

Agenda

Item #4



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: September 23, 2009
Re: Request to Investigate Organizations Opposed to TABOR

The Maine Commission on Governmental Ethics and Election Practices received the attached request from David Crocker of TABOR NOW dated August 27, 2009 requesting an investigation. TABOR NOW was formed to promote the citizen initiative known as the Taxpayer Bill of Rights (TABOR) on the November 3, 2009 ballot. TABOR NOW requests that the Commission investigate whether three groups which have made expenditures to oppose TABOR were required to register and file campaign finance reports as ballot question committees. TABOR NOW also asks the Commission to determine whether a fourth organization has filed complete reports with the Commission related to TABOR.

Legal Requirement to File Reports as Ballot Question Committees

Under 21-A M.R.S.A. § 1056-B (attached), organizations which do not meet the definition of political action committee (PAC) may be required to file campaign finance reports with the Commission if they raise or spend more than \$5,000 to promote or to oppose a ballot question:

Ballot Question Committees. Any person not defined as a political action committee who solicits and receives contributions or makes

expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question must file a report with the Commission. ... Within seven days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the Commission as a ballot question committee. For the purposes of this section, expenditures include paid staff time spent for the purpose of influencing in any way a ballot question. The Commission must prescribe forms for the registration, and the forms must include specification of a treasurer for the committee, any other principal officers and all individuals who are the primary fund-raisers and decision makers for the committee.

1. Filing requirements. A report required by this section must be filed with the Commission according to a reporting schedule that the Commission shall establish that takes into consideration existing campaign finance reporting schedule requirements in section 1059. ...

The version of 21-A M.R.S.A. § 1056-B which was in effect from June 30, 2008 to September 11, 2009 is attached (labeled “effective through 9/11/09”).

Qualifying as a Ballot Question Committee through Soliciting Contributions

An organization may qualify as a ballot question committee if it solicits and receives contributions of more than \$5,000 for the purpose of promoting or defeating a ballot question. If an organization has received less than the \$5,000 threshold for those purposes, the receipt of those contributions does not trigger the requirement to file campaign finance reports.

Qualifying through expenditures. Organizations may also be required to file campaign finance reports as a ballot question committee by making expenditures – other than by contribution to a PAC – totaling more than \$5,000 for purpose of defeating a ballot question. The statute makes clear that the reporting requirement covers “paid staff time

spent for the purpose of influencing in any way a ballot question.” (21-A M.R.S.A. § 1056-B, first paragraph)

Exception for contributions to a PAC. If an organization makes contributions to a PAC to support or oppose a ballot question, those expenditures do not count toward the \$5,000 threshold to become a ballot question committee. (See first sentence of § 1056-B.) A large number of organizations have interpreted this exception to mean that if they coordinate the activities of their paid employees with a PAC, those staff expenditures constitute an in-kind contribution to the PAC and are therefore exempt from the \$5,000 spending threshold.

I have attached a printout of in-kind contributions that PACs reported receiving from January 1, 2004 to the present. (We have deleted individual contributors and PACs that obviously are organized to influence candidate elections.) This print-out will provide you with an idea of the breadth of organizations that make in-kind contributions to PACs for the purpose of influencing ballot questions (either through the donation of paid staff time or through payments made to third-party vendors). Some of these organizations would presumably have been required to file reports as ballot question committees if this exception did not exist.

Requirement to Register and to File Reports

Within seven days of receiving contributions or making expenditures over \$5,000, the organization is required to register with the Commission as a ballot question committee. Under the version of § 1056-B that was in effect through September 11, 2009, the organization was not required to file an initial campaign finance report at the time of registration. Rather, the organizations were required to file their first reports according to a schedule established by the Commission.

Under that schedule, the last campaign finance report was due July 15, 2009. It covered the period of April 1 – July 5. (My August 31st letter to the respondent-organizations erroneously stated that the end-date for the report was June 30th.) The next reporting deadline for ballot question committees will be October 13, 2009, and the report covers the period of July 6 – September 30. I have attached a filing schedule for ballot question committees.

Penalties for Late Registrations and Reports

Penalties for late filings by political action committees (PACs) and ballot question committees are governed by 21-A M.R.S.A. § 1062-A. If a PAC files a registration late, the Commission is authorized to assess a forfeiture (penalty) of \$250 under subsection 1 of the statute. Under the version of the statute that was in effect through September 11, 2009, the subsection 1 contained no penalty for late registrations filed by ballot question committees. Therefore, in the opinion of the Commission staff, even though two of the organizations in this matter filed late registrations as ballot question committees, the

Commission is not authorized to assess a monetary penalty against the organizations because no penalty was provided in statute through September 11, 2009.

Commission's Published Guidance to Ballot Question Committees

For your background information, I have attached the statute, some reporting guidance that was adopted by the Commission effective June 30, 2008, and some further advice dated July 27, 2009 from the Commission staff to registered 2009 ballot question committees.

Background Information on Maine People's Alliance, Maine People's Resource Center, and Maine Can do Better

Maine People's Alliance and Maine People's Resource Center are affiliated nonprofit public policy advocacy organizations based in Maine. Jesse Graham is the Executive Director of both organizations. He submitted responses on behalf of both organizations dated September 16, 2009. In response to a request from me, he also submitted an e-mail on September 22 that summarizes the activities of the organizations and their relationship to Maine Can Do Better.

According to Mr. Graham, Maine Can Do Better is a coalition of organizations that was formed in 2008 to influence the state budget. My understanding is that it has not been organized as a separate legal entity, and does not have its own funds or bank account. Its only paid staff are employees of the Maine People's Resource Center. Mr. Graham describes Maine Can Do Better as a project of the Maine People's Resource Center.

Allegations Concerning Maine Can Do Better/Maine People's Resource Center

Allegations by TABOR Now. In his August 27 letter, David Crocker of TABOR NOW

alleges that Maine Can Do Better has

- created a website opposing TABOR with volunteer sign up
- organized over 42 nonprofit groups and organizations to oppose the ballot question
- published a "template Board Resolution against TABOR II"
- created extensive talking points opposed to TABOR
- posted two videos opposing TABOR

Mr. Crocker requests that the Commission investigate why Maine Can Do Better has not registered or filed campaign finance reports as a ballot question committee.

Response on behalf of Maine Can Do Better. Jesse Graham has submitted a response dated September 16, 2009 on behalf of the Maine People's Resource Center (MPRC). He describes Maine Can Do Better as a project of the MPRC. According to Mr. Graham, the MPRC has been tracking all of its activities related TABOR, and he has provided a blank bookkeeping form that his organization has used to track expenditures to oppose TABOR. He states that a PAC formed on July 17, 2009 to oppose TABOR with the name of Citizens Unified for Maine's Future (Citizens Unified), and that the intention of the MPRC was that all of its expenditures (including paid staff time) to oppose TABOR beginning on July 17, 2009 would be reported as in-kind contributions by Citizens Unified. Thus, his understanding was that the MPRC was not required to file reports as a ballot question committee based on its expenditures to oppose TABOR, which totaled \$2,223.41 through July 17, 2009.

Mr. Graham does not address the specific activities mentioned by Mr. Crocker. His letter acknowledges that prior to July 17, 2009 the Maine People's Resource Center spent 54.25 hours of staff time to oppose TABOR.

Mr. Graham acknowledges that, as a result of this inquiry, it discovered that the MPRC was required to register as a ballot question committee on September 9, 2009 on the basis of one contribution from an individual it received on September 2. The MPRC registered as a ballot question committee on September 16, 2009 (one week late). Mr. Graham will attend your October 1 meeting, and can inform you why the contribution was not recognized as reportable earlier. The contribution will be included in the MPRC's October 13, 2009 report, but you may wish to ask for more information on October 1.

The staff of the Commission recommends that the Commission find that the MPRC violated 21-A M.R.S.A. § 1056-B by not registering as a ballot question committee on September 9, 2009. Mr. Graham has told me that the MPRC likely would not dispute that finding of violation. Under the version of the Election Law that was in effect through September 11, 2009, the Commission was not authorized to assess a penalty for this late registration.

Unless David Crocker is aware of other evidence that MPRC violated the 21-A M.R.S.A. § 1056-B with respect to the organization's expenditures, the staff recommends taking no other action regarding the MPRC.

Allegations Concerning Maine People's Alliance

In his August 27 letter, David Crocker of TABOR NOW alleges that the Maine People's Alliance (MPA) has created a website opposing TABOR with a volunteer sign up and has hosted training sessions organizing opposition to campaign against TABOR. He has attached an e-mail inviting people to an MPA training "to learn what you can do to help defeat Tabor next fall."

Mr. Graham acknowledges these activities, but states that "our reportable activities fall below the \$5,000 threshold requiring the formation of a ballot question committee."

Unless David Crocker has additional relevant evidence indicating a campaign finance violation, the Commission staff recommends taking no action with regard to the MPA.

Allegations Concerning the Center for Budget and Policy Priorities

The Center for Budget and Policy Priorities (CBPP) is an organization based in Washington, D.C. which focuses on public programs that affect low- and moderate-income families. David Crocker of TABOR NOW alleges that the CBPP created a video actively opposing TABOR and paid to have two Colorado politicians flown to Maine to speak with business leaders against TABOR.

The CBPP has responded by a letter dated September 14, 2009 from the organization's Executive Director. In addition, Robb Gray of the CBPP will be traveling to Maine for the October 1 meeting to answer any questions that you have.

In the September 14 letter, the CBPP states that it produced the video in 2005 for purposes of educating citizens and policy-makers about TABOR initiatives throughout the country. It states that the video has been distributed widely throughout the country since then. It notes that the video does not mention the state of Maine. It states that it does not believe that the 2005 expenditures were reportable as having been made to influence the November 3, 2009 election in Maine.

The Commission staff finds this argument to be persuasive. To qualify as an expenditure under this area of the campaign finance law, an payment must be made “for the initiation, support or defeat of a campaign, referendum, or initiative ... in this State. (21-A M.R.S.A. § 1052(4)(A)(1), underlining added) If the CBPP produced the video in 2005 to oppose TABOR-like laws on a nationwide basis, this does not seem to meet the definition of expenditure in Maine campaign finance law.

The organization acknowledges that it did pay for the expenses of two Colorado legislators who flew to Maine to address business leaders and nonprofit organizations during the fourth week in July. In September 14, 2009 letter, the CBPP claims that it has carefully investigated and evaluated its expenses incurred to oppose TABOR.

That same day (September 14), the CBPP registered as a ballot question committee on September 14, 2009. An attorney for the CBPP, Katherine R. Knox of the Bernstein Shur firm, has acknowledged in telephone conversations with the Commission staff that the CBPP’s registration was late. According to Ms. Knox, the CBPP was required to file a

registration in August 2009. I have requested that Ms. Knox provide another written submission that provides more information regarding the CBPP's late registration. I will forward that to you when it becomes available. At the October 1, 2009 meeting, the Commission staff will likely recommend that you find the CBPP in violation of Section 1056-B for not filing a registration on time.

Allegations Concerning Maine Center for Economic Policy

The Maine Center for Economic Policy (MECEP) registered as a ballot question committee on June 25, 2009. It filed a campaign finance report on July 16, 2009 indicating that it had received zero reportable contributions and made zero reportable expenditures. TABOR NOW argues that MECEP's July 16, 2009 campaign finance report was incomplete because it did not report staff time spent on a document drafted to oppose TABOR.

MECEP's Executive Director, Christopher St. John, has provided a response dated September 15, 2009. He concedes that on June 30, 2009, MECEP spent staff time preparing an internal document related to TABOR. He states that MECEP did not post it on its website and did not make it available to the public until after July 5 – the end-date for the campaign finance report due July 15, 2009. He states that MECEP relied on language on page 3 of the Commission's June 30, 2008 advice (see the second bullet point on that page) to conclude that the staff time on the document therefore did not need to be included in the campaign finance report filed on July 16, 2009.

