the mailing with a personal credit card. There was now only around \$25 left in the safe. This explanation offered by Mr. Soucy of the source of cash for the mailing directly contradicted the information he provided me by telephone on November 3, 2012, in which he said that the money came from small donors of less than \$100 and possibly personal funds of Dana Saucier and James Majka. In the November 3 interview, he denied that the money came from any other source. When asked about the discrepancy between his responses on November 3 and 5, he replied that on November 3 he had been interrogated without an attorney.

At the meeting, the Commissioners found unanimously that:

- (1) there was a coordinated expenditure under Title 21-A, section 1015(5) as a result of the involvement of treasurer L. Philip Soucy in the Mike Nadeau campaign and the Citizens for Effective Government, and
- (2) as a result of the coordinated expenditure, there was a campaign contribution to the Mike Nadeau campaign which is not allowed under the Maine Clean Election Act.

¹ Norman Nadeau is a brother of the candidate. Ronaldo Thibeault is the candidate's stepfather. Kenneth Nadeau was also a brother of the candidate, but he died on November 10, 2012.

In addition, the Commission directed its staff to commence an investigation regarding 1) the factual issues concerning the coordinated expenditure, 2) whether the Citizens for Effective Government should have registered as a political action committee, and 3) the issues raised by the sworn statement by L. Phillip Soucy that there was no coordination between the Mike Nadeau campaign and the Citizens for Effective Government regarding the expenditure for the communication.

On November 5, 2012, the Commission staff prepared a written determination (attached).

Newspaper Advertisement Purchased by James Majka

Following the determination, the Commission staff telephoned the local newspapers to verify that all spending to influence the District 1 race had been reported. The Fiddlehead Focus, a weekly newspaper based in Fort Kent, disclosed that James Majka had purchased a half-page advertisement for the October 31 edition of the newspaper (*see* attached image of the ad). The cost of the newspaper ad was \$420. Mr. Majka paid in cash (*see* attached invoice). The ad was in color, which added \$150 to the price.

The editor told me that when Mr. Majka ordered the ad, the newspaper staff was aware that Mr. Majka had been volunteering for Michael Nadeau. Accordingly, the newspaper initially presumed that the advertisement was being paid for *by the campaign*. Mr. Majka told the newspaper that he was paying for the ad personally. So, although the initial proof of the ad contained a disclaimer statement that the ad was paid for by the campaign, the newspaper changed the disclaimer statement to state "Paid for by Jim Majka." The ad does not contain the required statement whether the communication was authorized by the candidate (*see* attached ad). The newspaper addressed the invoice to "Mike Nadeau Campaign," and never changed it.

I interviewed James Majka on November 15. He explained that he volunteered for the campaign because Michael Nadeau is his friend. He described his volunteer activities for the campaign. In addition, he provided website services to the campaign for which he

was paid \$350 under the business name of 21st Century Media. I have attached a typed summary of his interview responses. Mr. Majka was reluctant to attend your December 19 hearing. The Commission Chair authorized the use of a subpoena to require his attendance at the hearing. He was served by a detective in the office of the Aroostook County Sheriff.

One compliance issue before the Commission is whether Mr. Majka's purchase of the ad for \$420 should be considered an expenditure by the association of individuals who have identified themselves as Citizens for Effective Government (James Majka, Dana Saucier, and Philip Soucy). When the cost of the mailing (\$1,475.16) is added to the cost of the newspaper ad (\$420), the total of \$1,895.16 exceeds the \$1,500 threshold amount for Citizens for Effective Government to be considered a PAC.

In the course of the November 15 interview, Mr. Majka explained that he volunteered for Michael Nadeau because Mr. Nadeau is a friend and Mr. Majka did not have money to make a contribution to the campaign. When I asked him later in the interview how he paid \$420 for the advertisement in the Fiddlehead Focus, he responded that he paid for the ad with personal funds. Given his previous statement that he could not afford to make a contribution, I expressed surprise that he would pay \$420 out of pocket. He insisted that he paid for the ad, and had not been reimbursed.

Mr. Majka has not filed an independent expenditure report for his newspaper ad. Based on the factual information available at this time, the staff cannot presently determine whether a report is required, because of the uncertainty that the ad should be considered independent of the Nadeau campaign committee and its agents.

Notice of Hearing

The Commission staff recommended, and the Commission Chair agreed, that the Commission's investigation should include sworn testimony at a hearing. The hearing was scheduled for the December 19 meeting to provide Mr. Nadeau time to engage an attorney, if needed. I have attached a notice of hearing.

Compliance Issues

The topics or issues to be addressed at the hearing will likely include:

- (1) whether the Michael Nadeau campaign should be found in violation of the Maine Clean Election Act for receiving a contribution in the form of a coordinated expenditure by the group known as Citizens for Effective Government;
- (2) whether a penalty should be imposed on the candidate or the treasurer for receiving a contribution;
- (3) whether Mr. Soucy made a material false statement in the affidavit filed with Independent Expenditure Report #205;
- (4) whether Citizens for Effective Government made expenditures in excess of \$1,500 for the purpose of influencing the nomination or election of any candidate, thereby triggering an obligation to register and to file a campaign finance report as a political action committee; and
- (5) whether the expenditure by James Majka for the newspaper ad should have been reported as an independent expenditure or whether it should be considered a contribution to Mr. Nadeau.

Legal Counsel

Attorneys have been engaged by two respondents

- Timothy C. Woodcock of Eaton Peabody, for Michael Nadeau
- William P. Logan of Irwin Tardy & Morris, for Philip Soucy

Expected Testimony

At the December 19, 2012 meeting, the staff expects that you will receive testimony from:

- Hon. A. Michael Nadeau,
- Phillip Soucy,
- James Majka, and
- Dana Saucier.

Relevant Law

I have attached copies of relevant statutes printed from the Commission's unofficial compilation of its statutes.

Thank you for your consideration of this memorandum.

Relevant statutory provisions are indicated by ⇒

21-A M.R.S. § 1004-A. PENALTIES

The commission may assess the following penalties in addition to the other monetary sanctions authorized in this chapter. [2003, c. 628, Pt. A, §1 (NEW).]

1. Late campaign finance report. A person that files a late campaign finance report containing no contributions or expenditures may be assessed a penalty of no more than \$100.

[2003, c. 628, Pt. A, §1 (NEW) .]

2. Contribution in excess of limitations. A person that accepts or makes a contribution that exceeds the limitations set out in section 1015, subsections 1 and 2 may be assessed a penalty of no more than the amount by which the contribution exceeded the limitation.

[2003, c. 628, Pt. A, §1 (NEW) .]

3. Contribution in name of another person. A person that makes a contribution in the name of another person, or that knowingly accepts a contribution made by one person in the name of another person, may be assessed a penalty not to exceed \$5,000.

[2003, c. 628, Pt. A, §1 (NEW) .]

4. Substantial misreporting. A person that files a campaign finance report that substantially misreports contributions, expenditures or other campaign activity may be assessed a penalty not to exceed \$5,000.

[2003, c. 628, Pt. A, §1 (NEW) .]

⇒ **5. Material false statements.** A person that makes a material false statement or that makes a statement that includes a material misrepresentation in a document that is required to be submitted to the commission, or that is submitted in response to a request by the commission, may be assessed a penalty not to exceed \$5,000.

[2005, c. 301, §6 (AMD) .]

When the commission has reason to believe that a violation has occurred, the commission shall provide written notice to the candidate, party committee, political action committee, committee treasurer or other respondent and shall afford them an opportunity to appear before the commission before assessing any penalty. In determining any penalty under subsections 3, 4 and 5, the commission shall consider, among other things, the level of intent to mislead, the penalty necessary to deter similar misconduct in the future and the harm suffered by the public from the incorrect disclosure. A final determination by the commission may be appealed to the Superior Court in accordance with Title 5, chapter 375, subchapter 7 and the Maine Rules of Civil Procedure Rule 80C. [2009, c. 302, §1 (AMD).]

Penalties assessed pursuant to this section that have not been paid in full within 30 days after issuance of a notice of the final determination may be enforced in accordance with section 1004-B. [2009, c. 302, §2 (NEW) .]

SECTION HISTORY

2003, c. 628, §A1 (NEW). 2005, c. 301, §6 (AMD). 2007, c. 443, Pt. A, §2 (AMD). 2009, c. 302, §§1, 2 (AMD).

21-A M.R.S. § 1015. LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

1. Individuals. An individual may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$1,500 in any election for a gubernatorial candidate, more than \$350 for a legislative candidate, more than \$350 for a candidate for municipal office and beginning January 1, 2012 more than \$750 for a candidate for municipal office or more than \$750 in any election for any other candidate. This limitation does not apply to contributions in support of a candidate by that candidate or that candidate's spouse or domestic partner. Beginning December 1, 2010, contribution limits in accordance with this subsection are adjusted every 2 years based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The commission shall post the current contribution limit and the amount of the next adjustment and the date that it will become effective on its publicly accessible website and include this information with any publication to be used as a guide for candidates.

[2011, c. 382, §1 (AMD) .]

2. Committees; corporations; associations. A political committee, political action committee, other committee, firm, partnership, corporation, association or organization may not make contributions to a candidate in support of the candidacy of one person aggregating more than \$1,500 in any election for a gubernatorial candidate, more than \$350 for a legislative candidate, more than \$350 for a candidate for municipal office and beginning January 1, 2012 more than \$750 for a candidate for municipal office or more than \$750 in any election for any other candidate. Beginning December 1, 2010, contribution limits in accordance with this subsection are adjusted every 2 years based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The commission shall post the current contribution limit and the amount of the next adjustment and the date that it will become effective on its publicly accessible website and include this information with any publication to be used as a guide for candidates.

[2011, c. 382, §2 (AMD) .]

3. Aggregate contributions. No individual may make contributions to candidates aggregating more than \$25,000 in any calendar year. This limitation does not apply to contributions in support of a candidate by that candidate or that candidate's spouse or domestic partner.

[2007, c. 443, Pt. A, §12 (AMD) .]

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.

[2011, c. 389, §14 (AMD) .]



5. Other contributions and expenditures. Any expenditure made by any person in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's political committee or their agents is considered to be a contribution to that candidate.

The financing by any person of the dissemination, distribution or republication, in whole or in part, of any broadcast or any written or other campaign materials prepared by the candidate, the candidate's political committee or committees or their authorized agents is considered to be a contribution to that candidate.

[1989, c. 504, §§7, 31 (AMD) .]

6. Prohibited expenditures. A candidate, a treasurer, a political committee, a party or party committee, a person required to file a report under this subchapter or their authorized agents may not make any expenditures for liquor to be distributed to or consumed by voters while the polls are open on election day.

[1991, c. 839, §11 (AMD); 1991, c. 839, §34 (AFF) .]

7. Voluntary limitations on political expenditures. A candidate may voluntarily agree to limit the total expenditures made on behalf of that candidate's campaign as specified in section 1013-A, subsection 1, paragraph C and subsections 8 and 9.

[1995, c. 384, §2 (NEW) .]

8. Political expenditure limitation amounts. Total expenditures in any election for legislative office by a candidate who voluntarily agrees to limit campaign expenditures as provided in subsection 7 are as follows:

A. For State Senator, \$25,000; and [2007, c. 443, Pt. A, §14 (AMD) .]

B. For State Representative, \$5,000. [2007, c. 443, Pt. A, §14 (AMD) .]

C. [2007, c. 443, Pt. A, §14 (RP) .]

Expenditure limits are per election and may not be carried forward from one election to another. For calculation and reporting purposes, the reporting periods established in section 1017 apply.

[2007, c. 443, Pt. A, §14 (AMD) .]

9. Publication of list. The commission shall publish a list of the candidates for State Representative and State Senator who have agreed to voluntarily limit total expenditures for their campaigns as provided in section 1013-A, subsection 1, paragraph C.

For the purposes of subsections 7 and 8 and this subsection, "total expenditures" means the sum of all expenditures made to influence a single election that are made by a candidate or made on the candidate's behalf by the candidate's political committee or committees, the candidate's party or the candidate's immediate family.

[1995, c. 384, §2 (NEW) .]

SECTION HISTORY

1985, c. 161, §6 (NEW). 1989, c. 504, §§7, 31 (AMD). 1991, c. 839, §11 (AMD). 1991, c. 839, §34 (AFF). IB 1995, c. 1, §11 (AMD). 1995, c. 384, §2 (AMD). 1999, c. 729, §§2, 3 (AMD). 2007, c. 443, Pt. A, §§10-14 (AMD). 2009, c. 286, §§2, 3 (AMD). 2011, c. 382, §§1, 2 (AMD). 2011, c. 389, §14 (AMD).

21-A M.R.S § 1052. DEFINITIONS

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [1985, c. 161, §6 (NEW).]

