Maine Citizens for Clean Elections

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To: Maine Commission on Governmental Ethics and Election Practices

Re: Revised Policy on Paying Family Members

Policy on Reimbursements

Maine Citizens for Clean Elections (MCCE) appreciates the opportunity to comment further on the Policy on Paying Family Members as revised to clarify the section on reimbursements.

The Legislature intended that the new law treat reimbursements as exempt from the ban on paying family members. The new law imposes no new restrictions on reimbursements to family members for out of pocket expenditures. The only change in the law with respect to reimbursements is a new disclosure requirement. Reimbursements made in accordance with Commission's previously established rules and guidelines are exempt from the ban.

The policy approved by the Commission at its last meeting might be read as being in conflict with current law and other policy, and it could result in contributions that are illegal under the Maine Clean Election Act.

There are two types of reimbursements to be considered. One is where someone pays a vendor for a campaign-related expense with their own money and then is reimbursed by the campaign. For example, the candidate's spouse stops by the print shop to pick up palm cards and uses their own credit card to pay. The campaign treasurer then writes a check to the spouse to reimburse the out-of-pocket expenditure. Read literally, the current policy says the reimbursement MAY be made. However, under the law, those expenditures MUST be reimbursed otherwise the person – the spouse, in this example – would have made an illegal in-kind contribution to the campaign. The proposed revisions address this concern.

The second type of reimbursement is for out-of-pocket expenses made in the course of doing work for the campaign. The most common example is the gas that is burned in service to the campaign. The law says that a person may spend up to \$100 driving a candidate around, and that expenditure will not count as a contribution. Above that limit, the driver MUST be reimbursed to avoid making an illegal contribution to the campaign, since Clean Election candidates may not accept contributions. Not all people are willing to contribute \$100 in gas, so it is perfectly legitimate for a candidate to reimburse for that expense as well. Because the policy approved by the Commission refers only to the first type of reimbursement, the status of this second type of reimbursement is less clear. The proposed revisions address this concern, as well.

We appreciate the Commission's reopening the policy passed at its previous meeting for the purpose of clarifying this section, and we believe that the changes proposed are an improvement to the policy.