In the long-run, the Commission may wish to reconsider that particular piece of advice, because it could delay the reporting of expenditure information to the public. For purposes of this matter, however, the Commission staff recommends not taking any action on the completeness of MECEP's July 16, 2009 report regarding the document prepared on June 30, 2009.

In addition to filing campaign finance reports, MECEP files monthly lobbyist reports with the Commission relating to lobbying its staff has performed through direct communication with legislators. Mr. St. John responds that during the month of April 2009, he testified for less than five minutes concerning LD 976 which eventually became the TABOR initiative. He concedes that the monthly report for April 2009 (attached) was incomplete because it did not include LD 976. The Commission staff recommends directing MECEP to amend this report and taking no further action regarding MECEP's lobbying report.

Staff Recommendations

Due to the large matters on the Commission's agenda, the Commission staff has not communicated with David Crocker since the organizations have submitted their responses (other than transmitting the responses to him). It is very possible that he has further relevant factual information or a legal argument that he would like to offer at the October 1 meeting in reply to the submissions by the organizations. Also, the Commission has not received complete information from the CBPP concerning the late registration. Given the current information before the Commission, the staff recommends

that you find that the Maine People's Resource Center and the Center for Budget and Policy Priorities violated 21-A .R.S.A. § 1056-B by not registering as ballot question committees on time. We also recommend directing MECEP to amend its monthly lobbyist report for April 2009.

Thank you for your consideration of this memo.

effective
through
9/11/09

SUBCHAPTER IV REPORTS BY POLITICAL ACTION COMMITTEES

21A § 1051. Application

This subchapter applies to the activities of political action committees organized in and outside this State that accept contributions, incur obligations or make expenditures for the election of state, county or municipal officers, or for the support or defeat of any campaign, as defined in this subchapter.

This subchapter does not apply to any broadcast time concerning any referendum campaign, as defined in section 1, subsection 36, which is provided by a broadcaster in accordance with the requirements of the Federal Communications Act, United States Code, Title 47, Section 315, generally referred to as the "Fairness Doctrine."

21A § 1052. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Campaign. "Campaign" means any course of activities for a specific purpose such as the initiation, promotion or defeat of a candidate or question, including:

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

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

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;
- B. A contract, promise or agreement, expressed or implied whether or not legally enforceable, to make a contribution to a political action committee;

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

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

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 influencing the nomination or election of any person to political office; or for the initiation, support or defeat of a campaign, referendum or initiative, including the collection of signatures for a direct initiative, in this State;

(2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure for the purposes set forth in this paragraph; and

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

B. Does not include:

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

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

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

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

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

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

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 influence the outcome of an election, including a candidate election or ballot question;

(2) **(REPEALED)**

(3) **(REPEALED)**

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

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

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 2; or

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

21A § 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:

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;

2. 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

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

Every change in information required by this section must be included in an amended registration form submitted to the Commission within ten (10) days of the date of the change. The committee must file an updated registration form every two (2) years between January 1st and March 1st of an election year. 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.

At the time of registration, the political action committee shall file an initial campaign finance report disclosing all information required by section 1060.

21A § 1054. Appointment of treasurer

Any political action committee required to register under section 1053 must appoint a treasurer before registering with the commission. The treasurer shall retain, for a minimum of four (4) years, all receipts, including cancelled checks, of expenditures made in support of or in opposition to a campaign, political committee, political action committee, referendum or initiated petition in this State.

21A § 1055. Publication or distribution of political communications

A political action committee that makes an expenditure to finance a communication expressly advocating the election or defeat of a candidate or that names or depicts a clearly identified candidate is subject to the requirements of section 1014.

21A § 1056. Expenditure limitations

Any committee required to register under this chapter shall comply with the following expenditure limitations.

1. Aggregate expenditures. A committee may not make contributions in support of the candidacy of one person aggregating more than \$500 in any election for a gubernatorial candidate, or \$250 in any election for any other candidate.

2. Prohibited expenditures. No committee may make any expenditure for liquor to be distributed to or consumed by voters while the polls are open on election day.

21A § 1056-A. Expenditures by political action committees

A political action committee shall report all expenditures in cash or in kind made by the committee.

21A § 1056-B. Ballot question committees

Any person not defined as a political action committee who solicits and receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question must file a report with the Commission. In the case of a municipal election, a copy of the same information must be filed with the clerk of that municipality. Within seven days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the Commission as a ballot question committee. For the purposes of this section, expenditures include paid staff time spent for the purpose of influencing in any way a ballot question. The Commission must prescribe forms for the registration, and the forms must include specification of a treasurer for the committee, any other principal officers and all individuals who are the primary fund-raisers and decision makers for the committee.

1. Filing requirements. A report required by this section must be filed with the Commission according to a reporting schedule that the Commission shall establish that takes into consideration existing campaign finance reporting schedule requirements in section 1059.

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

2.A. Contributions. For the purposes of this section, "contribution" includes, but is not limited to:

- A. Funds that the contributor specified were given in connection with a ballot question;
- B. Funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used specifically for the purpose of initiating, promoting, defeating or influencing in any way a ballot question;
- C. Funds that can reasonably be determined to have been provided by the contributor for the purpose of initiating, promoting, defeating or influencing in any way a ballot question when viewed in the context of the contribution and the recipient's activities regarding a ballot question; and
- D. Funds or transfers from the general treasury of an organization filing a ballot question report.

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

4. Records. A person filing a report required by this section shall keep records as required by this subsection for one year following the election to which the records pertain.

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

B. The filer shall retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of \$50.

21A § 1057. Records

Any political action committee that makes expenditures which aggregate in excess of \$50 to any one or more candidates, committees or campaigns in this State shall keep records as provided in this section. Records required to be kept under subsections 1, 2 and 3 shall be retained by the political action committee until ten (10) days after the next election following the election to which the records pertain.

1. Details of records. The treasurer of a political action committee must record a detailed account of:

A. All expenditures made to or in behalf of a candidate, campaign or committee;

B. The identity and address of each candidate, campaign or committee;

C. The office sought by a candidate and the district he seeks to represent, for candidates which a political action committee has made an expenditure to or in behalf of; and

D. The date of each expenditure.

2. Receipts. The treasurer of a political action committee must retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of \$50.

3. Record of contributions. The treasurer of a political action committee must keep a record of all contributions to the committee, by name and mailing address, of each donor and the amount and date of the contribution. This provision does not apply to aggregate contributions from a single donor of \$50 or less for an election or referendum campaign. When any donor's contributions to a political action committee exceed \$50, the record must include the aggregate amount of all contributions from that donor.

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

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

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

21A § 1061. Dissolution of committees

Whenever any political action committee determines that it will no longer solicit or accept any contributions, incur any obligations, make any expenditures to or on behalf of any candidate, political committee, party committee or political action committee to initiate, support, defeat or influence in any way the outcome of a referendum, initiated petition or election and the committee has no outstanding loans, debts or other obligations, the committee shall file a termination report that includes all financial activity from the end date of the previous reporting period through the date of termination with the commission. If a termination report is not filed, the committee shall continue to file periodic reports as required in this chapter.

21A § 1062. Failure to file on time (REPEALED)

21A § 1062-A. Failure to file on time

1. Registration. A political action committee required to register under section 1053 that fails to do so in accordance with section 1053 or that fails to provide the information required by the Commission for registration may be assessed a forfeiture of \$250.

2. Campaign finance reports. A campaign finance report is not timely filed unless a properly signed or electronically submitted copy of the report, substantially conforming to the disclosure requirements of this subchapter, is received by the Commission by 11:59 p.m. on the date it is due. Except as provided in subsection 6, the Commission shall determine whether a required report satisfies the requirements for timely filing. The Commission may waive a penalty if it is disproportionate to the level of experience of the person filing the

report or to the harm suffered by the public from the late disclosure. The Commission may waive the penalty in whole or in part if the Commission determines the failure to file a timely report was due to mitigating circumstances. For purposes of this section, "mitigating circumstances" means:

- A. A valid emergency of the committee treasurer determined by the Commission, in the interest of the sound administration of justice, to warrant the waiver of the penalty in whole or in part;
- B. An error by the Commission staff; or
- C. Other circumstances determined by the Commission that warrant mitigation of the penalty, based upon relevant evidence presented that a bona fide effort was made to file the report in accordance with the statutory requirements, including, but not limited to, unexplained delays in postal service or interruptions in Internet service.

3. Basis for penalties. The penalty for late filing of a report required under this subchapter is a percentage of the total contributions or expenditures for the filing period, whichever is greater, multiplied by the number of calendar days late, as follows:

- A. For the first violation, 1%;
- B. For the 2nd violation, 3%; and
- C. For the 3rd and subsequent violations, 5%.

Any penalty of less than \$10 is waived.

Violations accumulate on reports with filing deadlines in a two-year period that begins on January 1st of each even-numbered calendar year. Waiver of a penalty does not nullify the finding of a violation.

A report required to be filed under this subchapter that is sent by certified or registered United States mail and postmarked at least two (2) days before the deadline is not subject to penalty.

A required report may be provisionally filed by transmission of a facsimile copy of the duly executed report to the Commission, as long as an original of the same report is received by the Commission within 5 calendar days thereafter.

4. Maximum penalties. The maximum penalties under this subchapter are \$10,000 for reports required under section 1059, subsection 2, paragraphs B, C and E and \$5,000 for reports required under section 1059, subsection 2, paragraph A.

5. Request for a commission determination. Within three (3) days following the filing deadline, a notice must be forwarded to the principal officer and treasurer of the political action committee whose report is not received by 11:59 p.m. on the deadline date, informing them of the basis for calculating penalties under subsection 3 and providing them with an opportunity to request a commission determination. The notice must be sent by certified United States mail. A request for determination must be made within ten (10) calendar days of receipt of the Commission's notice. The ten-day period during which a determination may be requested begins on the day a recipient signs for the certified mail notice of the proposed penalty. If the certified letter is refused or left unclaimed at the post office, the ten-day period

begins on the day the post office indicates it has given first notice of a certified letter. A principal officer or treasurer requesting a determination may either appear in person or designate a representative to appear on the principal officer's or treasurer's behalf or submit a notarized written explanation of the mitigating circumstances for consideration by the Commission.

6. Final notice of penalty. After a commission meeting, notice of the final determination of the Commission and the penalty, if any, imposed pursuant to this subchapter must be sent to the principal officer and the treasurer of the political action committee.

If no determination is requested, the Commission staff shall calculate the penalty based on the provision of subsection 3 and shall mail final notice of the penalty to the principal officer and to the treasurer of the political action committee. A detailed summary of all notices must be provided to the Commission.

7. List of late-filing committees. The Commission shall prepare a list of the names of political action committees that are late in filing a report required under section 1059, subsection 2, paragraph B, subparagraph (1) or section 1059, subsection 2, paragraph C or D within 30 days of the date of the election and shall make that list available for public inspection.

8. Failure to file. A person who fails to file a report as required by this subchapter within 30 days of the filing deadline is guilty of a Class E crime, except that, if a penalty pursuant to subsection 8-A is assessed and collected by the Commission, the State may not prosecute a violation under this subsection.

8-A. Penalties for failure to file report. The maximum penalty for failure to file a report required under section 1059, subsection 2, paragraph B, C or E is \$10,000. The maximum penalty for failure to file a report required under section 1059, subsection 2, paragraph A is \$5,000.

