Testimony before the Joint Standing Committee on Veterans and Legal Affairs

LD 1211 – An Act To Amend the Laws Governing Legislative Political Action Committees

April 10, 2017

Senator Mason, Representative Luchini, and members of the Joint Standing Committee on
Veterans and Legal Affairs:

Thank you for the opportunity to testify on LD 1211 – An Act To Amend the Laws Governing
Legislative Political Action Committees.

My name is Andrew Bossie. I am the Executive Director of Maine Citizens for Clean Elections.

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 mission has always been with and for the people of this state.

Last session, the legislature banned Clean Election candidates from having their own political
action committees. Now it is time to finish that work and ban all candidates from having their
own PACs.

“Leadership PACs” were not created by state law – they were created years ago by legislators
who took existing law allowing for plain-vanilla PACs and turned it to their own purposes.
Leadership PACs were created because PACs have no contribution limits, and a personal PAC
would therefore allow an elected legislator or legislative candidate to circumvent the limits that
apply to individual candidate campaigns (currently $400 per election or $800 per cycle).
Leadership PACs have become an all-too-effective way to get around the contribution limits law.

Leadership PACs open the doors to some very un-democratic influences over public policy, and
we have long opposed them. In our view, eliminating leadership PACs is one of the most
important changes we can make in our campaign laws.

If you turn to Table 1 below, you will see that many of the major contributors to leadership
PACs are industries that are trying to overcome a bad reputation. The list of top contributors
includes casinos, pharmaceutical companies, alcohol interests, cable companies, and tobacco
manufacturers.\(^1\) We should not allow them to use big money contributions to powerful officials to compensate for whatever business practice has made those contributors unpopular. Although leadership PACs are not well understood outside of Augusta, rank-and-file legislators are well aware of them. And many are becoming increasingly uncomfortable about the growing role they are playing. Legislators recently testified that contributors give to leadership PACs in order to buy clout here in the people’s building. Among the comments at a public hearing last session:

“I know I am not alone in my belief that money does buy influence, and it does at least get that outside interest in our door and a seat at our table. Why else would so many be so willing to give so much?”

“No sitting legislator should be bought and sold to the highest bidder.”

“Why should traditionally-financed candidates be allowed to raise unlimited amounts of money when we clearly set caps on how much those candidates can raise for a reason. Whether you are clean or traditional, once in office the political money grab doesn’t differentiate . . . .”

(Emphasis added.) Again, these comments about leadership PACs came from elected officials – your peers – not from MCCE.

In September 2015 a new type of PAC was created specifically to solicit contributions from lobbyists who appear before individual legislative committees. The “Chairman’s PAC” events featured an opportunity for lobbyists who make large contributions to speak and socialize with the chairs of the committees where the lobbyists have business. Ordinary people across Maine have voiced their strong concerns about this unprecedented type of PAC. Using the leaders of the policy making committees to raise money from the lobbyists who appear before them further erodes public confidence in the legislative process.

Let’s be clear. The legislators who run these PACs are not bad people. They are playing by the rules that now exist. We do not fault them for taking full advantage of what the rules allow, but we do think it is time to change the rules. LD 1211 will accomplish that in a fair and even-handed manner.

Contrary to popular myth, leadership PACs are not necessary. There are other ways to show one’s leadership abilities, support your fellow partisans, and secure votes within the caucus. At least two legislators currently serving in leadership did not have their own leadership PACs. They have shown that legislator PACs simply are not needed when running for a position of leadership within the caucus.

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\(^1\) MCCE analyzed leadership PACs in our 2012 report “PACs Unlimited.” [https://www.mainecleanelections.org/money-1](https://www.mainecleanelections.org/money-1) More information on Leadership PACs can be found on the Open Maine Politics blog of Asst. Professor James Cook at the University of Maine at Augusta. [http://openmepolitics.com/blog/2015/06/06/a-list-of-maine-leadership-pacs-active-in-2014/](http://openmepolitics.com/blog/2015/06/06/a-list-of-maine-leadership-pacs-active-in-2014/)
This is not a partisan issue. Members of both parties have used leadership PACs for years. It is impossible to say whether Democrats or Republicans benefit more from leadership PACs. What is clear is that the public does not benefit from them.

