



SUMMARY OF ENACTED LEGISLATION - 2021 SESSION

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



Questions?

(207) 287-4179

ethics@maine.gov

www.maine.gov/ethics

AMENDMENTS TO CAMPAIGN FINANCE & LOBBYING DISCLOSURE LAWS

Unless otherwise noted, the effective date of the amendments to the laws within this document is **October 18, 2021**. The Commission has taken care to make this Summary concise and accurate; however, it is not a substitute for the applicable statutory provisions of the Election Law and Commission's rules, which are controlling in the event of any omission or misstatement in this publication.

CHANGES TO CAMPAIGN FINANCE LAWS (P.L. 2021 CH. 132, 217, 274 & 276)

Changes Affecting Candidates and Candidate Committees

Prohibited Contributions to Candidates: Starting on 1/1/2023, candidates may not accept contributions from a business entity. "Business entity" includes most types of businesses, non-profit corporations, labor organizations, and other organizations. P.L. 2021, Ch. 274, §§ 6-7.

Candidates Cannot Change from Traditional to MCEA: A candidate who has accepted traditional campaign contributions for the Legislature or Governor that do not comply with seed money restrictions may *not* change financing methods and run as a Maine Clean Election Act candidate in the same election year. P.L. 2021, Ch. 132, § 10.

Changes Affecting Party Committees

Restrictions on Funds Contributed to Candidates and Leadership PACs: Starting on 1/1/2023, a party committee may contribute to a candidate or a leadership PAC as long as the funds used for the contribution are not derived, in whole or in part, from a business entity. "Business entity" includes most types of businesses, non-profit corporations, labor organizations, and other organizations. P.L. 2021, Ch. 274, §§ 5 & 11.

Changes Affecting Businesses, Non-Profits and Labor Organizations

Prohibited Contributions: Starting on 1/1/2023, business entities may not make contributions to candidates and two types of PACs (leadership PACs and separate segregated fund committees). Business entities may contribute to other types of PACs, party committees, and ballot question committees. P.L. 2021, Ch. 274, §§ 5, 11, & 12.

Formation of PACs. A business entity may establish a separate or segregated fund to influence candidate elections. The business entity is required to register this fund as a PAC (a "separate segregated fund committee"). The business entity may not contribute its own funds to the PAC, but it may solicit others to contribute to the PAC as allowed by law. P.L. 2021, Ch. 274, §§ 10 & 12.

Independent Expenditure Communications

Internet Video Communications: When a PAC, party committee, or other spender pays for the design, production or dissemination of a video on the internet that qualifies as an independent expenditure communication, the video must contain a message disclosing the top three funders of the spender. P.L. 2021, Ch. 132, §§ 5-6.

Independent Expenditures—Rebutting the Presumption: Any paid communications to voters that identify a candidate disseminated immediately before an election are presumed to be made to influence the election. The purchaser of the communication may rebut the presumption by submitting a statement that they did not incur the costs of the communication with the intention to influence the election. The timeframe to rebut the presumption has been increased from 48 hours to seven days after disseminating the communication. P.L. 2021, Ch. 132, §§ 7-8.

Changes Affecting PACs and BQCs

Definition and Registration Triggers for PACs and BQCs: PACs are now defined as a committee who influences candidate elections only; whereas BQCs are now defined as a group whose purpose is to initiate or influence a ballot question election. PACs and BQCs must register with the Commission within seven days of receiving or spending more than \$2,500 (PAC) or \$5,000 (BQC). P.L. 2021, Ch. 217, §§ 1-3.

Separate Bank Account: PACs and BQCs are required to have a separate bank account where all funds utilized by the committee are deposited and spent. This account cannot be commingled with personal funds. All contributions and expenditures originating from this account must be disclosed in regularly filed campaign finance reports. P.L. 2021, Ch. 217, § 6.