1. Campaign. "Campaign" means any course of activities to influence the nomination or election of a candidate or to initiate or influence any of the following ballot measures:

- A. A people's veto referendum under the Constitution of Maine, Article IV, Part Third, Section 17; [2011, c. 389, §26 (AMD).]
- B. A direct initiative of legislation under the Constitution of Maine, Article IV, Part Third, Section 18; [2011, c. 389, §26 (AMD).]
- C. An amendment to the Constitution of Maine under Article X, Section 4; [1985, c. 161, §6 (NEW).]
- D. 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; [2011, c. 389, §26 (AMD).]
- E. The ratification of the issue of bonds by the State or any agency thereof; and [1989, c. 504, §§21, 31 (AMD).]
- F. Any county or municipal referendum. [1995, c. 483, §17 (AMD).]

[2011, c. 389, §26 (AMD) .]

2. Committee. "Committee" means any political action committee, as defined in this subchapter, and includes any agent of a political action committee.

[2007, c. 443, Pt. A, §27 (AMD) .]

3. Contribution. "Contribution" includes:

- A. A gift, subscription, loan, advance or deposit of money or anything of value made to a political action committee, except that a loan of money by a financial institution made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included; [1985, c. 161, §6 (NEW).]
- B. A contract, promise or agreement, expressed or implied whether or not legally enforceable, to make a contribution to a political action committee; [1985, c. 161, §6 (NEW).]
- 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 initiating or influencing a campaign; or [2011, c. 389, §27 (AMD).]
- D. The payment, by any person or organization, of compensation for the personal services of other persons provided to a political action committee that is used by the political action committee to initiate or influence a campaign. [2011, c. 389, §28 (AMD).]

[2011, c. 389, §§27, 28 (AMD) .]



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 a campaign;
- (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 [2011, c. 389, §29 (AMD) .]

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 or election of any person to state or county office. [2011, c. 389, §29 (AMD) .]

[2011, c. 389, §29 (AMD) .]

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

[2011, c. 389, §30 (NEW) .]

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

[2011, c. 389, §31 (NEW) .]



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 a campaign;
- (4) Any organization, including any corporation or association, that has as its major purpose initiating or influencing a campaign and that receives contributions or makes expenditures aggregating more than \$1,500 in a calendar year for that purpose; and
- (5) Any organization that does not have as its major purpose influencing candidate elections but that receives contributions or makes expenditures aggregating more than \$5,000 in a calendar year for the purpose of influencing the nomination or election of any candidate to political office; and [2011, c. 389, §32 (AMD) .]

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;
- (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. [2011, c. 389, §32 (AMD).]

[2011, c. 389, §32 (AMD) .]

SECTION HISTORY

1985, c. 161, §6 (NEW). 1985, c. 614, §23 (AMD). 1989, c. 504, §§21-23, 31 (AMD). 1989, c. 833, §§13, 21 (AMD). 1991, c. 839, §27 (AMD). 1991, c. 839, §33 (AFF). 1995, c. 483, §17 (AMD). 1997, c. 683, §A12 (AMD). 1999, c. 729, §6 (AMD). RR 2005, c. 2, §14 (COR). 2005, c. 301, §22 (AMD). 2005, c. 575, §§3-5 (AMD). 2007, c. 443, Pt. A, §§27, 28 (AMD). 2007, c. 477, §2 (AMD). 2009, c. 190, Pt. A, §16 (AMD). 2011, c. 389, §§26-32 (AMD).



21-A M.R.S. § 1053. REGISTRATION

Every political action committee, as defined under section 1052, subsection 5, paragraph A, subparagraph (1) or (4), that makes expenditures in the aggregate in excess of \$1,500 and every political action committee, as defined under section 1052, subsection 5, paragraph A, subparagraph (5), that makes expenditures in the aggregate in excess of \$5,000 must register with the commission within 7 days of exceeding the applicable amount on forms prescribed by the commission. These forms must include the following information and any additional information reasonably required by the commission to monitor the activities of political action committees in this State under this subchapter: [2007, c. 477, §3 (AMD) .]

1. Identification of committee. The names and mailing addresses of the committee, its treasurer, its principal officers, the names of any candidates and Legislators who have a significant role in fund-raising or decision-making for the committee and all individuals who are the primary fund-raisers and decision makers for the committee;

[2007, c. 443, Pt. A, §29 (AMD) .]

2. Status.

[2007, c. 443, Pt. A, §29 (RP) .]

3. Depository of funds.

[2007, c. 443, Pt. A, §29 (RP) .]

4. Form of organization. The form or structure of organization, including cooperatives, corporations, voluntary associations, partnerships or any other structure by which the committee functions. The date of origin or incorporation must also be specified; and

[2007, c. 443, Pt. A, §29 (AMD) .]

5. Assets.

[2007, c. 443, Pt. A, §29 (RP) .]

6. Statement of support or opposition. A statement indicating the positions of the committee, support or opposition, with respect to a candidate, political committee or campaign.

[2011, c. 389, §33 (AMD) .]

7. Contributions to committee.

[2007, c. 443, Pt. A, §29 (RP) .]

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 between January 1st and March 1st of 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. [2011, c. 389, §34 (AMD) .]

SECTION HISTORY

1985, c. 161, §6 (NEW). 1989, c. 504, §§24,25,31 (AMD). 1989, c. 833, §14 (AMD). 1995, c. 167, §1 (AMD). 1999, c. 729, §7 (AMD). 2005, c. 301, §§23,24 (AMD). 2005, c. 575, §6 (AMD). 2007, c. 443, Pt. A, §29 (AMD). 2007, c. 477, §3 (AMD). 2009, c. 190, Pt. A, §17 (AMD). 2011, c. 389, §§33, 34 (AMD).

⇒ 21-A M.R.S. § 1059. REPORT; FILING REQUIREMENTS

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 must be filed by the close of business on the day of the filing deadline. [2011, c. 389, §43 (AMD); 2011, c. 389, §62 (AFF).]

1. Contents; quarterly reports and election year reports.

[2007, c. 443, Pt. A, §35 (RP) .]

2. Reporting schedule. Committees shall file reports according to the following schedule.

A. All committees shall file quarterly reports:

- (1) On January 15th, and the report must be complete as of December 31st;
- (2) On April 10th, and the report must be complete as of March 31st;
- (3) On July 15th, and the report must be complete as of June 30th; and
- (4) On October 5th, and the report must be complete as of September 30th. [2011, c. 691, Pt. A, §19 (RPR) .]

B. General and primary election reports 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. [2007, c. 443, Pt. A, §35 (AMD) .]

C. Preelection and post-election reports for special elections or 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. [2011, c. 389, §45 (AMD) .]

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 10 days of the filing deadline established in paragraph B or C. [1991, c. 839, §29 (RPR) .]

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. [2007, c. 443, Pt. A, §35 (AMD) .]

[2011, c. 691, Pt. A, §19 (AMD) .]

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

[1989, c. 504, §§28, 31 (RP) .]

4. Special election reports.

[1989, c. 504, §§28, 31 (RP) .]

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.

[2007, c. 443, Pt. A, §35 (AMD) .]

SECTION HISTORY

1985, c. 161, §6 (NEW). 1989, c. 7, §06 (AMD). 1989, c. 504, §§28,31 (RPR). 1989, c. 833, §§16-20 (AMD). 1991, c. 839, §29 (AMD). 2003, c. 628, §B5 (AMD). 2005, c. 301, §§25,26 (AMD). 2007, c. 443, Pt. A, §35 (AMD). 2007, c. 571, §9 (AMD). 2009, c. 190, Pt. A, §§23, 24 (AMD). 2009, c. 366, §12 (AFF). 2009, c. 366, §9 (AMD). 2009, c. 652, Pt. A, §22 (AMD). 2011, c. 367, §2 (AMD). 2011, c. 389, §§43-45 (AMD). 2011, c. 389, §62 (AFF). 2011, c. 691, Pt. A, §19 (AMD).

21-A M.R.S. § 1125. TERMS OF PARTICIPATION

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. 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.

[2011, c. 389, §51 (AMD) .]

2. Contribution limits for participating candidates. Subsequent to becoming a candidate as defined by section 1, subsection 5 and prior to certification, a participating candidate may not accept contributions, except for seed money contributions. A participating candidate must limit the candidate's total seed money contributions to the following amounts:

- A. Two hundred thousand dollars for a gubernatorial candidate; [2009, c. 363, §2 (AMD) .]
- B. One thousand five hundred dollars for a candidate for the State Senate; or [1995, c. 1, §17 (NEW) .]
- C. Five hundred dollars for a candidate for the State House of Representatives. [1995, c. 1, §17 (NEW) .]

The commission may, by rule, revise these amounts to ensure the effective implementation of this chapter.

[2009, c. 363, §2 (AMD) .]

2-A. Seed money restrictions. To be eligible for certification, a participating candidate may collect and spend only seed money contributions subsequent to becoming a candidate and prior to certification. A participating candidate may not solicit, accept or collect seed money contributions after certification as a Maine Clean Election Act candidate.

A. All goods and services received prior to certification must be paid for with seed money contributions, except for goods and services that are excluded from the definition of contribution in section 1012, subsection 2, paragraph B. It is a violation of this chapter for a participating candidate to use fund revenues received after certification to pay for goods and services received prior to certification. [2007, c. 443, Pt. B, §6 (NEW) .]

B. Prior to certification, a participating candidate may obligate an amount greater than the seed money collected, but may only receive that portion of goods and services that has been paid for or will be paid for with seed money. A participating candidate who has accepted contributions or made expenditures that do not comply with the seed money restrictions under this chapter may petition the commission to remain eligible for certification as a Maine Clean Election Act candidate in accordance with rules of the commission, if the failure to comply was unintentional and does not constitute a significant infraction of these restrictions. [2007, c. 443, Pt. B, §6 (NEW) .]

C. Upon requesting certification, a participating candidate shall file a report of all seed money contributions and expenditures. If the candidate is certified, any unspent seed money will be deducted from the amount distributed to the candidate as provided in subsection 8-A. [2009, c. 302, §11 (AMD); 2009, c. 302, §24 (AFF) .]

[2009, c. 302, §11 (AMD); 2009, c. 302, §24 (AFF) .]

2-B. Seed money required for gubernatorial candidates; documentation. For seed money contributions that a candidate for Governor collects to satisfy the requirement in subsection 5, paragraph C-1, the candidate shall obtain the contributor's name, residence address, mailing address, telephone number if provided by the contributor and other information required for reporting under section 1017, subsection 5. For

these contributions, the candidate shall submit to the commission during the qualifying period:

- A. A contribution acknowledgment form as determined by the commission, to be completed by each person that contributes seed money, that includes the name, residence address, mailing address, optional telephone number and signature of the person making the seed money contribution acknowledging that the contribution was made with the person's personal funds and will not be reimbursed by any source; [2009, c. 363, §3 (NEW) .]
- B. A list of the seed money contributions in a format determined by the commission that includes the name and mailing address of the contributor; [2009, c. 363, §3 (NEW) .]
- C. For seed money contributions received by check or money order, photocopies of the check or money order; and [2009, c. 363, §3 (NEW) .]
- D. For seed money contributions received by debit or credit card, a bank or merchant account statement that contains the cardholder's name and that otherwise meets the requirements specified by the commission in order to verify compliance with subsection 5, paragraph C-1. [2009, c. 363, §3 (NEW) .]

The commission may permit the submission of an online or electronic acknowledgment form as required by paragraph A for seed money contributions made via the Internet. The telephone numbers, e-mail addresses and bank account and credit card information of contributors that candidates have submitted to the commission pursuant to this subsection are confidential, except that the commission may disclose this information in a final audit or investigation report or determination if the information or record is materially relevant to a finding of fact or violation.

[2009, c. 524, §14 (AMD) .]

3. Qualifying contributions. Participating candidates must obtain qualifying contributions during the qualifying period as follows:

- A. For a gubernatorial candidate, at least 3,250 verified registered voters of this State must support the candidacy by providing a qualifying contribution to that candidate; [2007, c. 240, Pt. F, §1 (AMD); 2007, c. 443, Pt. B, §6 (AMD) .]
- B. For a candidate for the State Senate, at least 175 verified registered voters from the candidate's electoral division must support the candidacy by providing a qualifying contribution to that candidate; or [2009, c. 286, §6 (AMD) .]
- C. For a candidate for the State House of Representatives, at least 60 verified registered voters from the candidate's electoral division must support the candidacy by providing a qualifying contribution to that candidate. [2009, c. 286, §7 (AMD) .]

A payment, gift or anything of value may not be given in exchange for a qualifying contribution. A candidate may pay the fee for a money order that is a qualifying contribution in the amount of \$5 as long as the donor making the qualifying contribution pays the \$5 amount reflected on the money order. Any money order fees paid by a participating candidate must be paid for with seed money and reported in accordance with commission rules. A money order must be signed by the contributor to be a valid qualifying contribution. The commission may establish by routine technical rule, adopted in accordance with Title 5, chapter 375, subchapter 2-A, a procedure for a qualifying contribution to be made by a credit or debit transaction and by electronic funds transfer over the Internet. Records containing information provided by individuals who have made qualifying contributions over the Internet are confidential, except for the name of the individual making the contribution, the date of the contribution, the individual's residential address and the name and office sought of the candidate in whose support the contribution was made.