9. Enforcement. The Commission staff has the responsibility for collecting the full amount of any penalty and has all necessary powers to carry out this responsibility. Failure to pay the full amount of any penalty levied under this subchapter is a civil violation by the political action committee and its treasurer. Thirty days after issuing the notice of penalty, the Commission shall report to the Attorney General the name of any political action committee, along with the name of its treasurer, that has failed to pay the full amount of any penalty. The Attorney General shall enforce the violation in a civil action to collect the full outstanding amount of the penalty. This action must be brought in the Superior Court for Kennebec County or the District Court, 7th District, Division of Southern Kennebec.

21A § 1063. Constitutional officers and State Auditor

The Secretary of State, the Treasurer of State, the Attorney General, the State Auditor, or any individual running for these offices, may not form a political action committee or be involved in decision making for or solicit contributions to a political action committee.



Guidance on Reporting as a Ballot Question Committee (effective June 30, 2008)

What is a ballot question committee?

Most organizations that raise or spend money to influence a statewide ballot question in Maine form a political action committee (PAC) for that purpose, and file regular PAC reports with the Commission. Some advocacy, charitable, or other organizations do not qualify as PACs under the Election Law, but they are interested in raising and spending money to influence a ballot question. In 2000, the Maine Legislature enacted 21-A M.R.S.A. § 1056-B to create a reporting requirement for these non-PAC organizations. Effective June 30, 2008, the Election Law designates these organizations as "ballot question committees" and they will be required to register with the Commission. Under the new requirements,

[a]ny person not defined as a political action committee who solicits and receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question must file a report with the Commission.

The complete language of 21-A M.R.S.A. § 1056-B is attached to this memo.

Does the requirement apply only to individuals?

No. Under Maine Election law, the term "person" includes individuals, committees, firms, partnerships, corporations, associations, or organizations.

When do ballot question committees have to register with the Commission?

Within seven days of receiving contributions or making expenditures to influence an election that exceed \$5,000, a ballot question committee must register with the Commission.

How do ballot question committees register with the Commission and file financial reports?

The committee must register and file campaign finance reports using paper forms (available on the Commission's website). At this time, ballot question committees cannot file campaign finance reports electronically.

What contributions must be reported by ballot question committees?

Section 1056-B covers “contributions [received] for the purpose of initiating, promoting, defeating or influencing in any way a ballot question” This includes:

- funds that the contributor specified were given in connection with a ballot question;
- funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used specifically for the purpose of initiating, promoting, defeating or influencing in any way a ballot question;
- funds that can reasonably be determined to have been provided by the contributor for the purpose of initiating, promoting, defeating or influencing in any way a ballot question when viewed in the context of the contribution and the recipient’s activities regarding a ballot question; and
- funds or transfers from the general treasury of an organization filing a ballot question report.

Funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used to support an organization’s general activities, rather than activities relating to a ballot question, do not need to be reported.

A ballot question committee must report but is not required to itemize contributions from a single source that aggregate \$100 or less in any election.

What expenditures must be reported by a ballot question committee?

Section 1056-B covers expenditures for communications and activities made “for the purpose of initiating, promoting, defeating or influencing in any way a ballot question.” The Commission interprets this to include communications and activities which expressly advocate for or against a ballot question or which clearly identify a ballot question by apparent and unambiguous reference and are susceptible of no reasonable interpretation other than to promote or oppose the ballot question. Expenditures to be reported include:

- expenditures for communications to voters for the purpose of promoting or opposing a ballot question, including advertising on television, radio, and print media; literature that is mailed or distributed by hand to voters; automated telephone calls and scripted calls from live callers; signs, bumper stickers, and other forms of outdoor advertising;
- staff time promoting or opposing the ballot question at public or press events;
- staff time canvassing (conducting door-to-door visits to) voters;

- travel expenses paid to employees or volunteers who are conducting activities to promote or oppose a ballot question;
- staff time preparing presentations, testimony, letters to the editor, opinion pieces, articles for publication, or press releases to promote or oppose a ballot question;
- research or analysis, including written reports and legal opinions, where the organization knows or reasonably should know that the results will be used to promote or oppose a ballot question and where the results are used for that purpose; and
- expenditures to distribute research or technical analysis regarding a ballot question for the purpose of encouraging voters to vote yes, or no, on the question.

This list is not intended to be exhaustive and is similar to the types of expenditures reported by political action committees to promote or defeat a ballot question.

What expenditures are not covered by § 1056-B?

The Commission interprets § 1056-B as excluding expenditures for communications or activities that do not clearly identify a ballot question by apparent and unambiguous reference. In addition, expenditures made merely to educate voters or others about a ballot question in a neutral way are not covered by § 1056-B, even if a ballot question is clearly identified. These would include expenditures for:

- hosting a meeting at which advocates or members of the public are invited to present their views on the ballot question, provided that the sponsors of the event make reasonable efforts to ensure that the forum is balanced;
- distributing news stories, commentary, or editorials concerning a ballot question through the facilities of a broadcasting station, newspaper, magazine, or other periodical publication, unless the facilities are owned or controlled by persons otherwise engaged in other advocacy activities to promote or oppose the ballot question; and
- research or analysis concerning a ballot question paid by an entity which is not otherwise participating in the ballot question campaign, provided that the research or analysis does not clearly express support for or opposition to the ballot question or urge others to vote for or against the ballot question.

Ballot question committees must report but are not required to itemize expenditures to a single payee that total \$100 or less in an election.

Do “expenditures [made] ... for the purpose of initiating ... a ballot question” include payments to staff or other expenses incurred in drafting legislation intended as a direct initiative?

Yes. If an organization pays its employees (or incurs other expenses) to draft legislation that the organization intends will be submitted to the Secretary of State as a direct initiative (even if submitted by a different organization or individuals), those expenses should be counted as expenditures made to initiate a ballot question.

What about expenditures to circulate ballot question petitions to collect signatures, and other expenses of advocates for and against a ballot question during the signature-gathering phase?

In 2006, the Legislature amended the term “expenditure” to clarify that payments of money to collect signatures for a ballot question must be reported. The Commission interprets the “expenditures [made] ... for the purpose of ... defeating or influencing in any way” includes payments made by opponents of the ballot question during the time period in which proponents may gather petition signatures.

What if an organization raises money to give to a PAC?

If an organization solicits and receives contributions for the purpose of influencing a ballot question and gives those funds to a PAC, the contributions received by the organization count towards the \$5,000 threshold. For example, if a trade association solicits funds from its members in order to make a contribution to a PAC involved in a ballot question, the trade association may have to register as a ballot question committee if it raised more than \$5,000. It is not the contribution to the PAC that triggers the registration requirement; it is the fund-raising activity by the trade association that triggers it.

What if an organization contributes or transfers funds to another organization which is not a PAC?

A contribution or transfer of funds from one organization to another organization for the purpose of influencing a ballot question counts towards the \$5,000 threshold as an expenditure made by the first organization.

What if an organization donates the time of its paid employees to a PAC to influence a ballot question or makes payments to vendors for goods or services to influence a ballot question in coordination with a PAC?

Donating paid staff to a PAC, or coordinating expenditures with a PAC are in-kind contributions to the PAC. They do not count toward the \$5,000 expenditure threshold that would trigger filing of a § 1056-B report by the donor; however, the PAC must report them as in-kind contributions.

An organization's expenditures to influence a ballot question may be considered an in-kind contribution to a PAC only if they are coordinated with the PAC or are accepted by a PAC. Expenditures to influence a ballot question made independently of the PAC should not be considered contributions to the PAC and would count toward the \$5,000 threshold.

Guidance to PACs and Contributors on the Reporting of In-Kind Contributions

In 2006, some PACs involved in ballot question campaigns reported receiving significant in-kind contributions from other organizations, but provided little detail regarding the goods and services they received. In future elections, the Commission will request that PACs provide more detail about large in-kind contributions they have received. For example, if a PAC reports that it received significant paid staff time from another organization, it should include a description of those staff activities and the number of hours of staff time that were contributed. A PAC's reporting of coordinated spending made by a contributor should include a brief description of the goods and services that were purchased and their value. Contributed staff and coordinated expenditures should not be lumped together as a single contribution for the reporting period, but should be itemized as separate contributions.

Other Guidance

If you have any questions, please telephone the Commission's PAC/Party/Lobbyist Registrar at 287-4179.



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

To: Ballot Question Committees

From: Paul Lavin, Assistant Director

Date: July 27, 2009

Re: Additional Guidance on Reporting by Ballot Question Committees

The Ethics Commission staff has received some campaign finance reports from organizations that have formed ballot question committees regarding the November 3, 2009 election. After reviewing these reports, the Commission staff offers the following advice based on our reading of the reporting requirements in 21-A M.R.S.A. § 1056-B. Please read this advice and review your report to determine whether it is necessary to amend your July 15, 2009 campaign finance report.

Contributions

To provide full disclosure of its campaign financial activity, a ballot question committee must report the source of funding for all expenditures, including paid staff time, made for the purpose of initiating, promoting, defeating or influencing a ballot question. If the organization that formed the ballot question committee has used or transferred funds from its general treasury for expenditures for paid staff as well as other expenditures, please report the amount of those funds or transfers as a contribution on Schedule A. Under 21-A M.R.S.A. § 1056-B(2-A)(D), a ballot question committee must report “[f]unds or transfers from the general treasury of an organization filing a ballot question report.”

The general treasury funds used or transferred should, at a minimum, equal the total amount of expenditures, less any individual contributions reported during the filing period.

Expenditures for Staff Time to Initiate, Promote, or Oppose a Ballot Question

If an organization has paid employees to initiate, promote, or defeat or influence a ballot question, please report those expenditures on Schedule B of the organization’s ballot question committee report. Please report the *individual staff member* as the payee on Schedule B. Please do not report in a combined total for all staff members. Use the SAL, CNS, or PRO expenditure codes as appropriate.

WWW.MAINE.GOV/ETHICS

PHONE: (207) 287-4179
FAX: (207) 287-6775

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE

The Commission staff believes it is sufficient to provide a combined total paid to the employee for the entire report period, and it is not necessary to list separately every salary payment made to the employee during the period.

If reimbursements have been paid to employees for travel or other expenditures, please report those expenditures separately and not as part of compensation.

Donating Staff Time to Political Action Committees

If the organization that formed a ballot question committee has donated paid staff time to a political action committee formed by a coalition of organizations to initiate, promote, or defeat a ballot question, the ballot question committee would report the cost of the staff time as a Schedule B expenditure. The recipient PAC would report the receipt of an in-kind contribution on its report. The ballot question committee must report any donation of paid staff time to initiate, promote, or defeat a ballot question as an expenditure on Schedule B regardless of the recipient.

The Commission staff would be pleased to speak with you about the reporting requirements. The advice in the memo is from the Commission staff and is not binding on the members of the Commission. If you have any questions about this advice or your reporting requirements, please feel free to contact me at (207) 287-4179.

