TO:  The Honorable Senator Lisa T. Marraché, Senate Chair
         The Honorable Representative John L. Patrick, House Chair
         The Joint Standing Committee on Legal and Veterans Affairs

DATE:  Monday, February 26th, 2007

RE:  LD 491  “An Act to Set Limits on Political Action Committee Contributions”

Maine Citizens for Clean Elections (MCCE) testifies neither for nor against LD 491.

MCCE commends the sponsor and co-sponsors of LD 491 for proposing limits on contributions to political action committees (PACs). While we have some concerns with the particulars of this bill, we endorse the idea of contribution limits to PACs.

As drafted, LD 491 would limit contributions to ballot initiative PACs. This is inadvisable due to the very different constitutional concerns for those PACs.

LD 491 proposes a two-tiered approach to contribution limits by attempting to segregate so-called Leadership PACs from other PACs and imposing a lower limit on contributions to Leadership PACs. Leadership PACs are not currently defined in Maine law, and we are not convinced that the language in LD 491 is sufficient to achieve the distinction desired.

Under the proposed definition, the purpose of the Leadership PAC differentiates it from another PAC whose purpose may be to promote the election of candidates in a particular caucus such as Democratic House candidates or Republican Senate candidates. But who would decide whether the purpose of the PAC was to promote a campaign for leadership or to promote the election of caucus candidates? Many times, the PACs we assume to be Leadership PACs do both. With the two-tiered limit, the difference is consequential.

We would argue that the limit itself is more important than the actual or stated purpose of the particular PAC. The inevitable arguments over the purpose of the PAC could be avoided by having a single limit that is low enough to serve the purpose intended by the sponsors.

The other concern with this approach is that since “elections” for leadership offices are not considered elections under Title 21-A, they might not properly be regulated in this chapter at all. This is an indication to us that the proposed definition does not quite accomplish exactly what the sponsors hoped to achieve.
LD 491 proposes a separate limit for the primary and the general elections. This is consistent with other contribution limits in Maine campaign finance law. Other states use either a calendar year limit or a limit over a two or four year election cycle.

MCCE supports a contribution limit of $1,000 per 2 year election cycle with a $10,000 aggregate limit to all PACs. We believe that ballot initiative PACs should be exempt, that corporations should be prohibited from making PAC contributions, and that the limits should apply to equally to PAC contributions to other PACs as well as to individuals.