We anticipate that some who testify today will criticize this bill, arguing that legislators raising money for caucus PACs is just as bad as raising money for their own personal PACs. We disagree. There is an important difference between a PAC controlled by one person and a PAC controlled by the entire caucus. The legislature itself has already drawn a distinction between raising money for caucus PACs and raising funds for leadership PACs. See 21-A M.R.S.A. § 1125 (6-F) (Clean Election candidates may not have their own PACs but they may solicit for a caucus PAC). Caucus PACs are essentially an extension of the political party system, and MCCE does not oppose them.

Although caucus PACs can raise some of the same issues as individual leadership PACs, over the long run they will be preferable because they are more democratic (small “d”). The control of the caucus PAC is up to the discretion of the members of the caucus, not just one person. Over time, we expect that this arrangement will increase the degree of legislator involvement with their caucus campaign activity and decision-making. This will spread out the power and influence, reducing the feeling of indebtedness and favoritism that results when a PAC controlled by a single legislator raises huge contributions and then the legislator who raised the funds is the one who alone decides how to use them.

We also anticipate questions about constitutionality. Under longstanding Maine law, the State Treasurer, Auditor, and Attorney General are legally prohibited from having their own political action committees. This has never been questioned by any court, and the constitutionality is not in doubt. All LD 1211 would do is to apply that rule to legislators. In addition, legislators could still maintain their campaign committees, and the contribution limits applicable to those committees have been upheld in court. Barring leadership PACs is an important means of preventing legislators from circumventing contribution limits, and therefore it would not raise any significant constitutional issues.

For all these reasons, we urge a unanimous ought-to-pass vote on LD 1211. You can safely disregard those who fret that this bill will somehow hinder the election process or harm one or another of the partisan caucuses. Eliminating these leadership PACs will be good for Maine’s democracy. You can – and should – proudly support this bill. Your constituents will thank you.

Thank you very much. We will be present for the work session.
2016 Leadership and Caucus PACs

Under LD 1211, the following PACs would continue to operate:

Caucus PACs
HOUSE DEMOCRATIC CAMPAIGN COMMITTEE
HOUSE REPUBLICAN MAJORITY FUND
SENATE DEMOCRATIC CAMPAIGN COMMITTEE
MAINE SENATE REPUBLICAN MAJORITY

Under LD 1211, any other PAC operated by a legislator would not be permitted.

The current list of legislator-operated PACs includes the following:

**Leadership PACs 128th Legislature**

**House**
- CHARLOTTE PAC: Representative Charlotte Warren (D)
- COMMON SENSE FOR ME: Representative Jeffrey Pierce (R)
- GIDEON LEADERSHIP PAC: Speaker of the House Sara Gideon (D)
- GO MAINE PAC: Representative Andrew McLean (D)
- GOLDEN LEADERSHIP FUND: Representative Jared Golden (D)
- HICKMAN CULTIVATING LEADERSHIP PAC: Representative Craig Hickman (D)
- LEADERSHIP FOR MAINE'S FUTURE: Representative Ken Fredette (R)
- Priorities for Coastal Maine PAC: Representative Wayne Parry (R)
- PROSPERITY FOR MAINE'S FUTURE: Representative Matthew Pouliot (R)
- Still Fed Up With Taxes: Representative Jeffrey Timberlake (R)
- WESTERN MAINE STRONG PAC: Representative Nathan Wadsworth (R)
- WOMEN'S LEADERSHIP FUND: Representative Deborah Sanderson (R)

**Senate**
- CAPITAL LEADERSHIP PAC: Senator Roger Katz (R)
- CHARTING MAINE'S FUTURE: Senator Garrett Mason (R)
- DIAMOND PAC: Senator Bill Diamond (D)
- DION FOR MAINE: Senator Mark Dion (D)
- LANGLEY LEADERSHIP PAC: Senator Brian Langley (R)
- LIBBY LEADERSHIP PAC: Senator Nate Libby (D)
- RESPECT MAINE: Senator Andre Cushing (R)
- RESTORE MAINE'S FUTURE PAC: Senator Eric Brakey (R)
- SENATE REPUBLICAN PRESIDENTS FUND: Senate President Michael Thibodeau (R)

None of the legislators listed here used Clean Elections in 2016.
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<th>Contributor</th>
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<th>Number of Contributions</th>
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</table>
OUR OPINION: Legislature should close leadership PAC loophole

Candidates for top legislative posts are not subject to the usual campaign finance limits.