Date	Contributor	Recipient PAC	Goods or Services Contributed	Value
9/30/2008	Maine Beverage Association	Fed Up With Taxes	Campaign Managment Serv. (May 1 thru Sept. 30; \$10K/m	\$50,000
9/30/2006	National Education Association	Citizens Who Support Maine's Public Schools	Staff	\$49,069
10/31/2005	Maine Biomedical Research Coalition	Jobs For A Healthy Maine	Expense incurred by Preiff/Flaherty in rendering leg	\$32,666
1/18/2005	Human Rights Campaign	Maine Won't Discriminate	Field Organizing Consultants	\$32,074
1/29/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood Consulting, LLC for publi	\$31,590
10/29/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Barton and Gingold for message developm	\$29,328
10/21/2004	Service Employees International Union	Citizens United to Protect Our Public Safety, Scho	meals, hotel, parking, gas & taxi, polling, printi	\$28,505
10/21/2004	Service Employees International Union	Citizens United to Protect Our Public Safety, Scho	meals, hotel, parking, gas & taxi, polling, printi	\$28,505
6/14/2004	Katahdin Cedar Log Homes	Maines Fish and Wildlife Conservation Council	Raffle Gift	\$28,000
10/15/2005	Human Rights Campaign	Maine Won't Discriminate	Field Organizing Consultants	\$27,115
9/30/2006	Maine Municipal Association	Citizens United to Protect Our Public Safety, Scho	Staff time, travel expenses, supplies	\$26,076
4/15/2004	Maine Education Association	Citizens Who Support Maine's Public Schools	Consulting services	\$25,000
5/13/2008	American Beverage Ass'n	Fed Up With Taxes	payment to signature gathering firm (National Peti	\$25,000
5/13/2008	American Beverage Ass'n	Fed Up With Taxes	contribution to polling firm for public polling an	\$25,000
6/2/2006	National Education Association	Citizens Who Support Maine's Public Schools	Campaign staffperson	\$22,339
11/9/2005	NGLTF, The Task Force	Maine Won't Discriminate	Field Organizing Consultant	\$21,379
5/27/2004	GEF LLC db/a Fisherman's Wharf	Tax Cap YES!	Phone Bank Services - Tax Cap Yes	\$20,000
10/22/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood Consulting, LLC for publi	\$19,710
10/26/2006	National Education Association	Citizens Who Support Maine's Public Schools	Staff	\$19,088
9/30/2004	Sportsman's Alliance of Maine	Maine's Fish and Wildlife Conservation Council	Consulting	\$16,626
11/12/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Barton and Gingold for message developm	\$16,468
12/28/2005	MAINE STREET SOLUTIONS	Coalition to Lower Maine Taxes	DISCOUNT FEES FOR TAX CAP PROPOSAL	\$16,145
11/15/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood, LLP for legal services	\$15,500
9/18/2004	International Paper Company	Maine's Fish and Wildlife Conservation Council	.	\$15,000
10/26/2006	Maine Municipal Association	Citizens United to Protect Our Public Safety, Scho	Staff time, travel expenses	\$14,259
9/7/2004	Service Employees International Union	Citizens United to Protect Our Public Safety, Scho	Staff time, travel expenses, meals, printing and	\$14,192
1/5/2005	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood Consulting LLC for public	\$12,704
7/1/2009	Equality Maine	Maine Freedom to Marry	8 contract employees-640 hours	\$12,666
10/27/2006	National Education Association	Citizens Who Support Maine's Public Schools	Campaign Field Staff	\$12,218
6/14/2004	Stateine Auto, RV and Marine	Maines Fish and Wildlife Conservation Council	Raffle Gift	\$12,000
10/24/2006	AMERICANS FOR LIMITED GOVERNMENT	TaxPayeRillRights.com	VIDEOS	\$11,963
7/1/2009	Human Rights Campaign	Maine Freedom to Marry	consultant fees	\$11,500
7/1/2004	Developme	Maines Fish and Wildlife Conservation Council	Research, Economic Impact Study	\$11,330
10/31/2004	U.S. Sportsman's Alliance	Maine's Fish and Wildlife Conservation Council	Television Advertising	\$11,000

Date	Contributor	Recipient PAC	Goods or Services Contributed	Value
12/3/2004	Dan Archer/Northwoods Outdoor TV Show	Maine's Fish and Wildlife Conservation Council	Television consulting and advertising	\$10,949
10/11/2007	Marijuana Policy Project	Maine Citizens for Patients Rights	Employee time spent assist ing the committee betwe	\$10,529
4/5/2004	ELC, Inc.	Tax Cap YES!	Administrative Services/Copier/Fax/Ofc. Supplies/&	\$10,000
12/1/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Barton and Girigold for message developm	\$9,591
7/1/2009	LGBT Mentoring Project	Maine Freedom to Marry	salary	\$9,125
9/1/2005	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood LLP for legal services	\$8,300
5/4/2004	Northwoods Sporting Journal	Maine's Fish and Wildlife Conservation Council	Advertising	\$8,200
5/27/2008	Christian Civic League of Maine	Yes for Marriage and Equality	Staff Time PAC Expense for Reporting Period	\$8,078
7/1/2009	Equality Maine	Maine Freedom to Marry	4 salaried employees-490 hours	\$7,956
5/1/2006	KELLY, REMMEL & ZIMMERMAN	TaxPayerBillOfRights.com	LEGAL SERVICES	\$7,936
9/28/2007	The Conservation Campaign	Citizens to Save Maine's Heritage, a Project of th	staff time	\$7,905
10/12/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Value of time spent by Nestle Waters North America	\$7,850
5/17/2008	Hilton Garden Inn	Fed Up With Taxes	Hotel room rental price reduction	\$7,000
6/14/2004	Numzaan Safaris	Maine's Fish and Wildlife Conservation Council	Raffle Gift	\$7,000
10/19/2006	Citizens Who Support Maine's Public Schools	Citizens Who Support Maine's Public Schools	Poling	\$6,900
1/27/2005	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood Consulting LLC for public	\$6,852
7/18/2006	Maine Municipal Association	Citizens United to Protect Our Public Safety, Scho	Staff time, Research, travel expenses, office expe	\$6,635
11/3/2007	Bangor Daily News	Citizens to Save Maine's Heritage, a Project of th	Newspaper Ad	\$6,609
10/5/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Value of time spent by Nestle Waters North America	\$6,500
10/25/2008	Ursus Media Group	Health Coverage for Maine	68 30 second ad spots during Inside Maine Business	\$6,480
6/15/2005	Planning Decisions INC	Coalition to Lower Maine Taxes	Discount Fees - Inv 12631 and 12734	\$6,439
10/27/2005	Trust for Public Land	Citizens to Save Maine's Heritage	staff time and expenses	\$6,334
9/29/2005	Nestle Waters North America	Maine Citizens Against Taxing Water	Payment to Pierce Atwood Consulting LLC for public	\$6,234
12/13/2005	The Nature Conservancy	Citizens to Save Maine's Heritage	stadd time, travel and office expenses	\$6,200
11/2/2004	Nestle Waters North America	Maine Citizens Against Taxing Water	Value of time spent by Nestle Waters North America	\$6,150
6/4/2009	Roman Catholic Diocese of Portland	StandForMarriageMaine.com	Salaries,	\$6,093
9/30/2005	The Island Institute	The Campaign to Save Working Waterfront Jobs	Poling for Question #7	\$6,000
4/1/2004	Maine Municipal Association	Citizens to Reduce Local Property Taxes Statewide	Administrative costs	\$5,766
12/13/2005	Bangor Daily News	Citizens to Save Maine's Heritage	newspaper ad	\$5,615
5/27/2008	Maine Beer and Wine Wholesalers Ass'n	Fed Up With Taxes	logo development and organizational structure work	\$5,210
6/2/2008	Maine Inkkeepers Ass'n	Fed Up With Taxes	lodging for campaign workers	\$5,043
11/1/2004	U.S. Sportsmen's Alliance	Maine's Fish and Wildlife Conservation Council	Television Advertizing	\$5,000
10/25/2005	Swardlick Marketing Group	Jobs For A Healthy Maine	In-kind contribution of media advertising consulta	\$4,875
10/1/2008	Ursus Media Group	Health Coverage for Maine	50 30 second ad spots during Inside Maine Business	\$4,710



2009 FILING SCHEDULE For Ballot Question Committees

REQUIRED FOR ALL BALLOT QUESTION COMMITTEES

TYPE OF REPORT	FILING DEADLINE (BY 11:59 P.M.)	REPORT PERIOD
April Quarterly	April 10, 2009	January 6, 2009 – March 31, 2009
July Quarterly	July 15, 2009	April 1, 2009 – July 5, 2009
October Quarterly	October 13, 2009	July 6, 2009 – September 30, 2009
January Quarterly	January 19, 2010	October 1, 2009 – December 31, 2009

In addition to quarterly reports, committees involved in the November 3 election will be required to file pre- and post-election reports according to the following schedule.

11-Day Pre-Election	October 23, 2009	October 1, 2009 – October 20, 2009
42-Day Post-Election	December 15, 2009	October 21, 2009 – December 8, 2009

24-Hour Reports (for committees participating in the November 3 election)

24-HOUR REPORT PERIOD (13 DAYS BEFORE THE ELECTION)	WHAT TO REPORT	WHEN TO FILE THE REPORT
October 21, 2009 – November 2, 2009	Any single expenditure of \$500 or more. Orders placed with or obligations made to vendors for goods or services are considered expenditures at the time the obligations are made.	Within 24 hours, including weekends and holidays, of making the expenditure, incurring the obligation, or placing the order and can be filed via the electronic filing website.

Important Information

Commission staff will be available until 5:00 p.m. on filing deadlines to assist ballot question committees. Failure to seek out timely assistance from staff regarding the filing of reports will not be considered a mitigating circumstance if the report is filed late.

RECEIVED

AUG 31 2009

MAINE ETHICS COMMISSION

TABOR NOW

LOWER TAXES. MORE JOBS.

August 27, 2009

VIA EMAIL jonathan.wayne@maine.gov
AND FIRST CLASS MAIL

Jonathan Wayne, Executive Director
Maine Commission on Governmental Ethics & Election Practices
135 State House Station
Augusta, Maine 04333-0135

Dear Mr. Wayne:

The TABOR Now campaign would like to request an investigation of four organizations for apparent non-reporting of campaign activity in opposition to the TABOR Now campaign.

1) Maine Can Do Better

According to its web site, www.maine candobetter.org, Maine Can Do Better has done the following to oppose the TABOR ballot question:

- Created a web site opposing TABOR with volunteer sign up
- Organized over 42 different nonprofit groups and organizations to oppose the ballot question
- Published a "template Board Resolution against TABOR II"
- Created extensive talking points opposed to TABOR
- Posted two videos opposing TABOR

After all of these campaign activities, Maine Can Do Better has not filed a 1056B report or registered as a Ballot Question Committee. We request the Commission investigate why Maine Can Do Better has not complied with existing law.

2) Maine People's Alliance

According to its web site, [www.mainepeoplesalliance.org/other issues.html](http://www.mainepeoplesalliance.org/other_issues.html), the Maine People's Alliance has done the following to oppose the TABOR ballot question:

- Created a web site opposing TABOR with volunteer sign up
- Hosted training sessions organizing opposition to campaign against TABOR (see Exhibit A)

After all of these campaign activities, the Maine People's Alliance has not filed a 1056B report or registered as a Ballot Question Committee. We request the Commission investigate why Maine People's Alliance has not complied with existing law given the extensive staff time and expense they have incurred opposing the TABOR referendum.

3) Center on Budget and Policy Priorities

At the request of the organization Engage Maine, which is affiliated with the aforementioned Maine Can Do Better, the Center on Budget and Policy Priorities paid to have two Colorado politicians (Former Senate President Joan Fitz-Gerald, D-Golden, and Rep. Mark Ferrandino, D-Denver) flown to Maine and speak with business leaders to encourage opposition to TABOR (see Exhibit B).

Additionally the Center on Budget and Policy Priorities created a video, featured on both www.mainecandobetter.org and www.mecep.org, actively opposing TABOR.

After all of these campaign activities, the Center on Budget and Policy Priorities has not filed a 1056B report or registered as a Ballot Question Committee. We request the Commission investigate why the Center on Budget and Policy Priorities has not complied with existing law given the extensive staff time and expense they have incurred opposing the TABOR referendum.

4) Maine Center for Economic Policy (MECEP)

In their second quarter 2009 1056B report the Maine Center for Economic Policy stated they had spent no staff time or money opposing the TABOR referendum. However, during the time covered by their report MECEP published a paper titled "TABOR: Bad Idea Then...Even Worse Now" which can be found at <http://www.mecep.org/documents/TABORLitDROPMPA.pdf> (according to the document it was published on June 30, 2009).