It is a violation of this chapter for a participating candidate or an agent of the participating candidate to misrepresent the purpose of soliciting qualifying contributions and obtaining the contributor's signed acknowledgement.

[2009, c. 286, §§6, 7 (AMD) .]

4. Filing with commission. A participating candidate must submit qualifying contributions, receipt and acknowledgement forms, proof of verification of voter registration and a seed money report to the commission during the qualifying period according to procedures developed by the commission, except as provided under subsection 11.

[2009, c. 363, §4 (AMD) .]

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 shall determine whether the candidate has:

- A. Signed and filed a declaration of intent to participate in this Act; [1995, c. 1, §17 (NEW) .]
- B. Submitted the appropriate number of valid qualifying contributions; [1995, c. 1, §17 (NEW) .]
- C. Qualified as a candidate by petition or other means no later than 5 business days after the end of the qualifying period; [2011, c. 389, §52 (AMD) .]
- C-1. As a gubernatorial candidate, collected at least \$40,000 in seed money contributions from registered voters in the State; [2009, c. 363, §5 (NEW) .]
- D. Not accepted contributions, except for seed money contributions, and otherwise complied with seed money restrictions; [2003, c. 270, §1 (AMD) .]
- D-1. Not run for the same office as a nonparticipating candidate in a primary election in the same election year; [2007, c. 443, Pt. B, §6 (AMD) .]
- D-2. Not been found to have made a material false statement in a report or other document submitted to the commission; [2007, c. 443, Pt. B, §6 (NEW) .]
- D-3. Not otherwise substantially violated the provisions of this chapter or chapter 13; [2009, c. 190, Pt. B, §2 (AMD) .]
- 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; [2011, c. 389, §52 (AMD) .]
- D-5. Not submitted any fraudulent qualifying contributions or any falsified acknowledgement forms for qualifying contributions or seed money contributions; and [2011, c. 389, §52 (NEW) .]
- E. Otherwise met the requirements for participation in this Act. [1995, c. 1, §17 (NEW) .]

The 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 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.

[2011, c. 389, §52 (AMD) .]

5-A. Revocation of certification. The certification of a participating candidate may be revoked at any time if the commission determines that the candidate or an agent of the candidate:

- A. Did not submit the required number of valid qualifying contributions; [2007, c. 443, Pt. B, §6 (NEW) .]
- B. Failed to qualify as a candidate by petition or other means; [2007, c. 443, Pt. B, §6 (NEW) .]

- C. Submitted any fraudulent qualifying contributions or qualifying contributions that were not made by the named contributor; [2007, c. 443, Pt. B, §6 (NEW) .]
- D. Misrepresented to a contributor the purpose of the qualifying contribution or obtaining the contributor's signature on the receipt and acknowledgement form; [2007, c. 443, Pt. B, §6 (NEW) .]
- E. Failed to fully comply with the seed money restrictions; [2007, c. 443, Pt. B, §6 (NEW) .]
- F. Knowingly accepted any contributions, including any in-kind contributions, or used funds other than fund revenues distributed under this chapter to make campaign-related expenditures without the permission of the commission; [2007, c. 443, Pt. B, §6 (NEW) .]
- G. Knowingly made a false statement or material misrepresentation in any report or other document required to be filed under this chapter or chapter 13; [2009, c. 363, §6 (AMD) .]
- H. Otherwise substantially violated the provisions of this chapter or chapter 13; or [2009, c. 363, §6 (AMD) .]
- I. As a gubernatorial candidate, failed to properly report seed money contributions as required by this section. [2009, c. 363, §6 (NEW) .]

The determination to revoke the certification of a candidate must be made by a vote of the members of the commission after an opportunity for a hearing. A candidate whose certification is revoked shall return all unspent funds to the commission within 3 days of the commission's decision and may be required to return all funds distributed to the candidate. In addition to the requirement to return funds, the candidate may be subject to a civil penalty under section 1127. The candidate may appeal the commission's decision to revoke certification in the same manner provided in subsection 14, paragraph C.

[2009, c. 363, §6 (AMD) .]

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.

[2011, c. 389, §53 (AMD) .]



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. The commission shall publish guidelines outlining permissible campaign-related expenditures.

[2011, c. 389, §54 (AMD) .]

6-A. Assisting a person to become an opponent. A candidate or a person who later becomes a candidate and who is seeking certification under subsection 5, or an agent of that candidate, may not assist another person in qualifying as a candidate for the same office if such a candidacy would result in the distribution of revenues under subsections 7 and 8-A for certified candidates in a contested election.

[2009, c. 302, §12 (AMD); 2009, c. 302, §24 (AFF) .]

6-B. Expenditures as payment to household members.

[2009, c. 302, §13 (RP) .]

6-C. Expenditures to the candidate or family or household members. Expenditures to the candidate or immediate family member or household member of the candidate are governed by this subsection.

A. The candidate may not use fund revenues to compensate the candidate or a sole proprietorship of the candidate for campaign-related services. [2009, c. 302, §14 (NEW) .]

B. A candidate may not make expenditures using fund revenues to pay a member of the candidate's immediate family or household, a business entity in which the candidate or a member of the candidate's immediate family or household holds a significant proprietary or financial interest or a nonprofit entity in which the candidate or a member of the candidate's immediate family or household is a director, officer, executive director or chief financial officer, unless the expenditure is made:

- (1) For a legitimate campaign-related purpose;
- (2) To an individual or business that provides the goods or services being purchased in the normal course of the individual's occupation or the business; and
- (3) In an amount that is reasonable taking into consideration current market value and other factors the commission may choose to consider.

For the purpose of this paragraph, "business entity" means a corporation, limited liability company, limited partnership, limited liability partnership and general partnership.

If a candidate uses fund revenues for an expenditure covered by this paragraph, the candidate shall submit evidence demonstrating that the expenditure complies with the requirements of this paragraph if requested by the commission. [2009, c. 302, §14 (NEW) .]

This subsection does not prohibit reimbursement to the candidate or a member of a candidate's household or immediate family when made in accordance with this chapter and rules adopted by the commission.

[2009, c. 302, §14 (NEW) .]

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.

[2011, c. 389, §55 (NEW) .]

7. Timing of fund distribution. The commission shall distribute to certified candidates revenues from the fund in amounts determined under subsection 8-A in the following manner.

A. Within 3 days after certification, for candidates certified prior to March 15th of the election year, revenues from the fund must be distributed as if the candidates are in an uncontested primary election. [2001, c. 465, §4 (AMD) .]

B. Within 3 days after certification, for all candidates certified between March 15th and the end of the qualifying period of the election year, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested primary election. [2009, c. 363, §7 (AMD) .]

B-1. For candidates in contested primary elections receiving a distribution under paragraph A, additional revenues from the fund must be distributed within 3 days of March 15th of the election year. [2001, c. 465, §4 (NEW) .]

C. No later than 3 days after the primary election results are certified, for general election certified candidates, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested general election. [2007, c. 443, Pt. B, §6 (AMD) .]

Funds may be distributed to certified candidates under this section by any mechanism that is expeditious, ensures accountability and safeguards the integrity of the fund.

[2009, c. 302, §15 (AMD); 2009, c. 302, §24 (AFF); 2009, c. 363, §7 (AMD) .]

7-A. (TEXT EFFECTIVE UNTIL 1/1/13) Deposit into account. The candidate or committee authorized pursuant to section 1013-A, subsection 1 shall deposit all revenues from the fund and all seed money contributions in a campaign account with a bank or other financial institution. The campaign funds must be segregated from, and may not be commingled with, any other funds.

[2007, c. 443, Pt. B, §6 (AMD) .]

7-A. (TEXT EFFECTIVE 1/1/13) Deposit into account; release of bank records. A candidate or a committee authorized pursuant to section 1013-A, subsection 1 shall deposit all revenues from the fund and all seed money contributions in an account, referred to in this subsection as a "campaign account," with a bank or other financial institution. The campaign funds must be segregated from, and may not be commingled with, any other funds.

A. A participating candidate shall provide to the commission a signed written authorization allowing the bank or other financial institution administering a campaign account to release to the commission all records held by that bank or institution pertaining to the campaign account, including, but not limited to, campaign account statements, records of payments or transfers from the campaign account and deposits of funds to the campaign account. [2011, c. 522, §2 (NEW); 2011, c. 522, §4 (AFF) .]

B. The executive director of the commission or its auditor, during an audit or during an investigation authorized by the commission or the chair of the commission of potential noncompliance with the requirements of this chapter, chapter 13 or a rule of the commission, may request that a candidate provide the records of a campaign account. If the candidate fails to comply with the request within 30 days of receiving it, the executive director or auditor may use the authorization obtained pursuant to paragraph A to obtain the records directly from the bank or other financial institution. [2011, c. 522, §2 (NEW); 2011, c. 522, §4 (AFF) .]

[2011, c. 522, §2 (RPR); 2011, c. 522, §4 (AFF) .]

8. Amount of fund distribution.

[2009, c. 652, Pt. A, §23 (RP); 2009, c. 652, Pt. A, §24 (AFF) :]

8-A. Amount of fund distribution. By September 1, 2011, and at least every 2 years after that date, the commission shall determine the amount of funds to be distributed to participating candidates in legislative elections based on the type of election and office. In making this determination, the commission may take into consideration any relevant information, including but not limited to:

Before making any determination, the commission shall provide notice of the determination and an opportunity to comment to the President of the Senate, the Speaker of the House of Representatives, all floor leaders, the members of the joint standing committee of the Legislature having jurisdiction over legal affairs and persons who have expressed interest in receiving notices of opportunities to comment on the commission's rules and policies. The commission shall present at a public meeting the basis for the commission's final determination.

For contested gubernatorial primary elections, the amount of revenues distributed is \$400,000 per candidate in a primary election. For uncontested gubernatorial primary elections the amount of revenues distributed is \$200,000. For contested and uncontested gubernatorial general elections, the amount of revenues distributed is \$600,000 per candidate in the general election.

A. The range of campaign spending by candidates for that office in the 2 preceding elections; and [2011, c. 558, §6 (AMD) .]

B. The Consumer Price Index published monthly by the United States Department of Labor, Bureau of Labor Statistics and any other significant changes in the costs of campaigning such as postage or fuel. [2011, c. 558, §6 (AMD) .]

C. [2011, c. 558, §7 (RP) .]

[2011, c. 558, §§6, 7 (AMD) .]

9. Matching funds.

[2011, c. 558, §8 (RP) .]

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 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. 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.

[2011, c. 389, §56 (AMD); 2011, c. 389, §62 (AFF) .]

11. Other procedures. The commission shall establish by rule procedures for qualification, certification, disbursement of fund revenues and return of unspent fund revenues for races involving special elections, recounts, vacancies, withdrawals or replacement candidates.

[1995, c. 1, §17 (NEW) .]

12. Reporting; unspent revenue. Notwithstanding any other provision of law, participating and certified candidates shall report any money collected, all campaign expenditures, obligations, refunds received by a candidate or agent of that candidate and related activities to the commission according to procedures developed by the commission. If a certified candidate pays fund revenues to a member of the candidate's immediate family or household or a business or nonprofit entity affiliated with a member of the candidate's immediate family or household, the candidate must disclose the candidate's relationship to the payee in a manner prescribed by the commission. In developing these procedures, the commission shall utilize existing campaign reporting procedures whenever practicable. The commission shall ensure timely public access to campaign finance data and may utilize electronic means of reporting and storing information. Upon the filing of a final report for any primary election in which the candidate was defeated and for all general elections, that candidate shall return all unspent fund revenues to the commission. If the candidate or agent of the candidate receives a refund of an expenditure made for the campaign after filing the final report, the candidate shall return those funds to the fund within 14 days of receiving the refund.

[2011, c. 522, §3 (AMD) .]

12-A. Required records. The treasurer shall obtain and keep:

A. Bank or other account statements for the campaign account covering the duration of the campaign; [2005, c. 542, §5 (NEW) .]

B. A vendor invoice stating the particular goods or services purchased for every expenditure of \$50 or more; [2009, c. 302, §21 (AMD) .]

C. A record proving that a vendor received payment for every expenditure of \$50 or more in the form of a cancelled check, cash receipt from the vendor or bank or credit card statement identifying the vendor as the payee; and [2009, c. 302, §21 (AMD) .]

D. [2009, c. 524, §15 (RP) .]

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. [2011, c. 389, §57 (AMD) .]

The treasurer shall preserve the records for 3 years following the candidate's final campaign finance report for the election cycle. The candidate and treasurer shall submit photocopies of the records to the commission upon

its request.

[2011, c. 389, §57 (AMD) .]

12-B. Audit requirements for candidates for Governor. The commission shall audit the campaigns of candidates for Governor who receive funds under this chapter to verify compliance with election and campaign laws and rules. Within one month of declaring an intention to qualify for public financing, a candidate for Governor, the campaign's treasurer and any other relevant campaign staff shall meet with the staff of the commission to discuss audit standards, expenditure guidelines and record-keeping requirements.

[2007, c. 443, Pt. B, §6 (NEW) .]