The fundraising organizations called leadership PACs are among the most troubling ways that money can leak into Maine politics. Ostensibly created to fund races for posts like speaker of the House or Senate president in which only other lawmakers can vote, the law allows leaders or aspiring leaders to raise unlimited amounts of money outside normal campaign finance limits, building the kind of relationships with special interest donors that those limits are intended to curb.

But this is not just a problem for Clean Election candidates. Privately financed candidates can also become beholden to special interests that support their race for leadership. A number of bills this year seek to close this loophole, although not all of them do everything necessary to close the loophole all the way.

BEST BILL

We support the version sponsored by Rep. Justin Chenette, D-Saco, which would end the practice of raising money for leadership elections across the board, not just for publicly financed candidates. Anything less would maintain special interests’ hold on the most influential posts in the Legislature.

In 2012, research by Maine Citizens for Clean Elections found that 152 donors were responsible for 73 percent of the donations to PACs. The unlimited donations came from individuals and industries that have a direct interest in pending legislation. Creating a less transparent route for money to get into the process is dangerous.

But the Legislature still has work to do. This should be the year that it finally closes the leadership PAC loophole, once and for all.
Examples of leadership PAC fundraiser invitations, 2016 election cycle:

Please Join Us and Support
Rep. Jared Golden
and
The Golden Leadership Fund

Where:
The Gin Mill
300 Water Street
Augusta, ME 04330

When:
Wednesday, September 14
5:00 – 7:00 PM

Come support Rep. Golden, learn about his accomplishments over the last two years, and tell him your priorities for the future of our state.

Join Rep. Golden’s host committee at one of the following levels:

<table>
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<tr>
<td>Champion</td>
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<td>Supporter</td>
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Donations may be brought to the event or sent to:

Golden Leadership Fund
PO Box 5307
Augusta, ME 04332
Senate Chairman’s PAC
Presents
A Dialogue on Insurance and Banking

With Special Guests:
Senator Rod Whittemore
Senator David Burns

Thursday, December 17, 2015, 8 am to 9:30 am
The Sportsman’s Alliance of Maine
205 Church Hill Rd, Augusta, ME

Contribution Levels:
CEO: $1500
Banker: $750
Teller: $500

Make Checks Payable To:
Senate Chairman’s PAC
Post Office Box 1
Augusta, ME 04332

RSVP To Ashley Sampson
By Email: sampsona12@gmail.com
By Phone: 207.491.8745

Paid for and Authorized by Senate Chairman’s PAC

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Please join
Assistant House Majority Leader
SARA GIDEON
for a reception to benefit the
GIDEON LEADERSHIP PAC
Featuring the amazing, local brews of the Maine Beer Company!

Maine Beer Company Tasting Room | 525 U.S. Route 1, Freeport, ME | Just south of Exit 20, off I-295
To RSVP, please contact Assistant Majority Leader Gideon at saraigideon@gmail.com or 207-865-0593.

Please consider sponsoring the event at one of the following levels:

<table>
<thead>
<tr>
<th>SPONSOR</th>
<th>HOST</th>
<th>SUPPORTER</th>
<th>FRIEND</th>
<th>INDIVIDUAL</th>
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Contributions may be brought to the event, donated online by clicking HERE or mailed to
Gideon Leadership PAC, 37 South Freeport Road, Freeport, ME 04032.