MECEP also worked with its partner, the Center on Budget and Policy Priorities, to bring two Colorado politicians to Maine. While the event took place after the end of the 1056B reporting period, it is reasonable to assume that some preparation was done by MECEP prior to the end of the period.

Additionally, MECEP did not disclose on its lobbyist report it prepared and delivered testimony in opposition to LD 976: An Act to Provide Tax Relief, which became the TABOR referendum.

We request the Commission investigate why the Maine Center for Economic Policy has not complied with existing law, on either their 1056B report or lobbyist report for the extensive time and expense incurred opposing the TABOR referendum and its original bill LD 976.

Thank you for your attention to this matter and we appreciate the work of the Maine Commission on Governmental Ethics & Election Practices.

Sincerely,



David Crocker, Esq.
Chair
TABOR Now Campaign

Exhibit A

From: Anne Sheldon <anne@mainepeoplesalliance.org>
Date: Fri, Aug 21, 2009 at 4:51 PM
Subject: MPA TABOR training, TUESDAY 6-7
To:

Hello,

You are receiving this email because you signed up to help the MPA fight TABOR.

The Maine People's Alliance will be holding a training on TABOR and the fall referendum on Tuesday, August 25th from 6:00-7:00pm in the Portland Office (565 Congress st).

At the training we will go over the TABOR threat (yes, it will be back this November), discuss some of the nitty-gritty aspects of the proposal and work on strategies for raising awareness about the TABOR threat with people in your networks.

TABOR, or the "Tax Payer Bill of Rights," is a measure that will appear on the ballot November 3rd. If voted upon, this bill will destabilize public revenue and put our valued public institutions at risk. The areas of education, health care, elder care, fiscal stability, and economic development are just a few examples of necessary programs that are in danger with TABOR.

TABOR may likely sound familiar to you. In 2006, Maine voters rejected the very same proposal and it's back again this year. TABOR may also seem familiar because it was, regrettably, adopted by the Colorado State legislature in 1992. Since it's enactment Colorado doubled the amount of low-income children without health insurance, and higher education funding dropped 31%. Clearly, TABOR was a bad idea for Colorado in 1992, and even a worse idea for Maine today.

Come to the MPA training this Tuesday August 25th from 6:00-7:00pm in the Portland Office to learn what you can do to help defeat Tabor this fall. We rejected it in 2006, we can do it again!
Please RSVP to Anne@mainepeoplesalliance.org if you plan on attending or call the office: 207-797-0967.

Thanks and I look forward to seeing you there!
Anne Sheldon

Maine People's Alliance
US Action Fellow
Anne@mainepeoplesalliance.org
(cell) 617-962-2269
(work) 207-797-0967

Exhibit B

Colorado pair urge Mainers to reject spend cap

BY SUSAN M. COVER

Staff Writer ~~Kennebec Journal~~ ~~Portland Sentinel~~ 07/21/2009

<http://kennebecjournal.mainetoday.com/news/local/6631303.html>

AUGUSTA -- Two politicians from Colorado are in Maine this week to urge business leaders and others to oppose a citizen initiative on Maine's November ballot that seeks to place caps on government spending.

Former Senate President Joan Fitz-Gerald, D-Golden, and Rep. Mark Ferrandino, D-Denver, said the spending limits in Colorado, known as the Taxpayer Bill of Rights, have not worked and have hampered the state's ability to provide core services.

The constitutional limits in Colorado require citizen votes for tax and spending increases.

"You start running the state by referendum and by special interest group and not by looking at what is best for the overall state to move it forward," Ferrandino said.

Colorado voters put in place the spending limits in 1992, but supported what Fitz-Gerald described as a "timeout" from 2005-10 because of a lack of funding for higher education.

In Maine, the Maine Heritage Policy Center, a conservative think tank in Portland, revised a Taxpayer Bill of Rights initiative that was rejected by voters in 2006.

This time around, the proposal focuses on limiting state government spending, said Scott Moody, an economist with the policy center. It does not cover schools or higher education, he said.

Instead, the ballot question will ask voters to approve a system that seeks to limit the growth of state spending in the General Fund and Highway Fund. It would limit increases to a formula that combines growth in population and inflation.

The revised measure would require state lawmakers and voters to approve any spending beyond the limits and to OK all state tax increases. In addition, it would direct excess revenues to a budget stabilization fund and to a tax relief fund.

"We're giving voters a voice in the process," Moody said. "We see this more as a transparency issue."

Engage Maine, which supports progressive social change, invited the Colorado politicians to visit Maine to share their stories with nonprofit groups and business leaders, said Lizzy Reinholt, a spokeswoman for the group.

The Center on Budget and Policy Priorities in Washington, D.C., covered the expenses for Fitz-Gerald and Ferrandino to visit Maine, said Robb Gray, special project coordinator. The center is affiliated with the Maine Center on Economic Policy, a liberal think tank in Augusta.

Gray said although Moody and others described the revised version as good for Maine, it's a proposal that will take away the state's ability to act quickly.

"It still ties spending to this formula that is inflexible and unworkable," he said.

"At a time when flexibility is needed, this removes that from the conversation. It's a hatchet where a scalpel is needed."

Chris Cinquemani, public affairs director of Maine Leads, which supports the spending limits, said opponents should be listening to people in Maine, not those from Colorado, when it comes to what will work here.

"The economy is a mess," he said. "People are ready to start taking charge of government and TABOR is the way to do that."

The ballot question is one of four citizen initiatives that will be up for a vote in November. Others include a cut to the automobile excise tax, a question on medical marijuana and a repeal of school district consolidation.

A people's veto of the state's new gay marriage law may also be on that ballot.

Last week, a group called Citizens Unified for Maine's Future formed to oppose TABOR and the excise tax cut.

The political action committee includes union, business and nonprofit groups.

Cinquemani said the visit by Colorado politicians so early in the campaign signals to him that TABOR opponents are worried.

"It shows me they have a lot to fear," he said.

Fitz-Gerald said asking voters to approve tax and fee increases will make government even less able to respond to a changing economy.

"If people are asking for anything right now, they are asking for smart government," she said. "This is not smart."

Susan Cover -- 620-7015



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

August 31, 2009

Maine Can Do Better
c/o Benjamin F. Dudley, Executive
Director
Engage Maine
PO Box 17533
Portland, Maine 04112

Jesse Graham, Executive Director
Maine People's Alliance
565 Congress Street, Suite 200
Portland, Maine 04101

Christopher St. John, Executive Director
Maine Center for Economic Policy
P.O. Box 437
Augusta, Maine 04332-0437

Robert Greenstein, Executive Director
Center on Budget and Policy Priorities
820 First Street, NE, Suite 510
Washington, DC 20002

Dear Sirs:

The Maine Commission on Governmental Ethics and Election Practices received the attached request from the TABOR NOW campaign that the Commission investigate whether your organizations have been required to register as ballot question committees with the Commission and to file campaign finance reports because of financial activities to oppose a citizen initiative on the November 3, 2009 ballot, An Act to Promote Tax Relief (TABOR).

Under 21-A M.R.S.A. § 1056-B, an organization qualifies as a ballot question committee as follows:

Ballot Question Committees. Any person not defined as a political action committee who solicits and receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question must file a report with the Commission

Ballot question committees are required to register with the Commission and to file campaign finance reports according to a prescribed schedule. The statute makes clear that reporting include "paid staff time spent for the purpose of influencing in any way a ballot question." (*Id.*) The last report was due July 15, 2009 and covered activity through June 30, 2009. For your background information, I have attached the statute, some reporting guidance that was adopted by the Commission effective June 30, 2008,

August 31, 2009

and some further advice dated July 27, 2009 from the Commission staff to registered 2009 ballot question committees.

To date, the Maine Center for Economic Policy is the only organization that has registered as a ballot question committee in opposition to TABOR. TABOR NOW states that MECEP's July 15, 2009 campaign finance report was incomplete because it did not report staff time spent on a document drafted to oppose TABOR and because its monthly lobbying reporting for the 2009 session was incomplete because it did not include lobbying against L.D. 976.

Commission's Consideration of this Matter

The members of the Commission are required by statute to consider TABOR NOW's request at a public meeting. The Commission will consider the request at the Commission's meeting on October 1, 2009 at 9:00 a.m. in Room 208 of the Cross Office Building, 111 Sewall Street in Augusta. At that time, I anticipate that the Commission will decide whether to conduct any investigation into whether a violation has occurred.

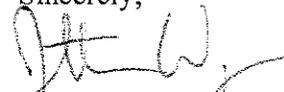
Your Opportunity to Respond

The Commission staff requests you provide a written response to the request no later than Wednesday, September 16, 2009. Please address in the response whether your organization has been required to register or file campaign finance reports as ballot question committees. In the case of MECEP, please respond whether your reporting has been complete.

We also recommend that you address whether your organizations have been monitoring its expenditures to oppose TABOR and the excise tax initiative, such as paid staff time for publications, website development, presentations, or research, or other expenses to payees outside the organization such as compensation or travel expenses of consultants. In addition to the written response, we would also suggest that representatives of the three Maine-based organizations have a representative present at the meeting to respond to any questions that the Commissioners have.

If you have any questions about this matter, please call me at 287-4179.

Sincerely,



Jonathan Wayne
Executive Director

cc: Assistant Attorney General Phyllis Gardiner
David P. Crocker, Esq.

Wayne, Jonathan

From: Jesse Graham [jesse@mainepeoplesalliance.org]
Sent: Tuesday, September 22, 2009 1:47 PM
To: Wayne, Jonathan
Subject: Info you requested
Attachments: 2009-9-22 for Ethics Commission.docx

Maine People's Alliance

The Maine People's Alliance (MPA), founded in 1982, is Maine's largest community action organization. MPA's membership of 32,000 households covers every Maine county and 160 Maine towns. MPA works to educate and activate members to win local, statewide and national campaigns for social, environmental, racial and economic justice. Each year, MPA ranks legislators on their legislative records, compiling a "Community Values Legislative Scorecard" which ranks legislators' votes on a collection of bills that pertain to issues MPA members care about (healthcare access, environmental protection, education, affordable housing, and voting and civil rights, among others). MPA also works to demonstrate support for its legislative priorities by bringing everyday Mainers to Augusta to testify on legislation that affects their lives.

Maine People's Resource Center

The Maine People's Resource Center (MPRC) was formed in 1984 by leaders of the Maine People's Alliance (MPA) to unite Maine's un/under-represented citizens in their communities so that together they could identify common concerns, build power, and develop the skills and resources necessary to represent themselves effectively in decision-making forums. By providing organizational and educational assistance, MPRC works to build a network of local grassroots organizations and individuals united statewide in a structure based on coordinated autonomy on statewide issues and empowerment of local groups to undertake local issues. MPRC strives to engage everyday people in organizing for social change, by giving them the training, experience and confidence to be effective community leaders. We teach people how to analyze relations of power, to think strategically to address root causes of injustice, and to understand the use of framing and worldview to communicate powerful messages that motivate others to action. To broaden the base of support for MPRC issues, MPRC supports and develops statewide coalitions by convening stakeholders, providing training and helping to manage collective resources.

Maine Can Do Better

Maine Can Do Better is a coalition of organizations concerned with the importance of public structures to Maine communities, Maine families and Maine's economy. Organized in the context of the 2008 supplemental state budget, Maine Can Do Better continues to keep its partner groups informed and engaged in debates that relate to sustaining Maine's public structures and the public budgets and revenues on which they depend. It does this through email updates, posting information and resources on our website, and hosting occasional informational meetings.

MPRC employs the only coalition staff and has raised funds to support that staff time organizing and performing coalition activities. Thus MPRC has ultimate responsibility for coalition activities, and Maine Can Do Better operates as a project of MPRC.