Contributions and Expenditures: A contribution to a PAC or BQC includes, but is not limited to money or anything of value received for the purpose of initiating or influencing a campaign, and any other funds that are transferred or deposited into the campaign account. Expenditures now include any payments made from the campaign account for the committee, regardless of purpose. P.L. 2021, Ch. 217, § 3.

Exempt Donors: An exempt donor is a person (individual, organization, or business) who has not raised any contributions in the prior two years for the purpose of influencing a Maine election and donates its own money to influence a campaign. The new law allows an exempt donor to donate cash contributions without having to register as a PAC or BQC; however, if a person donates over \$100,000 in goods or services (in-kind contributions) to a PAC or BQC then that person is no longer considered an exempt donor and must register as a PAC or BQC within seven days. P.L. 2021, Ch. 217, § 3.

\$10,000 Exception: PACs seeking to influence ballot questions, and BQCs seeking to influence candidate elections are permitted to receive contributions and make expenditures totaling up to \$10,000 to influence the “other” type of election without registering and filing reports as a second committee. If the existing committee exceeds the threshold, they would need to register a second committee with the Commission and file two sets of financial reports. P.L. 2021, Ch. 217, § 4.

Leadership PAC Defined: Leadership PACs are defined as a PAC, other than a caucus PAC, that is directly or indirectly established or controlled by a current member of the Legislature. P.L. 2021, Ch. 217, § 3.

Payments to Legislators: A new law changed the spending restrictions for a committee (PAC or BQC) if a Legislator is the principal officer or treasurer of the committee, or one of the individuals primary responsible for making decisions or raising contributions for the committee. The committee may not compensate the Legislator or an immediate family member for services provided to the committee. The committee may not pay for expenses that personally enrich the Legislator or an immediate family member. The committee may not make payments or loans to a business owned or operated by the Legislator or an immediate family member, or give anything of value to the business. The committee may reimburse the Legislator for expenses incurred in performing his or her legislative duties or for purchases made on behalf of the committee, provided that the reimbursements are not for the personal financial enrichment of the Legislator. The committee may reimburse for travel expenses incurred in performing legislative duties or volunteering for the committee, but the committee may not pay to repair or maintain the Legislator's vehicle, or for any expenses reimbursed by the Legislature or other source. A committee and the Legislator who violates this section may be fined up to \$500 or the amount of the illegal payment(s), whichever is greater. P.L. 2021, Ch. 276, § 1.

Prohibited Contributions to Candidates: Starting on 1/1/2023, a party committee or PAC may make contributions to a candidate, subject to the applicable contribution limit, as long as the funds used are **not** derived in whole or in part, from a business entity. "Business entity" includes most types of businesses, non-profit corporations, labor organizations, and other organizations. A business entity may not make contributions to a candidate. P.L. 2021, Ch. 274, § 5.

Prohibited Contributions to Leadership PACs: Starting on 1/1/2023, an individual may not make contributions to a leadership PAC that exceeds the contribution limit for legislative candidates in one year. A party committee or PAC may make contributions to a leadership PAC, subject to the contribution limits for legislative candidates, as long as the funds used are not derived, in whole or in part, from a business entity. A business entity may not make contributions to a leadership PAC. P.L. 2021, Ch. 274, § 11.

Limits on Contributions to Separate Segregated Fund Committees: Effective 1/1/2023, an individual is prohibited from contributing more than \$5,000 per year to a separate segregated fund PAC established by any corporation, membership organization, cooperative, labor or other organization. A business entity (business, non-profit corporation, labor organization, or other organization) may not make contributions to a separate segregated fund committee. The parent entity of a separate segregated fund committee may provide the use of offices, telephones, computers, and other similar equipment to that committee provided that the use does not result in an additional cost to the parent entity. P.L. 2021, Ch. 274, § 12.

CHANGES TO LOBBYING LAWS (P.L. 2021 CH. 114)

Lobbyist Registration Fee Increase: This law increases registration fees for lobbyists to \$250 per registration, and lobbyist associate fees to \$125. If the fees cause an economic hardship, the lobbyist may request a waiver. P.L. 2021, Ch. 114, § 1.