12-C. Payments to political committees. If a certified candidate makes a payment of fund revenues to a political action committee or party committee, the candidate shall include in reports required under this section a detailed explanation of the goods or services purchased according to forms and procedures developed by the commission that is sufficient to demonstrate that the payment was made solely to promote the candidate's election.

[2009, c. 286, §9 (NEW) .]

13. Distributions not to exceed amount in fund.

[2009, c. 524, §17 (RPR); T. 21-A, §1125, sub-§13 (RP) .]

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, the commission may permit certified candidates to accept and spend contributions, reduced by any seed money contributions, aggregating no more than the applicable contribution limits established by the commission pursuant to section 1015, up to the applicable amounts set forth in subsection 8-A according to rules adopted by the commission.

This subsection takes effect September 1, 2011.

[2011, c. 558, §9 (AMD) .]

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 executive director as follows.

A. A challenger may appeal to the commission within 7 days of the certification decision. The appeal must be in writing and must set forth the reasons for the appeal. [2011, c. 389, §59 (AMD) .]

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. [2007, c. 443, Pt. B, §6 (AMD) .]

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. [2007, c. 443, Pt. B, §6 (AMD) .]

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. [2007, c. 443, Pt. B, §6 (AMD) .]

[2011, c. 389, §59 (AMD) .]

SECTION HISTORY

IB 1995, c. 1, §17 (NEW). 2001, c. 465, §§4-6 (AMD). 2003, c. 270, §§1,2 (AMD). 2003, c. 448, §5 (AMD). 2003, c. 453, §§1,2 (AMD). 2003, c. 688, §§A21,22 (AMD). 2005, c. 301, §§29-32 (AMD). 2005, c. 542, §§3-5 (AMD). 2007, c. 240, Pt. F, §1 (AMD). 2007, c. 443, Pt. B, §6 (AMD). 2007, c. 567, §2 (AMD). 2007, c. 571, §§11, 12 (AMD). 2007, c. 642, §11 (AMD). 2009, c. 105, §1 (AMD). 2009, c. 190, Pt. B, §2 (AMD). 2009, c. 286, §§6-9 (AMD). 2009, c. 302, §§11-22 (AMD). 2009, c. 302, §24 (AFF). 2009, c. 363, §§2-11 (AMD). 2009, c. 524, §§14-18 (AMD). 2009, c. 652, Pt. A, §23 (AMD). 2009, c. 652, Pt. A, §24 (AFF). 2009, c. 652, Pt. A, §25 (AMD). 2009, c. 652, Pt. A, §26 (AFF). 2009, c. 652, Pt. A, §27 (AMD). 2009, c. 652, Pt. A, §28 (AFF). 2011, c. 389, §§51-59 (AMD). 2011, c. 389, §62 (AFF). 2011, c. 522, §§2, 3 (AMD). 2011, c. 522, §4 (AFF). 2011, c. 558, §§6-9 (AMD). MRSA T. 21-A, §1125, sub-§13 (AMD).

21-A M.R.S. § 1127. VIOLATIONS



1. Civil fine. In addition to any other penalties that may be applicable, a person who violates any provision of this chapter or rules of the commission adopted pursuant to section 1126 is subject to a fine not to exceed \$10,000 per violation payable to the fund. In addition to any fine, for good cause shown, a candidate, treasurer, consultant or other agent of the candidate or the political committee authorized by the candidate pursuant to section 1013-A, subsection 1 found in violation of this chapter or rules of the commission may be required to return to the fund all amounts distributed to the candidate from the fund or any funds not used for campaign-related purposes. If the commission makes a determination that a violation of this chapter or rules of the commission has occurred, the commission shall assess a fine or transmit the finding to the Attorney General for prosecution. A final determination by the commission may be appealed to Superior Court in accordance with Title 5, chapter 375, subchapter 7 and the Maine Rules of Civil Procedure; Rule 80C. Fines assessed or orders for return of funds issued by the commission pursuant to this subsection that are not paid in full within 30 days after issuance of a notice of the final determination may be enforced in accordance with section 1004-B. Fines paid under this section must be deposited in the fund. In determining whether or not a candidate is in violation of the expenditure limits of this chapter, the commission may consider as a mitigating factor any circumstances out of the candidate's control.

[2011, c. 558, §10 (AMD) .]

2. Class E crime. A person who willfully or knowingly violates this chapter or rules of the commission or who willfully or knowingly makes a false statement in any report required by this chapter commits a Class E crime and, if certified as a Maine Clean Election Act candidate, must return to the fund all amounts distributed to the candidate.

[1995, c. 1, §17 (NEW) .]

SECTION HISTORY

IB 1995, c. 1, §17 (NEW). 2003, c. 81, §1 (AMD). 2005, c. 301, §33 (AMD).
2005, c. 542, §6 (AMD). 2009, c. 302, §23 (AMD). 2011, c. 558, §10 (AMD).

This chart is intended to provide a preliminary view of the roles and relationships of the individuals involved. Some of the information provided by Phillip Soucy and James Majka requires verification. The number after each item of information indicates its source.

The sources of the information are:

1. Documents on file with the Commission
2. Testimony of Phillip Soucy at the November 5th special meeting
3. Staff interview of James Majka
4. Obituary for Kenneth Nadeau

| | Nadeau Campaign | Citizens for Effective Government | Majka Ad |
|-------------------|--|---|--|
| A. Michael Nadeau | Candidate (1) | | |
| Phillip Soucy | Treasurer (1) | Treasurer (1) | |
| James Majka | Paid consultant (1) Volunteer (3) | Principal (2) and (3) Designed ad (2) and (3) Delivered mailers to PO (3) | Paid for ad (cash) (3) Developed ad content (3) |
| Dana Saucier | Actual role unknown - may have provided some advice to candidate (2) | Principal (2) and (3) Designed ad (2) Arranged for printing (2) | |
| Ronaldo Thibeault | | Contributor (\$500 cash) (2) Candidate's step-father (4) | |
| Norman Nadeau | | Contributor (\$500 cash) (2) Candidate's brother (4) | |
| Kenneth Nadeau | | Contributor (\$500 cash) (2) Candidate's brother (4) | |



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



December 13, 2012

William P. Logan, Esq.
Irwin, Tardy & Morris
P.O. Box 476
Newport, ME 04953

Dear Mr. Logan:

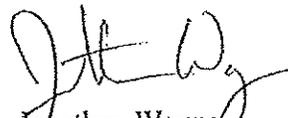
Thank you for accepting service of the subpoena on behalf of Philip Soucy. This letter is to remind your client that he is required to bring with him to the December 19 hearing all documents relating to paid mailings or advertisements to support the election of Michael Nadeau, such as:

- the statement from his credit card company for his payment to Paper, Signs, Ink for the mailing in independent expenditure 205;
- if he made any deposit in his bank account to reimburse himself for that payment, a record of the bank deposit;
- any bill or receipt from Paper, Signs, Ink; and
- any e-mail correspondence with any person related to the mailing.

If Mr. Soucy was involved in any other paid mailings or advertisements to support Michael Nadeau, the subpoena would require him to produce similar documents for those expenditures as well.

Thank you.

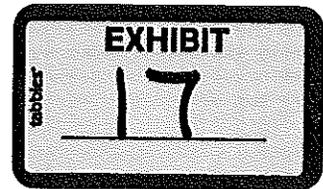
Sincerely,


Jonathan Wayne
Executive Director

cc: Assistant Attorney General Phyllis Gardiner, Esq.



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



To: William P. Logan, Esq., attorney for Philip Soucy
Timothy C. Woodcock, Esq., attorney for Michael Nadeau
James Majka
Dana Saucier
Kate R. Knox, Esq., attorney for the Maine Democratic Party
Hon. John L. Martin

From: Jonathan Wayne, Executive Director

Re: Additional Issue for December 19, 2012 Hearing

Date: December 18, 2012

Thank you for your cooperation with the investigation of the Maine Ethics Commission concerning expenditures to promote Michael Nadeau for the Maine House of Representatives, District 1. I have attached a Revised Notice of Hearing for your reference. The only revision to the November 15 notice is that a fifth topic for the hearing has been added at the bottom of page 2: whether James Majka made an expenditure of \$420 for an advertisement in the Fiddlehead Focus newspaper independently of Michael Nadeau, his committee, and their agents. Also, please be aware that the Commission staff intends to examine two employees of the Fiddlehead Focus newspaper at tomorrow's hearing: Dennis Michaud and Julie Daigle.

Thank you.



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



To: William P. Logan, Esq., attorney for Philip Soucy
Timothy C. Woodcock, Esq., attorney for Rep. Michael Nadeau
James H. Majka
Dana Saucier
Katherine R. Knox, Esq., attorney for the Maine Democratic Party
Hon. John L. Martin

From: Jonathan Wayne, Executive Director

Cc: Walter F. McKee, Commission Chair
Assistant Attorney General Phyllis Gardiner, Commission Counsel

Date: December 20, 2012

NOTICE OF HEARING FOR JANUARY 17, 2013

Hearing Scheduled for January 17, 2013

The Maine Commission on Governmental Ethics and Election Practices has scheduled a hearing to investigate matters raised in a complaint by the Maine Democratic Party concerning spending by L. Philip Soucy and others under the name of Citizens for Effective Government to promote Michael Nadeau, candidate for Maine House of Representatives, District #1. The hearing will be held on Wednesday, January 17, 2013 at 10:00 a.m. at the Commission's office at 45 Memorial Circle, 2nd Floor, in Augusta, Maine. The hearing is being held pursuant to 21-A M.R.S. § 1003.

At a meeting on November 5, 2012, after hearing from Mr. Soucy, his counsel, counsel for the Maine Democratic Party, and Commission staff, the Commission made initial findings that:

- (1) a coordinated expenditure (i.e., one made "in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE
WEBSITE: WWW.MAINE.GOV/ETHICS

political committee or their agents”) occurred under Title 21-A, section 1015(5) as a result of the involvement of treasurer L. Philip Soucy in the Mike Nadeau campaign and Citizens for Effective Government, and

- (2) the coordinated expenditure, constituted a campaign contribution to the Mike Nadeau campaign which is not allowed under the Maine Clean Election Act.

The Commission then directed its staff to continue an investigation into the factual issues concerning: 1) the expenditure by Citizens for Effective Government, 2) whether Citizens for Effective Government should have registered as a political action committee, and 3) the sworn statement by L. Philip Soucy that there was no coordination between the Nadeau campaign and Citizens for Effective Government regarding the expenditure for the communication.

The January 17, 2013 hearing will be conducted in accordance with Chapter 2 of the Commission’s rules (available at www.maine.gov/ethics) and the Maine Administrative Procedure Act, 5 M.R.S. §§ 8001 et seq.

Issues to be addressed at the Hearing

The topics or issues to be addressed at the hearing will likely include:

- (1) whether the Michael Nadeau campaign should be found in violation of the Maine Clean Election Act for receiving a contribution in the form of a coordinated expenditure by the group known as Citizens for Effective Government
- (2) whether a penalty should be imposed on the candidate or the treasurer for receiving a contribution
- (3) whether Mr. Soucy made a material false statement in the affidavit filed with Independent Expenditure Report #205
- (4) whether Citizens for Effective Government made expenditures in excess of \$1,500 for the purpose of influencing the nomination or election of any candidate, thereby triggering an obligation to register and to file a campaign finance report as a political action committee
- (5) whether James Majka made an expenditure of \$420 for an advertisement in the Fiddlehead Focus newspaper independently of Michael Nadeau, his committee, and their agents.

Opportunity for Legal Argument

In addition to presenting evidence, there may be an opportunity for you to present legal argument at the January 17th meeting concerning whether any person committed a violation of law. The Commission may reach a final determination at the January 17th meeting, following the hearing, but it is also possible that the Commission will close the hearing and decide the matters at issue at a subsequent meeting. You will receive notice and have an opportunity to attend any such meeting.

Relevant Statutes

The following statutory provisions are relevant to the proceeding:

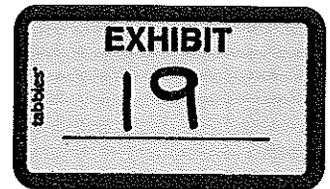
- 21-A M.R.S. § 1004-A(5)
- 21-A M.R.S. § 1015(5)
- 21-A M.R.S. §§ 1052(5)(4) & (5)
- 21-A M.R.S. § 1053
- 21-A M.R.S. § 1059
- 21-A M.R.S. § 1125(6)
- 21-A M.R.S. § 1127(1)

Applications to Intervene as a Party

Any person who wishes to intervene as a party to this proceeding should submit a letter to the Commission addressed to Walter F. McKee, Chair, at the above address no later than January 8, 2013.

Questions

If you have any questions concerning this notice, please call me at (207) 287-4179 or e-mail me at Jonathan.Wayne@maine.gov.