MAINE PEOPLE'S RESOURCE CENTER

Please respond to office indicated

☐ 27 State Street, Suite 44
Bangor, ME 04401
(207) 990-0672
Fax: (207) 990-0772

☐ 565 Congress St. #200
Portland, ME 04101
(207) 797-9207
Fax: (207) 797-4716

☐ 145 Lisbon Street #200
Lewiston, ME 04240
(207) 782-7876
Fax: (207) 782-3236

E-mail: jesse@mainepeoplesresourcecenter.org

September 16, 2009

Jonathan Wayne, Executive Director
State of Maine Commission of Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333-0135

Dear Mr. Wayne:

This letter is in response to your request of August 31 related to the activities of the Maine Can Do Better, one of the ongoing projects of the Maine People's Resource Center (MPRC).

1) EXPENDITURES TO OPPOSE TABOR 2:

MPRC opposes question 4 on the November 2009 referendum ballot (TABOR 2). Prior to the July 17 registration of the PAC established to oppose TABOR 2, Citizens Unified for Maine's Future (Citizen's Unified), the expenditures of MPRC in opposition to TABOR totaled \$2,223.41, well below the \$5,000 amount which triggers the requirement for registration as a ballot question committee (MRS 21-A, §1056-B). The breakdown of our expenditures during this time is as follows:

Staff time (54.25 hours):	\$1,518.81
Web hosting:	\$12.73*
Email/Constant Contact:	\$76.45
Travel Expenses:	\$193.02
Meeting Space:	\$75.00
Meeting Food:	\$347.40
TOTAL	\$2,223.41

In addition, we are providing an example of our in-kind tracking sheet, currently being used to track all activities related to TABOR 2 for the October report.

Following its PAC registration, and after speaking with counsel, it has been our intent that all our subsequent expenditures be reported as in-kind contributions to Citizen's Unified.

* The questioned Maine Can Do Better website was an existing asset, no design expenses were incurred.

2) CONTRIBUTIONS TO OPPOSE TABOR 2:

After careful scrutiny of our records, as a result of your inquiry, we did discover one oversight. On September 2 we did receive one individual contribution to fund some of our efforts in opposition to several ballot questions. This individual contribution is of an amount large enough to require us to register as a ballot question committee as of September 9, 2009, which we will be doing today. It is our understanding that we are only required to file a registration (and not an initial report) because the activities in question occurred before the recent amended report requirements enacted on September 12, 2009.

Prior to the October 13 deadline for filing our October Quarterly Report, we will be seeking guidance from counsel and Commission staff on how to appropriately report our expenditures, whether on our ballot question committee report, as in-kind to Citizen's Unified, or both.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jesse Graham", followed by a horizontal line.

Jesse Graham, Executive Director
Maine People's Resource Center

Attachment: in-kind tracking sheet



RECEIVED

SEP 16 2009

MAINE ETHICS COMMISSION

COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
Mail: 135 State House Station, Augusta, Maine 04333
Office: 45 Memorial Circle, 2nd floor, Augusta, Maine

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

REGISTRATION: BALLOT QUESTION COMMITTEES
For Persons and Organizations Other than PACs Involved in Ballot Question Elections

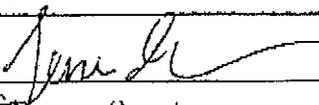
Any person not defined as a political action committee who receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question shall register with the Commission as a ballot question committee within 7 days of receiving contributions or making expenditures that exceed \$5,000. (21-A M.R.S.A. §1056-B)

An Initial Campaign Finance Report must accompany this form - Ballot Question Committees must report all contributions and expenditures, whether cash or in-kind, made from the beginning of the campaign. Be sure to include expenditures such as those associated with the collection of signatures, paid staff time, travel reimbursement, and fundraising expenses.

Is this an amendment? Yes No

ALL SECTIONS OF THIS FORM MUST BE COMPLETED.

COMMITTEE INFORMATION	
Committee name Maine People's Resource Center	Acronym MPRC
Mailing address 565 Congress St Suite 200	Phone 207-797-9267
City, zip code Portland, ME 04101	Fax
E-mail	Website
TREASURER INFORMATION	
Name Jesse Graham	Phone 207-990-0672
Mailing address 565 Congress St. Suite # 200	
City, zip code Portland, ME 04101	E-mail jesse@mainepeopleresourcecenter.org
PRINCIPAL OFFICER INFORMATION	
Name	Title
Mailing address	Phone
City, zip code	
Name	Title
Mailing address	Phone
City, zip code	

ALTERNATE E-MAIL ADDRESSES	
To receive filing reminders and important information from the Commission.	
1. Amyemainepeoplepresscenter.org	2.
PRIMARY FUNDRAISERS AND DECISION MAKERS	
Identify any candidates, Legislators or other individuals who are the primary fundraisers and decision makers for the committee.	
1. Jesse Graham	2. Amy Halstead
3. Ben Dudley	4.
5.	6.
COMMITTEE MAILING ADDRESS	
Correspondence will be mailed to this address.	
Street address or PO Box	
City, zip code	
FORM OF ORGANIZATION	
Name the form or structure of organization, i.e., cooperative, corporation, voluntary association, partnership, etc.	
Form of organization 501c3 Nonprofit - BQC	Date of origin/incorporation 1984
STATEMENT OF SUPPORT OR OPPOSITION	
Indicate whether the committee supports or opposes a candidate, political committee, referendum, initiated petition or campaign. If unknown at the time of registration, the committee must inform the Commission as soon as this information is known.	
SUPPORT	
OPPOSE	Peoples Veto of "Act to End discrimination in Civil Marriage" #1
	TABOR #4
	Cut in Excise tax #2
SIGNATURE OF PRINCIPAL COMMITTEE TREASURER, PRINCIPAL OR OTHER AUTHORIZED INDIVIDUAL	
Signature 	Title Executive Director.
Print name Jesse Graham	Date 9/16/2009

IMPORTANT NOTICE:

An initial campaign finance report must be filed with the Commission at the time of registration.



27 State St, Ste 44, Bangor, ME 04401 (207) 990-0672 Fax (207) 990-0772 jesse@mainepeoplesalliance.org
565 Congress St. #200 Portland, ME 04101 (207) 797-0967 mpa@mainepeoplesalliance.org
145 Lisbon St, #200, Lewiston, ME04240 (207) 782-7876 kate@mainepeoplesalliance.org
www.MainePeoplesAlliance.org

September 16, 2009

Jonathan Wayne, Executive Director
State of Maine Commission of Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333-0135

Dear Mr. Wayne:

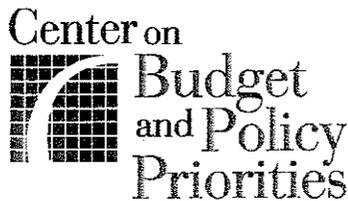
Thank you for the opportunity to respond to the request from the TABOR NOW campaign that the Commission investigate our organization regarding our activities to oppose TABOR on the November 3, 2009 ballot.

Maine People's Alliance (MPA) staff has been tracking our activities, staff time and expenditures in regards to our opposition to TABOR. The Maine People's Alliance has not filed as a ballot question committee as we have done very limited activity to oppose TABOR.

Prior to the July 17 registration of the PAC established to oppose TABOR, Citizens Unified for Maine's Future (Citizen's Unified), MPA spent \$1739.77 in staff time participating in meetings, creating a web page, flyer and email and raised \$150.00 earmarked for defeat of TABOR. MPA has conducted a training for our membership chapters and published a short article in our membership newspaper both of which we believe to be membership communications. Our reportable activities fall below the \$5000 threshold requiring the formation of a ballot question committee.

After the July 17th formation of the Citizen's Unified PAC it has been our intention to report activities in coordination with the PAC as in-kind contributions to Citizen's Unified.

Jesse Graham
Executive Director
Maine People's Alliance



820 First Street NE ■ Suite 510 ■ Washington DC 20002
(202)408-1080 ■ fax (202)408-1056 ■ center@cbpp.org ■ www.cbpp.org

RECEIVED

SEP 17 2009

MAINE ETHICS COMMISSION

September 14, 2009

FAX REC'D

Jonathan Wayne, Executive Director
State of Maine
Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, Maine 04333-0135

Dear Mr. Wayne,

On behalf of the Center on Budget and Policy Priorities (the Center) I am responding to the request for investigation filed on behalf of TABOR NOW. TABOR NOW alleges that the Center was required to register as a ballot question committee and to file required reports. The complaint asserts that the Center owes a 1056B report presumably for the 2009 July Quarterly. Careful review of the Center's second quarter expenses shows that neither registration nor expense reporting was required for the July Quarterly.

Background on the Center on Budget and Policy Priorities

The Center on Budget and Policy Priorities is one of the nation's premier policy organizations working at the federal and state levels on fiscal policy and public programs that affect low- and moderate-income families and individuals. The Center conducts research and analysis to help shape public debates over proposed budget and tax policies and to help ensure that policymakers consider the needs of low-income families and individuals in these debates. We also develop policy options to alleviate poverty.

In addition, the Center examines the short- and long-term impacts of proposed policies on the health of the economy and the soundness of federal and state budgets. Among the issues we explore are whether federal and state governments are fiscally sound and have sufficient revenue to address critical priorities, both for low-income populations and for the nation as a whole.

Over the past quarter-century, the Center has gained a reputation for producing materials that are balanced, authoritative, accessible to non-specialists, and responsive to issues facing the country. Our materials are used by policymakers and non-profit organizations across the political spectrum, and by journalists from a wide variety of TV, radio, print, and online outlets.

Video

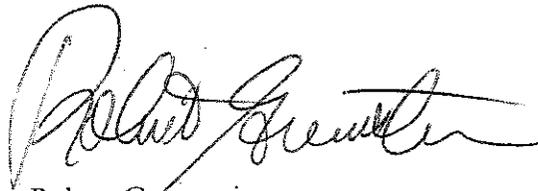
The video which appears on the web sites of Maine Can Do Better and Maine Center for Economic Policy was produced in 2005 for the purpose of educating citizens and policy makers about TABOR initiatives based on the experience of Colorado, which had adopted a TABOR proposal in 1992. The video has been distributed widely throughout the country since 2006 including being continuously posted on the web site of the Center. It is currently available on You Tube and on the web sites of many nonprofit organizations. In addition the Center has distributed thousands of DVDs containing the video. The video does not mention the state of Maine and does not in any other way refer specifically to the initiative proposed for Maine. For these reasons we do not believe that the 2005 expenditures of producing the video were "for the purpose of defeating or influencing in any way the current Maine TABOR ballot question."

Expenses for Trip of Colorado Politicians

The Center does not dispute that it paid the expense of two Colorado legislators who flew to Maine to address business leaders and nonprofit organizations in opposition to TABOR during the fourth week in July. These costs were incurred in the third quarter of 2009, in the period covered by the October Quarterly. No significant preparation costs for this activity were incurred in period covered by the July Quarterly. Accordingly, the Center is not required to file a 1056B for the July Quarterly.

The Center has carefully investigated and evaluated its expenses incurred in connection with its efforts to oppose the TABOR initiative. It has registered as a Ballot Question Committee based on activities covered by the 2009 October Quarterly and will report expenditures in a timely fashion.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Greenstein". The signature is fluid and cursive, with a large initial "R" and "G".

