



TO: The Honorable Craig Hickman
The Honorable Laura Supica, Co-Chairs
Members of the Joint Standing Committee on Veterans and Legal Affairs

DATE: Wednesday, March 8, 2023

RE: LD 726: An Act to Amend the Laws Governing Political Action Committees Relating to Union, Business and Nonprofit Organizations

Good morning Senator Hickman and Representative Supica.

My name is Anna Kellar. I'm a resident of Portland. I am here today as the Executive Director of Maine Citizens for Clean Elections. I am testifying in opposition to LD726.

Maine Citizens for Clean Elections has been the leading campaign finance organization in Maine for over twenty years and one of the nation's most respected state-based organizations advocating for democratically funded elections. We are proud of our national reputation. But we are all Mainers, and our nonpartisan mission has always been with and for the people of this state.

Two years ago, the Maine legislature passed LD 1417 and prohibited corporations from making campaign contributions to legislators, candidates, and Leadership PACs. This law protects the voices of Maine voters in our elections and brought Maine law into synch with 22 other states and the federal government.

As we testified on LD 1417:

Corporations are legally required to earn as much money as possible for their owners. This means that they are often in tension with certain public goals. And this is where political contributions come into play. Corporate contributions can be used to increase a corporation's influence over public policy, and to push back against the public interest in regulating corporate activities and behavior. This corporate money, over time, distorts our democracy. Like barnacles encrusting the hull of a ship, these pervasive special interest contributions slow our progress and send us off course.

The ban went into effect on January 1st of this year. We have not yet seen its impact through an election cycle. Yet now there is a bill in front of you that would hollow out the new law and take away much of the benefit to voters.

LD 726 would allow party committees and PACs to once again donate to candidates and leadership PACs using funds that they received from corporations. While corporations would still be banned from direct contributions, with minimal effort, they could funnel their contribution through a party committee or PAC, opening a major loophole in the law. In fact, if LD 726 went into effect, we would have all the potential for corporate influence, but with even less transparency than before the corporate contribution ban was passed!

As the corporate contribution ban goes into effect, it is possible that we will need to make adjustments to improve compliance and enforcement, to better ensure that entities that make campaign contributions can effectively and practically manage their responsibilities under the law. We welcome good faith efforts to improve the law and its implementation.

LD 726, however, would make a mockery of a law that this body just passed, and I urge you to reject it.

Thank you for the opportunity to testify. I would be happy to answer any questions from the Committee.