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES

In Re: Citizens for Effective)
Government) WITNESS SUBPOENA
) and SUBPOENA
) TO PRODUCE RECORDS

To: James H. Majka
331 Violette Settlement Road
Fort Kent, ME 04743

You are hereby commanded to appear and attend at the University of Maine at Fort Kent, at 233 University Drive, Fort Kent, Maine, on the 17th day of January, 2013, at 10:00 a.m. (or at such time as this matter may be continued) to testify and give evidence by videoconference as part of the investigation by the Maine Commission on Governmental Ethics and Election Practices, pursuant to 21-A M.R.S.A. §1003, concerning the following matters:

- 1) expenditures by you, Philip Soucy, and others in support of Michael Nadeau for election to the Maine House of Representatives, District #1;
- 2) the financing of those expenditures;
- 3) any consultation or cooperation by Michael Nadeau, his campaign committee, or their agents in the expenditures; and
- 4) your activities in support of Mr. Nadeau's campaign.

You are also commanded to bring with you and produce at the time and place aforesaid, and to permit inspection and copying of, the following designated things:

- 1) all documents in your possession not previously provided to the Commission relating to paid advertising or mailings to promote the election of Michael Nadeau to the Maine House of Representatives, District #1, including but not limited to electronic mail communications, samples of advertising or mailings, invoices from vendors, or documents relating to payments to vendors.

This subpoena is issued on behalf of the Commission on Governmental Ethics and Election Practices, in conjunction with a Commission investigation to determine whether Citizens for Effective Government violated Maine's campaign finance laws by operating as an unregistered political action committee, whether the organization may have made an illegal contribution to Michael Nadeau, pursuant to 21-A M.R.S.A. §1003(1) & (2), and whether certain other expenditures on communications advocating the election of

Michael Nadeau were made independently of the Michael Nadeau, his committee and their agents. The Commission's attorney is Phyllis Gardiner, Assistant Attorney General, Office of the Attorney General, 6 State House Station, Augusta, Maine 04333-0006. She may be contacted at (207) 626-8830.

NOTICE: A statement of your rights and duties pursuant to this subpoena is set out in 5 M.R.S. § 9060(1)(C) and (D). If you object to the subpoena, you must petition the Commission on Governmental Ethics and Election Practices to vacate or modify the subpoena before January 10, 2013. After such investigation as the Commission considers appropriate, it may grant the petition in whole or in part upon a finding that the testimony or evidence for which production is required does not relate with reasonable directness to any manner in question, or that a subpoena for the production of evidence is unreasonable or oppressive or has not been issued a reasonable period in advance of the time when the evidence is requested.

WARNING: Failure to comply with this subpoena shall be punishable as for contempt of court, pursuant to 5 M.R.S.A. § 9060(1) and Rule 66(e) of the Maine Rules of Civil Procedure.

Dated: _____

12/20/12

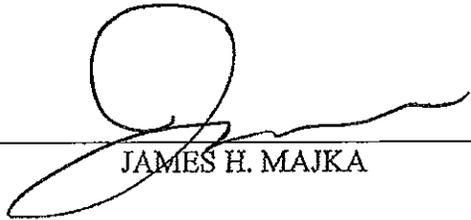


WALTER F. MCKEE
Commission on Governmental Ethics
and Election Practices

ACKNOWLEDGMENT OF SERVICE

On Dec 23, I hereby acknowledge that I have accepted service of the attached subpoena by mail (and thereby waived service by delivery in hand), together with payment of the fee for attendance at the hearing and mileage reimbursement from my residence to the location at which I am to testify and to produce the requested documents, at the University of Maine at Fort Kent, at 233 University Drive, Fort Kent, Maine..

Date: 12/23



JAMES H. MAJKA

RMC

DEC 28 2012



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: January 10, 2013
Re: Information for the January 17, 2013 Hearing

This memo provides background information for the Commission's January 17, 2013 hearing on financial activities to support Michael Nadeau for the Maine House of Representatives in District 1. In the November 6, 2012 general election, Mr. Nadeau defeated the incumbent, John L. Martin. Please note that although the initial complaint related to a mailing to support Mr. Nadeau, the staff's investigation since your last meeting has examined other paid communications, including an advertisement in a weekly newspaper (discussed on pages 4-5 below).

Request for Investigation

Mailing, and Report of Independent Expenditure

Around Thursday, November 1, 2012, a mailing was sent to voters in House District #1 that promoted Mr. Nadeau and criticized Rep. Martin. A copy is attached. At least three individuals had some involvement in the mailing: James Majka ("MI'-kah"), Dana Saucier, and Philip Soucy. On Friday, November 2, the Commission received a report of an independent expenditure for the mailing (attached). Mr. Soucy signed the report. The person making the expenditure was identified in the report as Citizens for Effective Government, L. Philip Soucy, Treasurer. The cost of the mailing was \$1,475.16, according to the report. The Commission assigned the report an index number of 205. (Mr. Soucy later told me in an interview that Dana Saucier helped him enter the information on the report, because Mr. Soucy has trouble with printing by hand.)

Within the report, Mr. Soucy signed a form affidavit stating that he made the expenditure “not in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate, authorized committee or agent of a candidate” This was a problem because Mr. Soucy *was the campaign treasurer for Michael Nadeau’s campaign.* (see attached registration form) Although Mr. Soucy described himself to the Commission as a treasurer “in name only,” he did sign campaign finance reports submitted by the campaign on paper, thus certifying that the reports were true, accurate, and complete. The Commission staff views Mr. Soucy as part of Mr. Nadeau’s authorized political committee and an agent for the candidate and committee. So, it is difficult to see how the expenditure was not made in cooperation with the candidate’s campaign committee or agents.

Filing of Complaint

At 6:59 p.m. on Friday, November 2, 2012, counsel for the Maine Democratic Party, Kate R. Knox, Esq., filed a request for investigation with the Ethics Commission by electronic mail. (attached) The Maine Democratic Party contended that Mr. Nadeau had received a contribution because his treasurer – an agent of the campaign – cooperated with the expenditure:

As Treasurer of Mr. Nadeau’s campaign – he is clearly an “agent” of the campaign and as such, is prohibited from coordinating with any outside organization on expenditures (let alone an organization he controls). As a result, the \$1,475.16 expenditure made by [Citizens for Effective Government] to support Candidate Nadeau is an illegal contribution to the campaign.

(Knox letter, at 2) As a Maine Clean Election Act candidate, Mr. Nadeau is not permitted to accept campaign contributions.

Notice to Mr. Nadeau and Mr. Soucy of Complaint

Assistant Director Paul Lavin received the complaint the evening of Friday, November 2, 2012. In the next 90 minutes, he spoke separately with Michael Nadeau and Philip Soucy by telephone about the complaint. He transmitted a pdf of the complaint to both of them by electronic mail at 8:35 p.m. Mr. Lavin used an e-mail address specified by Mr.

Nadeau. Mr. Lavin's e-mail stated that "There is a high probability that the Commission will hear the [Maine Democratic Party's] request Monday afternoon."

On the morning of Saturday, November 3, 2012, the Commission Chair, Walter F. McKee, authorized the Commission to meet on the complaint and directed me to gather preliminary factual information over the weekend.

I called Mr. Soucy on Saturday, November 3 and he consented to answer my questions. Some of his responses on November 3 were contradicted by his comments at the November 5 meeting – particularly concerning the source of the funds for the mailing. (Those discrepancies are described below).

Following my interview of Philip Soucy, I left a voicemail message for candidate Michael Nadeau on his cell phone number, inviting him to call me at the Commission office on Sunday, November 4. I did not hear back from him on November 3 or 4. I spoke with Mr. Nadeau by phone on the morning of November 5 and attempted to notify him of the meeting, but the phone connection was poor.

November 5, 2012 Meeting and Determination

The Commission met at 3:00 p.m. on Monday, November 5, 2012 (the day before the election). Mr. Soucy provided information by telephone in response to questions from the Commission members and staff. At the meeting, the Commission considered presentations by William P. Logan, Esq., attorney for Mr. Soucy, and Ms. Knox, attorney for the Maine Democratic Party. Mr. Nadeau did not participate in the meeting.

One of the topics discussed at the meeting was the source of funds for the mailing. Philip Soucy said that his group received three contributions of \$500 in cash from Norman Nadeau, Kenneth Nadeau, and Ronaldo Thibeault. When asked if the contributors were related to the candidate, he said that he did not know.¹ He said that he put the cash in his

¹ Norman Nadeau is a brother of the candidate. Ronaldo Thibeault is the candidate's stepfather. Kenneth Nadeau was also a brother of the candidate, but he died on November 10, 2012.

safe. He paid for the mailing with a personal credit card. There was now only around \$25 left in the safe. This explanation offered by Mr. Soucy of the source of cash for the mailing directly contradicted the information he provided me by telephone on November 3, 2012, in which he said that the money came from small donors of less than \$100 and possibly personal funds of Dana Saucier and James Majka. In the November 3 interview, he denied that the money came from any other source. When asked about the discrepancy between his responses on November 3 and 5, he replied that on November 3 he had been interrogated without an attorney. The minutes for the meeting are attached.

At the meeting, the Commissioners found unanimously that:

- (1) there was a coordinated expenditure under Title 21-A, section 1015(5) as a result of the involvement of treasurer L. Philip Soucy in the Mike Nadeau campaign and the Citizens for Effective Government, and
- (2) as a result of the coordinated expenditure, there was a campaign contribution to the Mike Nadeau campaign which is not allowed under the Maine Clean Election Act.

In addition, the Commission directed its staff to commence an investigation regarding 1) the factual issues concerning the coordinated expenditure, 2) whether the Citizens for Effective Government should have registered as a political action committee, and 3) the issues raised by the sworn statement by L. Phillip Soucy that there was no coordination between the Mike Nadeau campaign and the Citizens for Effective Government regarding the expenditure for the communication.

On November 5, 2012, the Commission staff prepared a written determination (attached).

Newspaper Advertisement Purchased by James Majka

Following the determination, the Commission staff telephoned the local newspapers to verify that all spending to influence the District 1 race had been reported. The Fiddlehead Focus, a weekly newspaper based in Fort Kent, disclosed that James Majka had purchased a half-page advertisement for the October 31 edition of the newspaper (see attached image of the ad). The cost of the newspaper ad was \$420. Mr. Majka paid

in cash and has told staff that he did so with his own personal funds. The ad does not contain the required statement whether the communication was authorized by the candidate. No independent expenditure report was filed with the Commission concerning this advertisement, nor was it listed in any candidate campaign finance report.

I interviewed James Majka on November 15. He explained that he volunteered for the campaign because Michael Nadeau is his friend. In addition, he provided website services to the campaign for which he was paid \$350 under the business name of 21st Century Media. Mr. Majka was reluctant to attend your December 19 hearing. The Commission Chair authorized the use of a subpoena to require his attendance at the hearing.

Notice of Hearing

The Commission staff recommended, and the Commission Chair agreed, that the Commission's investigation should include sworn testimony at a hearing. The hearing was originally scheduled for the December 19, 2012 meeting, but was rescheduled for January 17, 2013 due to weather.

Compliance Issues

As indicated in the notice of hearing, the topics or issues to be addressed at the hearing include:

- (1) whether the Michael Nadeau campaign should be found in violation of the Maine Clean Election Act for receiving a contribution in the form of a coordinated expenditure by the group known as Citizens for Effective Government;
- (2) whether a penalty should be imposed on the candidate or the treasurer for receiving a contribution;
- (3) whether Mr. Soucy made a material false statement in the affidavit filed with Independent Expenditure Report #205;
- (4) whether Citizens for Effective Government made expenditures in excess of \$1,500 for the purpose of influencing the nomination or election of any candidate, thereby triggering an obligation to register and to file a campaign finance report as a political action committee; and

- (5) whether the expenditure by James Majka for the newspaper ad should have been reported as an independent expenditure or whether it should be considered a contribution to Mr. Nadeau.

Legal Counsel

Attorneys have been engaged by two respondents

- Timothy C. Woodcock of Eaton Peabody, for Michael Nadeau
- William P. Logan of Irwin Tardy & Morris, for Philip Soucy.

Witnesses

At the January 17, 2013 meeting, the staff expects that you will receive testimony from:

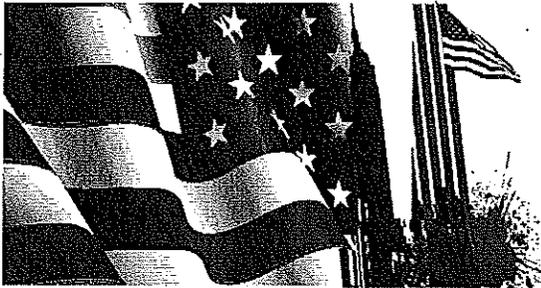
- Julie Daigle, employee of Fiddlehead Focus newspaper
- Dennis Michaud, employee of Fiddlehead Focus newspaper
- James Majka
- Dana Saucier
- Philip Soucy
- Hon. A. Michael Nadeau.

Exhibits

Relevant documents from the Commission's files will be numbered as exhibits and will be offered into evidence at the hearing. Staff will ask counsel for both Mr. Soucy and Mr. Nadeau to identify any documents that they wish to offer as exhibits, so that we can provide you with one numbered set at the hearing.