Robert Greenstein
Executive Director

2008 Election



RECEIVED

SEP 14 2009

MAINE ETHICS COMMISSION

COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
 Mail: 135 State House Station, Augusta, Maine 04333
 Office: 242 State Street, Augusta, Maine

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

REGISTRATION: BALLOT QUESTION COMMITTEES

(FOR PERSONS AND ORGANIZATIONS OTHER THAN PACS INVOLVED IN BALLOT QUESTION ELECTIONS)

Any person not defined as a political action committee who solicits and receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question shall register with the Commission as a ballot question committee within 7 days of receiving contributions or making expenditures that exceed \$5000. (21-A M.R.S.A. §1056-B)

Is this an amendment? Yes No

ALL SECTIONS OF THIS FORM MUST BE COMPLETED.

COMMITTEE INFORMATION	
Filing notices and correspondence will be mailed to this address.	
Committee name Center on Budget & Policy Priorities	Acronym CBPP
Mailing address 820 1st Street, NE, Suite 510	Phone 202/408-1080
City, zip code Washington, DC 20002	Fax 202/408-1056
E-mail schwartz@cbpp.org	Website www.cbpp.org
TREASURER OF THE COMMITTEE	
Name Debra Schwartz	Phone 202/408-1080
Mailing address 820 First Street, NE, Suite 510	
City, zip code Washington, DC 20002	E-mail schwartz@cbpp.org
OTHER PRINCIPAL OFFICERS (IF ANY)	
Name	Title
Mailing address	Phone
City, zip code	E-mail
Name	Title
Mailing address	Phone
City, zip code	E-mail

ALTERNATE EMAIL ADDRESSES
 (To be provided to the Committee)

1. gray@cbpp.org	2. lav@cbpp.org	3. bunton@cbpp.org
------------------	-----------------	--------------------

PRIMARY EMPLOYERS AND DECISIONMAKERS
 (Identify all individuals who are the committee's primary financial and decision makers regarding the bill's passage.)

1. Robb Gray	2. Iris Lav
3. Scott Bunton	4.
5.	6.

FORM OF ORGANIZATION
 (Name the form of organization and the date of origin/incorporation.)

Form of organization	Date of origin/incorporation
----------------------	------------------------------

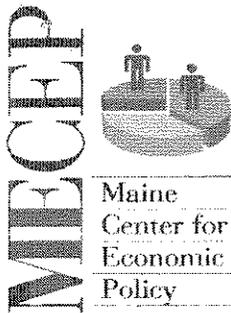
STATEMENT OF SUPPORT OR OPPOSITION
 Indicate the bill's sponsor's position on the bill. If the sponsor is not the committee's primary financial and decision maker, indicate the sponsor's position on the bill's passage.

SUPPORT	

OPPOSE	
	QUESTION 4 - AN ACT TO PROMOTE TAX RELIEF

SIGNATURE OF COMMITTEE'S TREASURER, PRINCIPAL OFFICER OR OTHER AUTHORIZED INDIVIDUAL

Signature <i>Debra Schwartz</i>	Title Director, Finance & Administration
Print name Debra Schwartz	Date 9/14/09



September 15, 2009

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

Dear Mr. Wayne,

Thank you for this opportunity to respond to the request by TABOR NOW that the Commission investigate our organization and three others regarding "apparent non-reporting of campaign activity in opposition to the TABOR NOW campaign."

Staff

Christopher St. John
Executive Director

Judy Ward
Office Manager

Nicole Witherbee, Ph.D.
Federal Budget Analyst

Deborah Felder
Communications Director

Kurt Wise
Fiscal Policy Analyst

Garrett Martin
Economic Policy Analyst

Board of Directors

Keith Bisson
Mary Cathcart
Lynn Davey
Kate Dempsey
John Hanson
Erik Jorgensen, Secretary
Lock Kiermaier
Beth Kilbreth
Bonnie Lounsbury
Juan Perez-Febles
Sarah Shed, Vice Chair
Joan Sturmthal, Chairman
Annee Tara
David Vail
Steve Ward
Elizabeth Ward-Saxl
Lee Webb, Treasurer
David Wihry
Douglas Woodbury

Board of Advisors

Dan Amory
Sherry Huber
William Knowles
Lisa Miller
Kevin Mattson
Peter Schwindt
September 14, 2009

Jonathan Wayne
Executive Director

The Maine Center for Economic Policy did not report expenditures "for the purpose of influencing in any way a ballot question" for the period concluding on July 5, 2009 because we had no expenditures that met the tests for required reporting by that date. We filed our registration as a ballot committee on June 25, 2009 because we anticipated spending more than \$5000 in staff time in direct presentations to the public and written materials presented in public forums and on our website over the course of the campaign, NOT because we already had met that threshold before the reporting period. We now realize that we could have and perhaps should have for clarity delayed our registration until after we met the threshold as required by the statute. We ask the Commission to consider our registration as the expression of our clear intent to comply with all reporting requirements, and not penalize us for filing before it was required.

In addition, our activity below the threshold before the end of the reporting period did not yet meet the requirement that the activities actually be used to influence a ballot question. The Commission's guidance of June 30, 2008 provides that, "Expenditures to be reported include ... research or analysis, including written reports and legal opinions, where the organization knows or reasonably should know that the results will be used to promote or oppose a ballot question *and where the results are used for that purpose.* (Italics added for emphasis)" As we understand that guidance and the underlying statute, time on research and reports does not become reportable until it is actually used to influence members of the voting public.

TABOR NOW has accurately determined that a document now on our website at www.mecep.org was initially prepared internally on June 30, but neither it nor any other TABOR related material was posted on our website, nor made available to the voting public until after July 5. We therefore intend to report the time associated with the production of this and other presentations and reports in our next report to the Commission. TABOR NOW references a visit by two Colorado leaders that took place on July 20. We received confirmation of those visitors from the Center on Budget and Policy Priorities on July 15, and sent an email to a list of people who have requested regular monthly emails from us, announcing their visit and presentations, on July 16. Thus the time associated with preparing and attending these presentations will likewise be reported on our next report.

We acknowledge an oversight on our lobbying report for April 2009. While we reported extensive hours of preparing testimony and attending work sessions on the major tax reform work of the taxation committee this session, mostly by my colleague Kurt Wise, we failed to list the short time associated with my appearance as an opponent of LD 976 before the Taxation Committee on April 16. I regret that I simply forgot this brief appearance. I did not prepare specific written testimony and doubt that I presented for more than five minutes. I apparently distributed to the committee a two page document titled Tabor: Basic Facts which I attach to this document, and which Kurt Wise in our office prepared in early April. I will be happy to remedy my oversight in any way directed by the Commission.

We hope that this response addresses adequately the questions posed by the Commission and the request for a Commission investigation. Please let us know if additional information would be helpful prior to the Commission's meeting on this issue. We will of course attend the October 1 public hearing and will be prepared to respond to any additional questions at that time as well.

Sincerely,



Christopher St. John

Cc: TABOR NOW, Maine People's Alliance, Engage Maine, Center on Budget and Policy Priorities

66 Winthrop Street ▶ P.O. Box 437 ▶ Augusta, ME 04332-0437 ▶ Tel: 207.622.7381 ▶ Fax: 207.622.0239 ▶ info@mecep.org

TABOR II: BASIC FACTS

What is TABOR?

TABOR, the so-called “Taxpayers Bill of Rights,” is a proposed November 2009 ballot measure that, if enacted, would impose a flawed one-size-fits-all formula for state and local budgets. TABOR would slowly and steadily cut funding for schools, roads, and public safety, and for programs like health care, higher education and services for the elderly.

Where does it come from?

Anti-government, arch-conservative groups have reintroduced the TABOR referendum for the November 2009 ballot after it was rejected by Maine voters in 2006. Supporters of this “TABOR II” measure imported the failed concept from Colorado where - after more than a decade of deteriorating services and infrastructure - voters suspended the law in an effort to restore funding for schools, roads, and other basic public services. Maine is one of three states where TABOR initiatives are being pushed by national anti-government groups. To date, their well-funded attempts to pass TABOR have been unsuccessful due to the formation of broad-based coalitions, credible fiscal policy analyses, and the exposure of fraud in the TABOR campaigns.

How does it work?

TABOR II limits annual changes in state and local budgets to an arbitrary formula. For the state this formula is the change in population (averaged over three years) plus the Consumer Price Index (CPI), a national index of inflation. For counties and municipalities the formula is change in average real personal income plus forecasted inflation, *or* the change in assessed property value, whichever is smaller. There is an additional provision in TABOR II that prevents the tax that funds repairs to Maine’s state and local roads and bridges - the “Motor Fuel Tax” - from keeping pace with inflation unless approved by voters each year. Currently, that tax rises annually with inflation.

TABOR II sets in place a complicated, confusing, and expensive process for raising taxes or fees, or exceeding the spending limits. It requires a majority vote of the “legislative body” *followed by* a majority vote of the people in a referendum. This means that the leaders Mainers elect to the State Legislature, County Commissions and Town Councils will no longer be able to perform one of their most important functions: determining budget requirements and balancing expenditures with revenues.

What is wrong with TABOR?

TABOR has *many* problems. The TABOR formula makes it impossible for state and local spending to keep up with the rising costs of services. Health care costs and energy costs, for example, are rising faster than the CPI (inflation). As a result, TABOR will force many communities to make cuts in important programs like education, health care, and emergency services in order to stay within TABOR’s limits. TABOR also creates great inefficiencies in government by requiring referenda when making simple budgetary decisions. It effectively ties the hands of our elected state and local officials, preventing them from addressing public needs or seizing investment opportunities.

~over~

Has TABOR been tried elsewhere and how did it work?

Since 1992, Colorado has been the *only* state in the nation to have imposed a similar TABOR spending limit. During the time TABOR was in effect, public services were consistently underfunded. Resources for K-12 education plummeted, dropping Colorado to 49th in the nation in education funding. Reductions in revenue and spending left roads and bridges in disrepair. The proportion of low-income children who lacked health insurance doubled as it declined nationwide. The University of Colorado considered whether it should become a private institution. And business leaders decried the lack of money for economic development and infrastructure.

Finally, in 2005, Colorado voters, led by a broad-based bi-partisan coalition of business leaders, teachers, seniors, healthcare providers, and firefighters, recognized that TABOR was having an insidious impact on their state's budget and voted to suspend TABOR to stop the deterioration of their state.

What would TABOR II do to Maine's local governments?

Spending levels for counties, cities, and towns will be controlled by the lesser of change in assessed property value *or* the change in average real personal income plus forecasted inflation. Analysis of the TABOR II initiative by the Maine Municipal Association finds that it will reduce funds available for local road maintenance and create a cumbersome and costly budgeting process for towns and schools. It also is clear that should spending limits decline under TABOR II (as would be likely in a recession) school budgets and other local services would suffer.

What would TABOR II do to state government?

While TABOR II would allow small nominal increases in state spending from year to year, spending would not be able to keep up with the rising cost of services. This would mean cuts to services like K-12 education, higher education, health care, transportation, public safety, and conservation, to name a few. Ultimately, as happened in Colorado, Maine's roads and highways would steadily degrade, our schools and our students would suffer, and the quality and capacity of our universities, courts and correctional systems would deteriorate. Bond rating agencies have said that Maine's credit rating would drop if TABOR provisions were adopted, due to the uncertainty created by its formula and restrictions. This would lead to higher costs when the state borrows to improve our roads, bridges, schools, and other key public investments.

Does Maine already have limits for public spending and are they working?

TABOR II is a dangerous gimmick. Maine already has spending controls and protections in law. In January 2005, Gov. Baldacci signed into law LD 1, "An act to Increase the State Share of Education Costs, Reduce Property Taxes and Reduce Government Spending at All Levels". This law created spending caps and a graduated timeline to lower Maine's state and local tax burden ranking to the middle one-third of all states by 2015. Each year the State Planning Office reports on the progress made toward reaching the goals outlined in LD 1. As has been true in each of the four years since enactment of LD 1, municipalities, counties and state government all have remained below – and often times *well below* – the mandated growth rates. Maine is on track to achieve the tax and spending reductions required under LD 1, but to do so responsibly. TABOR II, by contrast, would impose drastic, harmful cuts.

