



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.

¹ MCCE analyzed leadership PACs in our 2012 report “PACs Unlimited.” <https://www.mainelections.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/>

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.

Table 1 - Contributions to Leadership PACs 2015-2016

Contributor	Industry or Sector	Number of Contributions	Amount
PIERCE ATWOOD LLP	lawyers and lobbyists	40	\$18,805
MAINE CREDIT UNION LEAGUE - LEGISLATIVE	financial	33	\$27,650
EATON PEABODY	lawyers and lobbyists	31	\$7,200
VERRILL DANA LLP, ATTORNEYS AT LAW	lawyers and lobbyists	29	\$12,500
MAINE ASSOCIATION OF REALTORS PAC	real estate	29	\$51,825
CIANBRO CORPORATION, INC.	construction	28	\$15,175
BERNSTEIN SHUR	lawyers and lobbyists	28	\$20,950
ASTRAZENACA PHARMACEUTICALS	pharmaceuticals	28	\$22,250
MAINE BANKERS ASSOCIATION POLITICAL	financial	25	\$25,750
CHURCHILL DOWNS	casinos	24	\$30,375
MAINE REAL ESTATE AND DEVELOPMENT	real estate	23	\$7,400
MAINE DENTAL POLITICAL ACTION	medical	23	\$17,950
PHARMACEUTICAL RESEARCH &	pharmaceuticals	23	\$15,750
SPECTRA ENERGY	energy	21	\$13,750
VERIZON WIRELESS	utilities	21	\$6,750
DIAGEO NORTH AMERICA, INC	alcohol	21	\$13,500
MERCK SHARP & DOHME CORP.	pharmaceuticals	21	\$10,000
CENTRAL MAINE POWER POLITICAL ACTION	utilities	20	\$12,050
BANGOR SAVINGS BANK	financial	20	\$1,037
SPECTRUM MEDICAL GROUP	medical	20	\$9,375
SUMMIT NATURAL GAS OF MAINE, INC.	energy	20	\$9,000
VISA U.S.A. INC.	financial	19	\$7,750
RAI SERVICES COMPANY	tobacco	19	\$18,350
CLEAN POWER PAC	energy	19	\$14,300
WAL-MART STORES, INC.	retail	18	\$11,000
ANTHEM BLUE CROSS BLUE SHIELD	insurance	18	\$22,000
MAINE OPTOMETRISTS PAC	medical	18	\$7,050
EMERA MAINE	utilities	17	\$7,500
ANHEUSER-BUSCH COMPANIES, INC.	alcohol	17	\$10,500
MAINE HEALTHCARE ASSOCIATION PAC	medical	17	\$7,250
AT&T SERVICES, INC.	utilities	17	\$6,400
ALTRIA CLIENT SERVICES, INC.	tobacco	16	\$19,000
MAINE BEER & WINE WHOLESALERS	alcohol	16	\$24,875
FAIRPOINT COMMUNICATIONS	utilities	16	\$12,150
H.A. MAPES, INC.	gas and oil	16	\$4,000
TIME WARNER CABLE	cable tv	15	\$10,113
JAMES F. MITCHELL COMPANY, LLC	lawyers and lobbyists	15	\$8,125
ELI LILLY AND COMPANY POLITICAL ACTION	pharmaceuticals	15	\$3,150
ABBOTT LABORATORIES EMPLOYEE POLITICAL	pharmaceuticals	14	\$5,500
MAINE BEER & WINE DISTRIBUTORS	alcohol	14	\$17,175
UNUM POLITICAL ACTION COMMITTEE	insurance	14	\$7,750
AMERICAN CHEMISTRY COUNCIL	chemicals	13	\$4,700
NORTHERN LNG, LLC	energy	13	\$6,000
MCTEAGUE, HIGBEE, CASE, COHEN, WHITNEY	lawyers and lobbyists	13	\$7,250
ALFOND, JUSTIN L	legislator	13	\$29,563
EXPRESS SCRIPTS, INC.	pharmaceuticals	12	\$4,300
MAINE AUTOMOBILE DEALERS ASSOCIATION,	retail	12	\$4,500

Posted March 8, 2015

OUR OPINION: Legislature should close leadership PAC loophole

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

BY THE EDITORIAL BOARD

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:

Champion:	\$1,500
Sponsor:	\$1,000
Host:	\$500
Supporter:	\$250

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



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 207-865-9593.

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

SPONSOR	HOST	SUPPORTER	FRIEND	INDIVIDUAL
\$2500	\$1000	\$500	\$250	\$50

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



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/Individual
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:

1. Maine Dental PAC 2. Maine Bankers Association 3. Thomas H. Platz

[unsubscribe](#)

You Are Invited!

To a fundraiser to support the election of Senate Republicans



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