Thank you for your consideration of this memorandum.

Voting, continued



➤ **Voting from page 13**

Smith was "Noted for her political courage, integrity and independence." As a Republican, she spoke out openly against McCarthyism in the 1950s.

In 1964, she became a presidential nomination candidate at the Republican National Convention in San Francisco.

The Maine Almanac said Independents provide the swing vote in most Maine elections and helped elect two Independent governors: James B. Longley of Lewiston in 1974, and Angus S. King, Jr. of Brunswick in 1994.

According to a Capitol News Service article placed in the Bangor Daily News on Septem-

ber 7, 2008, the number of independent, or unenrolled, voters in Maine was larger in the last election year (2008) than either the Democratic or Republican numbers. Independents numbered 379,024; Democrats numbered 319,690; Republicans numbered 273,686; and Green-Independents numbered 29,160.

Whether Democrat, Republican, or one of the many Independents that drive election results in Maine, David Foster Wallace, an American novelist and 2012 Pulitzer Prize finalist, has some advice for voters: "In reality, there is no such thing as not voting: you either vote by voting, or you vote by staying home and tacitly doubling the value of some Diehard's vote."

Fiddlehead Focus says:

DO IT. VOTE



Nadeau, Allen Michael



www.mikenadeau.net

100% for the People

Strengthen Guide Services, Hunting, Fishing, Social Security, Trucking, Logging, Hospitals, Universities, Farms, Churches, Self-Employed, Veterans, Elderly, Disabled, Small & Large Businesses

FOR THE PEOPLE

WE CAN DO THIS!



November 6, Thank You

PAID FOR BY JIM MAJKA

Nadeau's House of Flooring
"A New Era in Customer Satisfaction"

FLOORING 207-834-7113

ALL IN STOCK PRODUCTS
- Tarkett Vinyl floors
- Ceramic tiles

FALL PROMOTION

Formica and Quick-Step floating floors AND MORE!

DRASTIC PRICING REDUCTIONS

www.nadeausflooring.com

Fiddlers ad

By 3 O'Clock

John
1/18/12

1/17 Nadeau, Allen Michael
WWW. ~~mike~~ mikenadeau.net
100% For the People
Strengthen Guide Service -
Hunting - Fishing - Pensions
Social Security - Trucking
- Logging

1/17 Nadeau, Allen Michael

WWW. mikenadeau.net

100% for the People

Strengthen Guide Service, Hunting, fishing, Social Security
Trucking, logging, Hospitals, Universities, Farms,
~~mountain~~ Churches, Self-employed - Veterans - elderly
- disabled - Small & Large Businesses - For the People.
We can do this - Now & Thank You

231-0280

Jim M.



Invoice

Fiddlehead Focus
 267 East Main Street
 Fort Kent, ME 04743

207-316-2243

www.fiddleheadfocus.com

Cell #

207-834-9118

andrewb@fiddleheadfocus.com

| Date | Invoice # |
|-----------|-----------|
| 11/2/2012 | 2053 |

PAID
10/30/2012

| |
|---|
| Bill To |
| Mike Nadeau Campaign Mike's & Sons 545 Caribou Road Fort Kent, ME 04743-1526 |

| Terms | Due Date |
|--------|-----------|
| Net 30 | 12/2/2012 |

| Item | Description | Rate | Quantity | Amount |
|---------------|---|--------|----------|--------|
| Advertisement | 1/2-page ad in the 10/31/2012 edition (includes 10% October Special discount) | 270.00 | 1 | 270.00 |
| Advertisement | Color service | 150.00 | 1 | 150.00 |

| | | |
|------------------------------|-------------------------|-----------|
| Thank you for your business! | Payments/Credits | \$-420.00 |
| | Total | \$420.00 |
| | Balance Due | \$0.00 |



Invoice

21st Century Media

Photography and Video Production Services / Internet Marketing

INVOICE # MN100

DATE: SEPTEMBER 25, 2012

331 Violette Settlement, Fort Kent ME 04743
Phone 207.231.0280 jimmajka@fortkentvideo.com
Visit us online: <http://fortkentvideo.com>

TO Mike Nadeau / Candidate for Maine House District #1
Caribou Road
Fort Kent ME 04743
207.231.1202

Mike Nadeau / Candidate for Maine House
District #1
Caribou Road
Fort Kent ME 04743

| SALESPERSON | JOB | PAYMENT TERMS | DUE DATE |
|-------------|-----------------|---------------|--------------|
| Jim Majka | Web Development | | Upon Receipt |

| QTY | DESCRIPTION | UNIT PRICE | LINE TOTAL |
|-----|---|------------|------------|
| 1 | Website / Blog Design / Setup / Domain Registration | \$ 250.00 | \$ 250.00 |
| 1 | Weekly / Daily Updates / Copywriting / Image Scans | \$ 50.00 | \$ 50.00 |
| 1 | Facebook Fan Page Tie-in with Website Blog | \$ 50.00 | \$ 50.00 |

SUBTOTAL 350.00

SALES TAX

TOTAL \$350.00

This Invoice Has Been Paid

Make all checks payable to 21st Century Media or Jim Majka

THANK YOU FOR YOUR BUSINESS!

The People of Maine House District 1

Are Endorsing Candidate

Mike Nadeau

People - Not Politics | Results - Not Just Talk | Serving Mainers - Not Making It a Career.

Facts are Stubborn Things...

John Martin Voted NO 66% of the time against support for Private Sector Jobs and Maine's Economy (source: MERI.org)

According to The People's Report Card of how our legislators voted with the people of Maine, John Martin voted only 15% of the time for the people. (source: mainepeoplebeforepolitics.com/reportcard/)

John Martin was fine with tax cuts for the wealthy when he could raise taxes on working Maine families to make up the difference, but now he opposes tax cuts for everyone that he voted for because he wants to be re-elected. This is not leadership, it is shameful political grandstanding

LD1333 - Maine's recent health insurance reform has resulted in the smallest increase in health insurance rates in recent memory. While there were some geographical challenges in the initial 2011 reform, lawmakers will return to the law in 2013, ensuring residents in Aroostook County will not be adversely impacted. John Martin and his allies do not want you to know this.

Clean Elections? If anyone should not be complaining about reforms that make our "clean elections" system constitutional after the US Supreme Court ruling, it is John Martin. After a group recently revealed that John Martin pumped \$8,500 of his "clean elections" taxpayer dollars into his own business, Bald Eagle. John Martin owes the people of District 1 an explanation; instead of looking for a shoulder to cry on. Haven't we had enough of this?

On November 6th, it's time to make a change.

Mike Nadeau fixes things for a living. He will take your voice to Augusta and begin fixing things on day one.

Vote the *PERSON*, not the *PARTY* - Mike will get the job done right.

mikenadeau.net

Make sure you have the facts when you enter the voting booth on Tuesday, Nov. 6th

NOT PAID FOR BY OR AUTHORIZED BY ANY CANDIDATE
CITIZENS FOR EFFECTIVE GOVERNMENT

Citizens for Effective Government
P.O. Box 135
Fort Kent, Maine 04743

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Maine Ethics Commission

*****E-COMM*****
Postal Customer
Fort Kent, Maine 04743

Email or Phone

Password

Log In

Keep me logged in

[Forgot your password?](#)

[Sign Up](#)

Connect and share with the people in your life.



Mike Nadeau's Photos

[Back to Album](#)

MIKE NADEAU –
AGGRESSIVE NEW LEADERSHIP FOR OUR COMMUNITY

MIKE NADEAU WILL FIGHT TO:

- Cut regulations and support Maine's small businesses to create jobs
- Keep government living within its means
- Further reform Welfare and root out abuses

Mike
NADEAU
for
STATE REP

mikenadeau.net

Paid for by "Protect Maine", State PACs, PBOs, Not approved or authorized by any candidate or candidate committee.

PAID BY: P.O. Box 211, Harsco Maine 04444, ME 041



Mike Nadeau

New Mailer Hits Mail Boxes This Week... Watch For It!

Album: Mike Nadeau's Photos

Shared with: Public

And come over and vote in our new online poll if you haven't already:
<http://mikenadeau.net/>

[View Larger](#)

[Download](#)

[Report/Remove Tag](#)

Richard Pelletier Jr., Gary Caron, Myra A Tardie-Therault and 19 others like this.

1 share



Steve N Thals Smart Already voted!

October 17, 2012 at 4:09pm



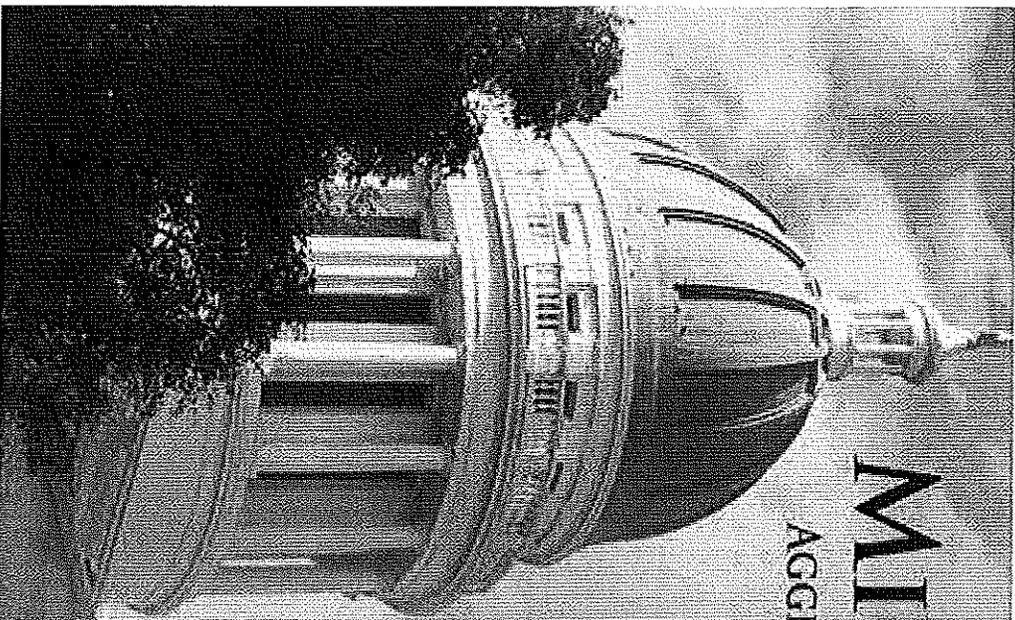
Sandra Daigle Received it today Mike. Looks Good!! Good Luck!

October 17, 2012 at 5:41pm



Mike Nadeau thank you!!!!!!!

October 18, 2012 at 3:34am · 1

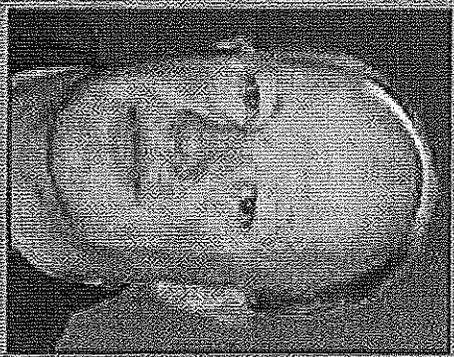


MIKE NADDEAU -

AGGRESSIVE NEW LEADERSHIP FOR OUR COMMUNITY

MIKE NADDEAU WILL FIGHT TO:

- Cut regulations and support Maine's small businesses to create jobs
- Keep government living within its means
- Further reform Welfare and root out abuses.



Mike
NADDEAU
 for
STATE REP

Printed by "Respect Where" David Vezar, Treasurer
 Full approval or authorized by any candidate or candidate committee.

P.O. Box 211
 Hampden Maine 04444
 HD1

PRINT SITE
 USE POSTAGE
PAID
 Election Services
 Corporation

mikenaddeau.net

Mike Nadeau

Representative For Maine House District 1

“It’s Time For Positive Change”



Home

Why I'm Running

My Story

News and Media

Roll Call 2012

Groups & Associations

Contact

— WAGW's Mini Interview with Mike

NRA Gives Mike Nadeau AQ Rating

Posted on November 1, 2012 by Mike

Hitting mailboxes today from the NRA -

Every two years the National Rifle Association asks the question:

“Who is a supporter of the 2nd Amendment and Sportsman’s issues?” The answer is Mike Nadeau. He is pro gun and pro sportsman. He received an AQ rating from the NRA, which is the highest rating possible given to new candidates... Mike Nadeau is the clear choice for Maine’s Sportsman!