2007
2008-Election



COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
Mail: 135 State House Station, Augusta, Maine 04333
Office: 242 State Street, Augusta, Maine

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

REGISTRATION: BALLOT QUESTION COMMITTEES

(FOR PERSONS AND ORGANIZATIONS OTHER THAN PACS INVOLVED IN BALLOT QUESTION ELECTIONS)

Any person not defined as a political action committee who solicits and receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating, promoting, defeating or influencing in any way a ballot question shall register with the Commission as a ballot question committee within 7 days of receiving contributions or making expenditures that exceed \$5000. (21-A M.R.S.A. §1056-B)

Is this an amendment? Yes No

ALL SECTIONS OF THIS FORM MUST BE COMPLETED.

COMMITTEE INFORMATION	
Filing notices and correspondence will be mailed to this address.	
Committee name <i>Maine Center for Economic Policy</i>	Acronym <i>MECEP</i>
Mailing address <i>PO Box 437</i>	Phone <i>622-7381</i>
City, zip code <i>Augusta, 04332</i>	Fax <i>622-0234</i>
E-mail <i>jward@mecep.org</i>	Website <i>www.mecep.org</i>
TREASURER OF THE COMMITTEE	
Name <i>Christopher St. John</i>	Phone <i>same</i>
Mailing address <i>same</i>	
City, zip code	E-mail
OTHER PRINCIPAL OFFICERS (IF ANY)	
Name <i>Joan Sturmfal</i>	Title <i>Board Chair</i>
Mailing address <i>21 Second St</i>	Phone
City, zip code <i>Hallowell, ME 04347</i>	E-mail <i>jsturmfal@gmail.com</i>
Name	Title
Mailing address	Phone
City, zip code	E-mail

ALTERNATE E-MAIL ADDRESSES	
To receive important information from the Commission	
1. <i>Jward@mecep.org</i>	2.
PRIMARY FUNDRAISERS AND DECISION MAKERS	
Identify all individuals who are the committee's primary fundraisers and decision makers regarding ballot question activity.	
1. <i>Christopher St. John</i>	2.
3.	4.
5.	6.
FORM OF ORGANIZATION	
Name the form or structure of organization, i.e., cooperative, corporation, voluntary association, partnership, etc.	
Form of organization <i>Non-profit public policy research</i>	Date of origin/incorporation <i>1994</i>
STATEMENT OF SUPPORT OR OPPOSITION	
Indicate the ballot questions that the committee supports or opposes. Include the ballot question number (if known) and the ballot question title.	
SUPPORT	
OPPOSE	<i>TABOR</i>
	<i>excise tax</i>
SIGNATURE OF COMMITTEE'S TREASURER, PRINCIPAL OFFICER OR OTHER AUTHORIZED INDIVIDUAL	
Signature <i>Christy St. John</i>	Title <i>Executive Director</i>
Print name <i>Christopher St. John</i>	Date <i>June 26, '09</i>

RECEIVED

JUL 16 2009



MAINE ETHICS COMMISSION

COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
Mail: 135 State House Station, Augusta, Maine 04333
Office: 242 State Street, Augusta, Maine

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

2009 CAMPAIGN FINANCE REPORT - BALLOT QUESTION COMMITTEES
FOR PERSONS AND ORGANIZATIONS INVOLVED IN BALLOT QUESTION ELECTIONS (OTHER THAN PACS) (21-A M.R.S.A. § 1056-B)

COMMITTEE OR FILER Check if address is different than previously reported. []

Name Maine Center for Economic Policy
(full name of committee)

Mailing address PO Box 437
(official headquarters of committee)

City, zip code Augusta, ME 04332 Telephone 207-622-7381

TREASURER Check if treasurer or address is different than previously reported. []

Name of treasurer Christopher St John

Mailing address None

City, zip code Telephone None

E-mail address cstjohn@mecep.org

PURPOSE FOR RECEIVING CONTRIBUTIONS AND MAKING EXPENDITURES IS TO: [] SUPPORT [X] OPPOSE

Ballot Question Number (if known): Ballot Question Title/Issue: TABOR/EXLISE

BALLOT QUESTION COMMITTEE FILING PERIODS (Check applicable period below):

Table with 4 columns: Report Type, Due Date, Reporting Period. Includes options for April, July, October, and January quarterly reports.

All BQCs participating in the November 3, 2009 election must file the following reports

Table with 3 columns: Report Type, Due Date, Reporting Period. Includes 11-Day Pre-Election, 42-Day Post-Election, and January Quarterly reports.

- Check this box if this report is an amendment to a previously filed report.
No Change Report: If your committee received no contributions and made no expenditures this period.
Termination Report: If this is the committee's last report, check the appropriate report above and this box.

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

Treasurer's Signature [Handwritten Signature]

Date 7/16/09

(Revised 04/09) (Duplicate as needed)

MCEP

Name of Committee or Filer

7/16/09

Date submitted

SCHEDULE F
SUMMARY SECTION

RECEIPTS

- 1. Contributions received (Schedule A, line 4)
- 2. Other receipts (interest income, etc.)
- 3. Loans received (Schedule D)
- 4. TOTAL RECEIPTS THIS PERIOD (lines 1 + 2 + 3)

THIS PERIOD ONLY

TOTAL FOR
CAMPAIGN

Ø	Ø

EXPENDITURES

- 5. Expenditures (Schedule B, line 3)
- 6. Loan repayments (Schedule D)
- 7. TOTAL EXPENDITURES THIS PERIOD (lines 5 + 6)

THIS PERIOD ONLY

TOTAL FOR
CAMPAIGN

Ø	Ø

UNPAID OBLIGATIONS

Total financial obligations unpaid at close of reporting period
(Schedule E, line 3)

THIS PERIOD ONLY

TOTAL FOR
CAMPAIGN

Ø	Ø
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IN-KIND CONTRIBUTIONS

TOTAL IN-KIND CONTRIBUTIONS (Schedule C, line 4)

THIS PERIOD ONLY

TOTAL FOR
CAMPAIGN

Ø	Ø
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LOBBYIST DISCLOSURE REPORT FOR APRIL 2009

LOBBYIST INFORMATION

Christopher St. John
 Maine Center for Economic Policy
 PO Box 437
 Augusta, ME 04332

Telephone: (207)622-7381
 Fax: (207)622-0239
 cstjohn@mecep.org

CLIENT INFORMATION

Maine Center for Economic Policy
 Principal Contact: Christopher St. John
 P.O. Box 437
 Augusta, ME 04332

Telephone: (207)622-7381
 Fax: (207)622-0239
 cstjohn@mecep.org
 www.mecep.org

LOBBYIST ASSOCIATES

TOTAL COMPENSATION FOR LOBBYING

Legislative Branch Officials

Executive Branch Officials

Constitutional Officers

TOTAL EXPENDITURES MADE FOR LOBBYING ACTIVITIES

Legislative Branch Officials

Executive Branch Officials

Constitutional Officers

TOTAL EXPENDITURES MADE TO OR ON BEHALF OF OFFICIALS AND FAMILY MEMBERS

Legislative Branch Officials

Executive Branch Officials

Constitutional Officers

EXPENDITURES OF \$25 OR MORE FOR OFFICIALS AND FAMILY MEMBERS

Date	Official or Family Member	Amount

Purpose:

LIST OF EVENTS AND ATTENDEES IF \$250 OR MORE WAS SPENT ON OFFICIALS

Date	Description of Event	Cost of Event				
	<table border="1"> <tr> <th>Officials Attending</th> <th>Family Members Attending</th> </tr> <tr> <td> </td> <td> </td> </tr> </table>	Officials Attending	Family Members Attending			
Officials Attending	Family Members Attending					

LEGISLATIVE ACTIONS THAT WERE THE SUBJECT OF LOBBYING

Bills	LD 1368, LD 1353, LD 1364, LD 1005, LD 1264, LD 1205, LD 1091, LD 1088, LD 1059
Issues	

LEGISLATIVE ACTIONS FOR WHICH COMPENSATION/EXPENDITURES EXCEEDED \$1,000

Bills

Issues

ORIGINAL SOURCES OF CONTRIBUTIONS/PAYMENTS OF \$1,000 OR MORE TO CLIENT

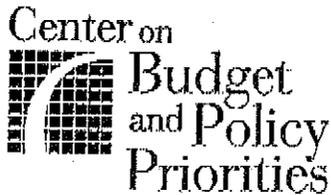
I, Christopher St. John, affirm that the information contained in this report is true and complete and that no information is knowingly withheld to the best of my knowledge.

Report filed by: Christopher St. John

Report filed on: May 16, 2009

If this report is filed by an authorized agent of the Principal Lobbyist, the Principal Lobbyist and the agent are liable for any violations of the Lobbyist Disclosure Law (3 M.R.S.A Chapter 15) that may result from the filing of a false or inaccurate report.

Unsworn falsification is a Class D crime (17-A M.R.S.A. § 453).



820 First Street NE ■ Suite 510 ■ Washington DC 20002
(202)408-1080 ■ fax (202)408-1056 ■ center@cbpp.org ■ www.cbpp.org

September 29, 2009

RECEIVED

SEP 29 2009

MAINE ETHICS COMMISSION

Jonathan Wayne
Executive Director
Maine Ethics Commission
135 State House Station
Augusta, Maine 04333-0135

Dear Mr. Wayne:

In response to your request for supplemental information regarding our expenditures in opposition to TABOR, I offer the following:

1. **General types of activities of the CBPP to influence the November 3, 2009 TABOR initiative (we have not been involved with the Excise Tax Initiative).**

The Center on Budget & Policy Priorities (CBPP) is a nonpartisan, nonprofit federal and state budget and tax policy research organization based in Washington, DC. The organization has a particular focus on the adequacy of funding for programs and services that meet the needs of moderate- and low-income families and individuals.

Appearing on the November 3, 2009 ballot in Maine will be Question 4, a measure similar to a law that was placed into the Colorado constitution in 1992 known as "TABOR". Colorado is the only state to have adopted a TABOR policy. It imposes strict fiscal constraints on state and local budgets. Under TABOR, Colorado experienced a serious deterioration in education, health care and other services. The state's business climate and ability to provide basic services suffered, and the law was later suspended. Since 2005, measures like Colorado's TABOR have surfaced and been defeated in 28 states, including Maine, throughout the country.

CBPP has worked with state groups throughout the country to provide research and analysis on the impact of TABOR on state budgets, communities, families, and businesses to inform the public debate on this issue. This year, in Maine, CBPP has coordinated with state partners to provide public education on the potential impact of Question 4 (TABOR II). Specifically, this has involved conducting policy research on the ballot measure, authoring and releasing a policy research report finding on Maine's TABOR II proposal, serving as a

resource for informational materials, participating in coalition meetings, and sponsoring in-state meetings with Colorado leaders and spokespersons on TABOR.

2. Scope of total financial activity regarding the initiative

After a careful review of CBPP records and anticipated involvement through November, we believe that the Center will expend approximately \$38,500 towards public education and outreach on Question 4.

3. The date on which CBPP raised/spent more than \$5,000 to oppose the initiatives, triggering the duty to register

Upon a more detailed audit of expenditures (primarily in travel, salary, food, and printing), CBPP exceeded \$5,000 on July 15, 2009.

The estimated breakdown of these expenses follow.

March 2009

\$ 300 - Staff Time

May 2009

\$ 200 - Travel

June 2009

\$1,300 - Staff Time

\$ 200 - Travel

July 1 - 15, 2009

\$2,900 - Staff Time

\$ 600 - Travel

I hope this information is helpful.

Sincerely,



Debra Schwartz
Director, Finance and Administration