Paid for and authorized by Gideon Leadership PAC, 37 South Freeport Road, Freeport, ME 04032.
Senate Majority Leader Garrett Mason & Representative Jeff Timberlake

Cordially Invite You to Attend A Joint Event For Their Leadership PACs

“Charting Maine’s Future” & “Still Fed Up With Taxes”

Tuesday, May 17
4:30-6:00 PM

Ricker Hill Orchard’s Tasting Room
11 Ricker Hill Road
Turner, ME

Please RSVP to Keith Herrick
keith.herrick@gmail.com

Checks for Senator Mason’s PAC should be made payable to “Charting Maine’s Future” and either brought to the event or sent to:

71 Seth’s Way
West Gardiner, ME
04345

Checks for Representative Timberlake’s PAC should be made payable to “Still Fed Up With Taxes” and either brought to the event or sent to:

580 East Hebron Road
Turner, ME
04282
YOU’RE INVITED

TO A POLICY DISCUSSION

with special guests from the following Legislative Committees

**APPROPRIATIONS & FINANCIAL AFFAIRS**
Senator Jim Hamper
Senator Roger Katz

**HEALTH & HUMAN SERVICES**
Senator Eric Brakey

**TRANSPORTATION**
Senator Ron Collins

JOIN THE SENATE CHAIRMANS PAC AND MAINE’S KEY LEADERS AS WE DISCUSS AREAS CRITICAL TO MAINE’S FUTURE.

**WEDNESDAY, SEPTEMBER 7**
5:00 PM-6:30 PM
THE SENATOR INN, 284 WESTERN AVE, AUGUSTA, ME

SPONSORSHIP LEVELS • $250 • $500 • $1000

RSVP BY AUGUST 31 TO DIANE JOHANSON
Djohanson128@gmail.com  207-897-8077

PAID FOR AND AUTHORIZED BY THE SENATE CHAIRMANS PAC, ASHLEY SAMPSON, TREASURER.
LEADERSHIP for MAINE’S FUTURE

Please Join:

KENNETH W. FREDETTE
HOUSE REPUBLICAN LEADER
&
ELLIE M. ESPLING
ASSISTANT REPUBLICAN LEADER

SEPTEMBER 15, 2016
The Governor Hill Mansion
136 State Street
Augusta, ME 04333
5:00PM – 7:00PM

$100/Individuai
RSVP to: melissajwillette@gmail.com

SAVE THE DATE: September 29, 2016
House Republican Bowling Tournament
Easy Day - South Portland, ME
Contact: Ellie Espling – 207-891-8280

Paid For And Authorized By The Leadership For Maine’s Future PAC
PO BOX 476 Newport, ME 04953
You Are Invited To Join

Senator Nate Libby
For A Sunset Cruise In Casco Bay Aboard The Schooner Wendameen To Support
The Libby Leadership PAC
And
His Campaign For
Senate Majority Leader

When
Thursday, September 15, 2016
The Wendameen Departs at 5:30PM

Where
Maine State Pier
Portland, ME

Limited Space
Tickets: $350 per person

Please consider joining the host committee:
Host: $3,000
Patron: $2,000
Sponsor: $1,000
Friend: $500

If you plan on attending or would like to sponsor the event please contact Senator Nate Libby at 207-513-6161 or email Will McCartney at will@northpond.net
Please make checks payable to:
Libby Leadership PAC
PO Box 245
Lewiston, ME 04243

Paid for and authorized by the Libby Leadership PAC, Treasurer Kristen Cloutier
Libby Leadership PAC
PO Box 245
Lewiston ME 04243 United States
The Top 3 Funders of the Libby Leadership PAC are:

unsubscribe
You Are Invited!
To a fundraiser to support the election of Senate Republicans

Langley Leadership PAC

Cooking With Beer, Brian, and Birdie!
Hosted by Roger and Birdie Katz

June 1st 5-7 pm

MENU
Potted Beer Cheese Dip with Pita Chips
Pear and Walnut Salad with Wheat Beer Vinaigrette
Beer and Brown Sugar Marinated Roast Ribeye with Beer Braised Onions and Oven Roasted Root Vegetables

Dessert “Beeramisu”

5-7 PM 3 Westview Street
Augusta
JUNE 1ST

Levels of Support
Brew Master $2000
Beer Tender $1500
Tap Room Mgr $1000
Cellar Mgr. $500

Spend an evening with Senator Langley, Birdie Katz, and Senator Roger Katz as we have lots of laughs, learn to cook new things and enjoy a few brews! This event is extremely popular and fills up quick! RSVP to: LangleyLeadershipPac@gmail.com

Please Make Checks Payable to Langley Leadership PAC
PO Box 6 Augusta Maine 04332