Good Things Are Happening! —

0
tweets

Retweet

Quick Links

- Arrostook County Republicans
- Like us on Facebook
- Maine GOP
- Maine People Before Politics
- Free Download
- Mike's and Son's

Recent Posts

- Happy New Year to All
- Merry Christmas to All
- Some Things To Think About...
- A Small Victory... And We'll Take It!
- Needless Waste

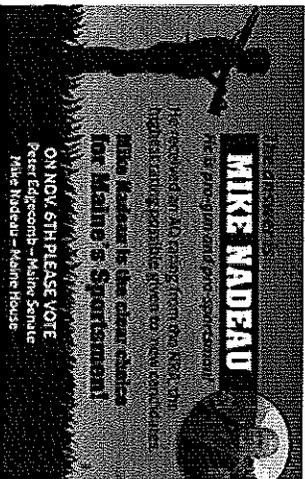
Recent Comments

Archives

- January 2013
- December 2012
- November 2012
- October 2012
- September 2012
- August 2012

Categories

- Campaign Volunteers
- Endorsements
- Free Trade
- Healthcare
- Key Issues
- Maine House District 1



NRA Gives Mike Nadeau an AQ Rating

The answer is

MIKE NADEAU

He is pro-gun and pro-sportsman!

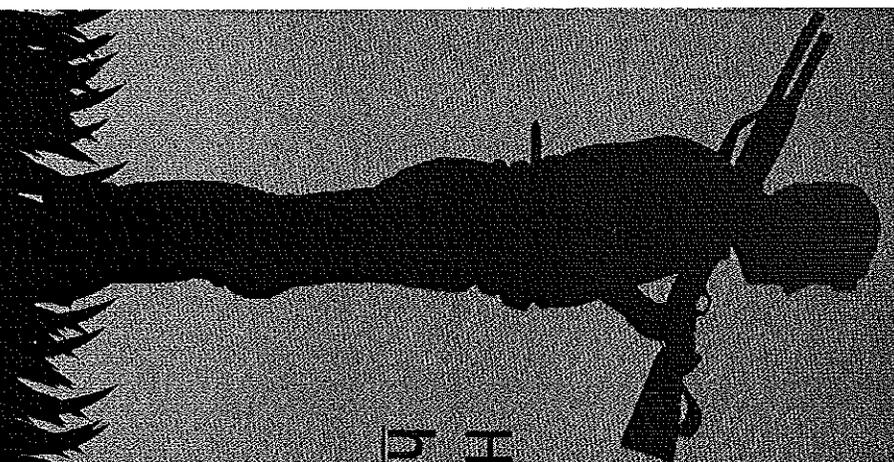
He received an AQ rating from the NRA, the highest rating possible given to new candidates.

**Mike Nadeau is the clear choice
for Maine's Sportsmen!**

ON NOV. 6TH PLEASE VOTE

Peter Edgcomb – Maine Senate

Mike Nadeau – Maine House





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 Maine Ethics Commission

COMM

IE #205
2012 GENERAL ELECTION

INDEPENDENT EXPENDITURE REPORT – 2012 GENERAL ELECTION

Name of Person/Committee Making Expenditure(s) L. Philip Soucy, Treasurer
CITIZENS FOR EFFECTIVE GOVERNMENT.
 Mailing Address 31 Pinkham Ave, P.O. Box 135
 City, Zip Code Fort Kent, Me 04743 Telephone 207-834-3777

Please check the appropriate box for the report you are filing and complete the notarized affidavit and attached schedules. Reports must be filed on a weekend or holiday if that is when they are due by faxing the report to the Commission (287-6775). The Commission must receive the signed original report within 5 days after the fax was received.

Check here if this report is an amendment to a previously filed report? Date of original report: _____

INDEPENDENT EXPENDITURES OVER \$250 MADE FROM SEPTEMBER 7 THROUGH OCTOBER 23, 2012

Independent expenditures made from September 7 through October 23, 2012 that total more than \$250 per candidate must be reported within 2 calendar days of making the expenditure.
 Report of Independent Expenditure over \$250 per Candidate

INDEPENDENT EXPENDITURES OVER \$100 MADE AFTER OCTOBER 23, 2012

Independent expenditures made after October 23, 2012 that total more than \$100 per candidate must be reported within one calendar day of making the expenditure.
 Report of Independent Expenditure over \$100 per Candidate

OTHER INDEPENDENT EXPENDITURES (SELECT ONE REPORT BELOW)

| Report (select one) | Due Date | What Gets Reported |
|---|--------------------------------|---|
| <input type="checkbox"/> 60-Day Pre-Election Report | September 7, 2012 by 5:00 p.m. | Expenditures totalling more than \$100 per candidate made on or before September 6, 2012 |
| <input type="checkbox"/> 11-Day Pre-Election Report | October 26, 2012 by 5:00 p.m. | Expenditures totalling more than \$100 but not more than \$250 made from September 7 through October 23, 2012 |

I CERTIFY THAT THE INFORMATION IN THIS REPORT IS TRUE, CORRECT AND COMPLETE.

L. Philip Soucy
 Signature of PAC or Party Treasurer, or
 Other Authorized Person Making Expenditure(s)

November 1, 2012
 Date



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
Phone: 207-287-4179
Fax: 207-287-6776

INDEPENDENT EXPENDITURE REPORT – 2012 GENERAL ELECTION

AFFIDAVIT

STATE OF Maine

COUNTY OF Arcoostook

I, L. Philip Soucy, being duly sworn, attest that I made each of the expenditures listed in the attached report independently, and not in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate, authorized committee or agent of a candidate in a race affected by any expenditure listed in this report.

L. Philip Soucy
Signature of Affiant

Sworn to before me, this 2nd day of November, 2012

Cindy Bouley
(Notary Public/Attorney at Law)

My commission expires: CINDY BOULEY
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES AUGUST 2, 2017.



Schedule B-IE-1
CANDIDATE(S) SUPPORTED/OPOSED

- Please list all candidates that were the subjects of independent expenditures.
- If more than one candidate was the subject of the expenditure, allocate the expenditure among the candidates.

| Office sought by candidate (including district # or county) | Candidate's name | Indicate whether expenditure was made in support of or in opposition to the candidate | Amount expended this reporting period for each candidate |
|--|----------------------|---|--|
| State Representative District #1 | Allen Michael Nadeau | Support of | \$ 1,475.16 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total expenditures for all candidates this reporting period. This amount should equal the total independent expenditures listed on Schedule B-IE-2, Line C. ⇒ | | | 0 |

Independent Expenditure Report – 2012 General Election

Page _____ of _____
(Schedule B-IE-2 only)

Schedule B-IE-2

PAYMENTS AND OBLIGATIONS

- Please indicate the date, payee, expenditure type, and amount of each expenditure.
- If you are reporting an agreement or obligation to make a future payment, please check (✓) the box next to the expenditure type.

| Expenditure Types | | | | |
|-------------------|--|-----|--|--|
| ✓ LIT | Printing and graphics (flyers, signs, palmcards, etc.) | PRT | Print media ads only (newspapers, magazines) | |
| MHS | Mail house (all services purchased) | RAD | Radio ads, production costs | |
| PHO | Phone banks, automated telephone calls | TVN | TV or cable ads, production costs | |
| POL | Polling and research survey | WEB | Website design, registration, hosting, maintenance, etc. | |
| ✓ POS | Postage for U.S. Mail and mail box fees | OTH | Other (include description) | |

| Date of expenditure | Payee, address, zip code | Expenditure type | ✓ | Amount |
|---|---|------------------|---|---------------|
| 11/1/12 | PAPER, SIGN, LINK 11866. N. Main, Suite 101 Fort Worth, TX. 04743 | LIT POS | | 1,475.66 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| A. Expenditures for this page ⇒ | | | | 0 1,475.66 |
| B. Total for all other Schedule B-IE-2 pages (if any) ⇒ | | | | - 0 - |
| C. Total independent expenditures for this reporting period (A+B). This amount should equal the total amount for all candidates listed on Schedule B-IE-1. ⇒ | | | | 0 1,475.66 |

Independent Expenditure Report - 2012 General Election

Page _____ of _____
(Schedule B-IE-3 only)

Schedule B-IE-3

EXPENDITURE DETAILS

- If you file an independent expenditure report after October 29, 2012 for the General Election, you must provide the following information.

| | |
|---|---|
| 1. The date on which the person making the expenditure placed the order with the vendor for the goods or services | October 31, 2012 |
| 2. The approximate date when the vendor began providing design or any other services in connection with the expenditure | November 1, 2012 |
| 3. The date on which the person making the expenditure first learned of the total amount of the expenditure | November 1, 2012 |
| 4. A statement why the expenditure could not be reported by the eighth day before the election | Final effort before election day, Nov 6th, to reach voters throughout the district. |

2012 Election Year



MAR 14 2012

COMMISSION ON GOVERNMENTAL ETHICS AND
Mail: 135 State House Station, Augusta, Maine
Office: 45 Memorial Circle, Augusta, Maine

Website: www.maine.gov/ethics
Phone: 207-287-4179
Fax: 207-287-6775

EXHIBIT
29

NO
DOL
Called
Cand.

2012 CANDIDATE REGISTRATION

Notice: Changes to registration information must be filed within 10 days in writing or by e-mail to the Commission.

Is this an amendment? Yes No

| CANDIDATE INFORMATION | | | |
|---|--|--|---|
| Are you running as a (check one): | | <input checked="" type="checkbox"/> Maine Clean Election Act candidate | <input type="checkbox"/> traditionally financed candidate |
| Title <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Dr. <input type="checkbox"/> Honorable | Party affiliation <i>Republican</i> | | Office sought <i>Representative</i> |
| Name: First <i>Allen</i> | MI or Middle Name <i>Michael</i> | Last <i>Nadeau</i> | District or County <i>Dist 1</i> |
| Mailing address <i>545 Caribow Road</i> | | | Home Phone <i>207 231-1201</i> |
| City, zip code <i>Fort Kent, Maine</i> | | | Cell Phone <i>207 231-1202</i> |
| E-mail <i>502 nadeau@gmail.com</i> | Fax <i>207-834-2272</i> | | Work Phone <i>207 834-6310</i> |

| TREASURER INFORMATION | | | |
|--|--|------|-------------------------------------|
| Name: First <i>J. Philip</i> | MI or Middle Name <i>Soucy</i> | Last | Phone (home) <i>207-834-5011</i> |
| Mailing address <i>31 Pinkham Ave</i> | | | Phone (work) |
| City, zip code <i>Fort Kent, ME 04743</i> | E-mail <i>Louispsoucy@yahoo.com</i> | | Fax |

DESIGNATION OF TREASURER: A candidate for office must appoint a treasurer no later than 10 days after becoming a candidate, and before accepting contributions, making expenditures or incurring obligations. No later than 10 days after appointing a treasurer, the candidate must register with the Commission the name and address of the candidate and treasurer. The treasurer is responsible for maintaining campaign records and for filing reports. A MCEA candidate may serve as treasurer for no more than 14 days following the date of registration. (21-A MRSA §§ 1013-A and 1125(12-A))

| DEPUTY TREASURER INFORMATION | | | |
|------------------------------|-------------------|------|--------------|
| Name: First | MI or Middle Name | Last | Phone (home) |
| Mailing address | | | Phone (work) |
| City, zip code | | | E-mail |

DESIGNATION OF DEPUTY TREASURER (optional): The candidate may appoint a deputy treasurer and notify the Commission no later than 10 days after the appointment. The deputy, when acting in the absence of the treasurer, has the same powers and responsibilities as the treasurer. A MCEA candidate may serve as deputy treasurer for no more than 14 days following the date of registration. (21-A MRSA §§ 1013-A and 1125(12-A)) (21-A MRSA § 1013-A (1)(A)(1))

| 3. AUTHORIZED AGENT INFORMATION | | |
|---------------------------------|-------|-------|
| Name | Phone | Email |
| Name | Phone | Email |

DESIGNATION OF AUTHORIZED AGENT (optional): Please use this section to designate individuals, other than the treasurer and deputy treasurer, authorized to file reports on your behalf.

| 4. POLITICAL COMMITTEE INFORMATION | |
|------------------------------------|----------------|
| Name | Phone |
| Address of campaign headquarters | City, zip code |

DESIGNATION OF POLITICAL COMMITTEE (optional): The candidate may form a political or campaign committee. Within 10 days of forming the committee and before accepting contributions, making expenditures or incurring obligations, the candidate must:

- appoint a treasurer (the candidate may have only one treasurer who is listed in Section 2) and
- register the committee and its officers, if any are appointed, with the Commission. (21-A MRSA § 1013-A (1) (B))

Committee Officers (use additional pages, if necessary):

| | | |
|-----------------|----------------|--------|
| Name | Title | Phone |
| Mailing address | City, zip code | E-mail |

| | | |
|-----------------|----------------|--------|
| Name | Title | Phone |
| Mailing address | City, zip code | E-mail |

5. CERTIFICATION

I, Allen Michael Nadeau, certify that the information in this registration is true, accurate and complete.
(Print Candidate's Full Name)
 Signature of Candidate Allen Michael Nadeau Date 3-12-12

6. FOR COUNTY CANDIDATES ONLY

REPORTING EXEMPTION REQUEST: A candidate for county office may request an exemption from the obligation to appoint a treasurer and file campaign finance reports if the candidate does not accept any cash or in-kind contributions or make any expenditures for his or her campaign. You cannot request a reporting exemption if you use your or your spouse's/domestic partner's personal funds to pay for your campaign expenses. To request an exemption, complete the statement below and sections 1 & 5, have the form notarized, and submit it to the Commission.

STATEMENT OF ELIGIBILITY FOR A REPORTING EXEMPTION: I, the undersigned, swear or affirm that I will not accept contributions, make expenditures or incur obligations associated with my candidacy.

Signature of county candidate _____ Date _____

Subscribed and sworn (affirmed) to before me this _____ day of _____, 20____.

Signature of Notary/Attorney-at-law _____ My commission expires _____
(Seal is optional) (Date)

REVOCATION NOTICE: The foregoing statement may be revoked. Prior to revocation, the candidate must appoint a treasurer. A revocation notice must be in the form of an amended registration which must be filed with the Commission no later than 10 days after the date the treasurer is appointed. The notice must be filed before contributions are accepted or expenditures made. A late revocation notice is subject to the same penalties applicable to late campaign finance reports.



RECEIVED
 OCT 01 2012
 Maine Ethics Commission

EXHIBIT
30

**2012 CAMPAIGN FINANCE REPORT
 FOR MAINE CLEAN ELECTION ACT LEGISLATIVE CANDIDATES**

Please complete ALL entries.

| | | | |
|-------------------|--------------------------------|--------------------------------------|--|
| NAME OF CANDIDATE | <i>Allen Mike Hadea</i> | | <input checked="" type="checkbox"/> CHECK IF CHANGED FROM PREVIOUS REPORT ← |
| STREET | <i>545 Caribou Road</i> | | |
| CITY AND ZIP CODE | <i>Fort Kent, ME 04743</i> | TELEPHONE NUMBER <i>207 231 1201</i> | |
| E-MAIL | <i>mikesanderson@yahoo.com</i> | | |
| OFFICE SOUGHT | <i>State Rep</i> | DISTRICT NUMBER <i>1</i> | |

| | | | |
|------------------------|---------------------------|--------------------------------------|--|
| NAME OF TREASURER | <i>L Phil Soucy</i> | | <input type="checkbox"/> CHECK IF CHANGED FROM PREVIOUS REPORT |
| MAILING ADDRESS STREET | <i>31 Pinkham Ave</i> | | |
| CITY AND ZIP CODE | <i>Fort Kent Me 04743</i> | TELEPHONE NUMBER <i>207 834 5011</i> | |
| E-MAIL | | | |

| Type of Report | Due Date | Dates of Report Period |
|---|--------------------|---|
| <input type="checkbox"/> 11-Day Pre-Primary | June 1, 2012 | End of Seed Money Report – May 29, 2012 |
| <input type="checkbox"/> 42-Day Post-Primary | July 24, 2012 | May 30 – July 17, 2012 |
| <input checked="" type="checkbox"/> 42-Day Pre-General | September 25, 2012 | July 18 – September 18, 2012 |
| <input type="checkbox"/> 11-Day Pre-General | October 26, 2012 | September 19 – October 23, 2012 |
| <input type="checkbox"/> 42-Day Post-General | December 18, 2012 | October 24 – December 11, 2012 |
| <input type="checkbox"/> Amendment to: _____ | | |
| <input type="checkbox"/> Other (specify): _____ | | |
| <input type="checkbox"/> Check if campaign had no activity for the report period (no other pages are required). | | |

I CERTIFY THAT I HAVE EXAMINED THIS REPORT AND TO THE BEST OF MY KNOWLEDGE IT IS TRUE, CORRECT, AND COMPLETE.

| | | | |
|-----------------------|----------------|-----------------------|----------------|
| <i>Louis P Soucy</i> | <i>9/25/12</i> | <i>Allen M Hadea</i> | <i>9-25-12</i> |
| Treasurer's Signature | Date | Candidate's Signature | Date |

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

Alto Mike Tade
 CANDIDATE'S FULL NAME

**SCHEDULE B
 EXPENDITURES**

- Enter the date, payee, expenditure type, and amount for each expenditure made during the report period.
- For expenditure types which require a remark, enter a description of the goods and services purchased.
- Expenditures made with a candidate's or an authorized individual's personal funds must be reimbursed within the same report period as the expenditure. Enter the vendor as the payee and the purchase date. Report the name of the individual who made the payment in the remarks section.
- Only enter expenditures that have actually been paid. Enter unpaid debts and obligations on Schedule D.

| Expenditure Types Requiring <u>NO</u> Remark | | Expenditure Types Which <u>REQUIRE</u> Remark | |
|--|--|---|---|
| CON | Contribution to other candidate, party, committee | CNS | Campaign consultants |
| FOD | Food for campaign events, volunteers | EQP | Equipment (office machines, furniture, cell phones, etc.) |
| LIT | Printing and graphics (flyers, signs, palmcards, t-shirts, etc.) | FND | Fundraising events |
| MHS | Mail house (all services purchased) | OTH | Other (bank fees, entrance fees, small tools, wood, etc.) |
| OFF | Office rent, utilities, phone and internet services, supplies | PRO | Other professional services |
| PHO | Phone banks, automated telephone calls | SAL | Campaign workers' salaries and personnel costs |
| POL | Polling and survey research | TRV | Travel (fuel, mileage, lodging, etc.) |
| POS | Postage for U.S. Mail and mail box fees | | |
| PRT | Print media ads only (newspapers, magazines, etc.) | NEW - For payments and reimbursements made to the candidate's family and household members, the relationship to the candidate must be reported in the Remark section (e.g., spouse, brother, roommate, etc.). Please refer to the Candidate Guide for restrictions. | |
| RAD | Radio ads, production costs | | |
| TVN | TV or cable ads, production costs | | |
| WEB | Website design, registration, hosting, maintenance, etc. | | |

| DATE EXPENDITURE MADE | NAME OF EACH PAYEE | EXPENDITURE TYPE (use code from above) | REMARK (if the expenditure type requires a remark, describe all goods and services purchased) | AMOUNT |
|--|--------------------------------|--|---|-------------------|
| 7-27 | Paper Signs Ink | LIT | | 500 ⁰⁰ |
| 7-31 | Tyler LeClair | SAL | Campaign Aide | 500 |
| 8/10 | 21 st Century Media | WEB | | 350 |
| 8/10 | Rod Sakren | OFF | | 450 |
| 8/12 | Paper Signs Ink | LIT | | 500 |
| 9/13 | Paper Signs INK | LIT | | 300 |
| 9/24 | Fiddlehead Focus | WEB | | 200 |
| | | | | |
| Total expenditures (this page only) => | | | | 2800 |
| (combined totals from all Schedule B pages must be listed on Schedule F, line 5) | | | | |

Allen Mike Nolan
CANDIDATE'S FULL NAME

DATE SUBMITTED 9-25-12

SCHEDULE F
SUMMARY SCHEDULE
(MAINE CLEAN ELECTION CANDIDATES)

This page is required for all candidates except those checking the no activity box on the cover page of the report. The cash balance on line 10 must match the campaign's reconciled bank account balance as of the last

| CASH ACTIVITY | |
|--|------|
| RECEIPTS | |
| 1. MAINE CLEAN ELECTION ACT PAYMENTS & AUTHORIZATIONS (Schedule A) | 4423 |
| 2. SALE OF CAMPAIGN PROPERTY (Schedule E, Part 2) | — |
| 3. OTHER CASH RECEIPTS THIS PERIOD (interest, etc.) | — |
| 4. TOTAL RECEIPTS THIS PERIOD (lines 1 + 2 + 3) | — |
| EXPENDITURES | |
| 5. EXPENDITURES THIS PERIOD (total of all Schedule B pages) | 2800 |

| OTHER ACTIVITY | |
|---|--|
| 6. TOTAL UNPAID DEBTS AT CLOSE OF PERIOD (total all Schedule D pages) | |

| CASH SUMMARY | |
|---|----------------------|
| 7. CASH BALANCE AT BEGINNING OF PERIOD (Schedule F, line 10 from last report) | 4423 |
| 8. PLUS TOTAL RECEIPTS THIS PERIOD (line 4 above) | + — |
| 9. MINUS TOTAL PAYMENTS THIS PERIOD (line 5 above) | - 2800 |
| 10. CASH BALANCE AT CLOSE OF PERIOD (lines 7 + 8 - 9) (must match reconciled bank account balance) | = 1623 ⁰⁰ |



2012 Election Year



COMMISSION ON GOVERNMENTAL ETHICS AND
Mail: 135 State House Station
Office: 4th Floor

APR 20 2012

Website: www.maine.gov/ethics
Phone: 207-287-4179
Fax: 207-287-8775

2012 SEED MONEY REPORT FOR MAINE CLEAN ELECTION ACT CANDIDATES

Please complete ALL entries.

| | | | |
|-------------------|------------------------|-------------------------------|--|
| NAME OF CANDIDATE | Allen Michael Nadeau | | <input type="checkbox"/> CHECK IF CHANGED FROM PREVIOUS REPORT |
| STREET | 545 Caribou Rd | | |
| CITY AND ZIP CODE | Fort Kent 04743 | TELEPHONE NUMBER 207-231-1201 | |
| E-MAIL | mikesandsons@yahoo.com | | |
| OFFICE SOUGHT | House Rep | DISTRICT NUMBER 1 | |

| | | | |
|------------------------|--------------------------|---------------------------------|--|
| NAME OF TREASURER | X LOUIS P SOUCY | | <input type="checkbox"/> CHECK IF CHANGED FROM PREVIOUS REPORT |
| MAILING ADDRESS STREET | X 31 MAIN ST | | |
| CITY AND ZIP CODE | X FORT KENT ME 04743 | TELEPHONE NUMBER X 207 834-5011 | |
| E-MAIL | X LOUISP SOUCY@YAHOO.COM | | |

| OFFICE SOUGHT | DUE DATE | DATES OF REPORT PERIOD |
|-----------------|----------------|---|
| House or Senate | April 20, 2012 | Beginning of campaign* - April 20, 2012 |

* If a January Semiannual Report was filed, the report period for the Seed Money Report begins on January 1, 2012.

This is the first report for the candidate's 2012 campaign.

Amendment to: _____

Other (specify): _____

Check if campaign had no activity for the report period (no other pages are required).

I CERTIFY THAT I HAVE EXAMINED THIS REPORT AND TO THE BEST OF MY KNOWLEDGE IT IS TRUE, CORRECT, AND COMPLETE.

X Louis P Soucy 4/19/12 Allen Michael Nadeau 4-18-12
Treasurer's Signature Date Candidate's Signature Date

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

RECEIVED
 DEC 13 2012

EXHIBIT
 32

| AD - Automatic Deposit • AP - Automatic Payment • ATM - Cash Withdrawal • DC - Debit Card • FT - Funds Transfer • SC - Service Charge • TD - Tax Deductible | | | | | | | |
|---|-------|--|------------------------------|---|---------------------|---------|------------|
| NUMBER OR CODE | DATE | TRANSACTION DESCRIPTION | PAYMENT, FEE, WITHDRAWAL (-) | ✓ | DEPOSIT, CREDIT (+) | | AMOUNT |
| ✓ 110 | 10/2 | Paper Signs Ink | -600 00 | | | | \$ 1598.00 |
| | | | | | | | -600 00 |
| | | | | | | | 998 00 |
| ✓ 111 | 10/18 | Fiddlehead Focus | -180 00 | | | | -180 00 |
| | | | | | | | 818 00 |
| ✓ 112 | 10/20 | Paper Signs Ink | | | | | 400 00 |
| | | | | | | | 418 00 |
| ✓ 113 | 10/30 | Channel X | | | | | 396 00 |
| | | | | | | | 22 00 |
| ✓ 114 | 11/06 | Fiddlehead Focus | -50 00 | | | | -50 00 |
| | | | | | | | -28 00 |
| ✓ | 11/06 | Deposit #889 Forward Check From Paper Signs Ink | | | | +100 00 | +100 00 |
| | | | | | | | 38 00 |

3 I will send this paper work and a check this week



Paper Signs Ink
 178 West Main Street
 Fort Kent, ME 04743



Invoice

| Date | Invoice # |
|-----------|-------------|
| 11/1/2012 | 082207-3784 |

Bill To

Citizens for Effective Government
 L. Philip Soucy
 P.O. Box 135
 Fort Kent, ME 04743

PAID
 11/01/2012

Ship To

| P.O. Number | Terms | Project |
|-------------|-------|---------|
| | | |

| Quantity | Item Code | Description | Price Each | Amount |
|----------|-------------------|---|------------|--------|
| 4,489 | Postage copies | EDDM Mailing 04743, 04744, 04781, 04739, 04732, 04774 | 0.145 | 650.91 |
| | Setup | Distribution | 700.00 | 700.00 |
| | sales tax | | 85.00 | 85.00 |
| | | | 39.25 | 39.25 |

| | | | | |
|--|--|--|--------------|------------|
| This Invoice is your statement. All invoices are due upon receipt unless other credit terms and arrangements have been previously arranged. Thank you for your business. | | | Total | \$1,475.16 |
|--|--|--|--------------|------------|

Phone # 834-2679

Fax # 834-2473

sales@papersignsink.com

www.papersignsink.com