

For VLA Work session on
Biennial Budget, 130th Legislature



INFO RE: Ethics Commission
request for additional General
Fund appropriations in the
2019 Supplemental
budget

129th MAINE LEGISLATURE

SECOND REGULAR SESSION-2020

Legislative Document

No. 2126

H.P. 1516

House of Representatives, February 27, 2020

**An Act Making Supplemental Appropriations and Allocations for
the Expenditures of State Government, General Fund and Other
Funds and Changing Certain Provisions of the Law Necessary to the
Proper Operations of State Government for the Fiscal Years Ending
June 30, 2020 and June 30, 2021**

(EMERGENCY)

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Robert B. Hunt

ROBERT B. HUNT
Clerk

Presented by Representative GATTINE of Westbrook. (GOVERNOR'S BILL)
Cosponsored by Senator BREEN of Cumberland and
Representatives: HUBBELL of Bar Harbor, JORGENSEN of Portland, KESCHL of Belgrade,
MARTIN of Eagle Lake, MILLETT of Waterford, PIERCE of Falmouth, Senators: HAMPER
of Oxford, SANBORN, L. of Cumberland.

1	GENERAL FUND	2019-20	2020-21
2	All Other	\$0	\$4,500,000
3			
4	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$4,500,000</u>

5	ENVIRONMENTAL PROTECTION,		
6	DEPARTMENT OF		
7	DEPARTMENT TOTALS	2019-20	2020-21
8			
9	GENERAL FUND	\$350,000	\$9,550,684
10	OTHER SPECIAL REVENUE FUNDS	\$0	\$11,030
11			
12	DEPARTMENT TOTAL - ALL FUNDS	<u>\$350,000</u>	<u>\$9,561,714</u>

13 **Sec. A-12. Appropriations and allocations.** The following appropriations and
14 allocations are made.

15 **ETHICS AND ELECTION PRACTICES, COMMISSION ON GOVERNMENTAL**
16 **Governmental Ethics and Election Practices - Commission on 0414**

17 Initiative: Reallocates the cost of one Executive Director Commission on Governmental
18 Ethics position, one Assistant Director position, one Staff Attorney position, 2
19 Registration and Report Officer positions, one Secretary Assistant Legal position and one
20 Planning and Research Assistant position between General Fund and Other Special
21 Revenue Funds within the same program. Position detail is on file in the Bureau of the
22 Budget. This initiative also reallocates funding for related All Other costs.

23	GENERAL FUND	2019-20	2020-21
24	Personal Services	\$0	\$162,643
25	All Other	\$0	\$79,571
26			
27	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$242,214</u>

28	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
29	Personal Services	\$0	(\$162,643)
30			
31	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>(\$162,643)</u>

32 **Sec. A-13. Appropriations and allocations.** The following appropriations and
33 allocations are made.

34 **EXECUTIVE DEPARTMENT**
35 **Governor's Energy Office Z122**



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

**Testimony of Paul Lavin, Assistant Director of the
Commission on Governmental Ethics and Election Practices
before the Joint Standing Committee on Appropriations and Financial Affairs
and the Joint Standing Committee on Veterans and Legal Affairs
February 19, 2020**

Senator Breen, Representative Gattine, Senator Luchini, and Representative Schneck, distinguished members of the committees: my name is Paul Lavin, and I am the Assistant Director of the Maine Ethics Commission. Our Executive Director, Jonathan Wayne, apologizes that he cannot be present today due to previously scheduled family travel. The initiative in the supplemental budget bill relating to our office is on **page A-42**.

Personal Services. The initiative is intended to reallocate some of our staff and administrative expenses among the three different accounts in our budget. I have attached an overview of our department's responsibilities. We interviewed the Commission's six employees concerning the duties they perform within a two-year election cycle and determined that roughly 46% of our total Personal Services budget should be charged to the General Fund. Under the current allocation, the Maine Clean Election Fund is paying for the Commission to perform its general governmental duties, which is not the statutory purpose for this special revenue account. For example, it is not appropriate for the Maine Clean Election Fund to pay for staffing or other costs associated with regulating ballot question elections. To charge our staff expenses to the correct accounts within our budget, the initiative would move personal services costs from the Maine Clean Election Fund to the General Fund according to the chart on the following page:

Position	Current Allocation of Personal Services (FY 2021)			Proposed in Supplemental Budget Bill		
	General Fund	Lobbyist Regis. Fees	Maine Clean Election Fund	General Fund	Lobbyist Regis. Fees	Maine Clean Election Fund
Executive Director	37%		63%	40%	5%	55%
Assistant Director			100%	35%		65%
PAC/Party/Lobbyist Registrar	25%	75%		70%	30%	
Candidate Registrar 1	34%		66%	35%		65%
Candidate Registrar 2			100%	35%		65%
Commission Assistant	60%		40%	60%	10%	30%
Planning & Research Assistant (election years only)			100%	35%		65%

The net effect of reallocating these seven positions would be to increase our annual General Fund appropriation for Personal Services by \$162,643.

All Other. Currently, the Commission's General Fund appropriation for All Other expenses is only \$8,897. This is not nearly enough to pay for our department's general overhead expenses such as rent, technology, communications, *etc.* Accordingly, the initiative proposes to increase the General Fund appropriation by \$79,571, so that the General Fund and our Other Special Revenue accounts are each paying an appropriate portion of the department's overhead expenses in five areas:

- accounting and human resources services from DAFS
- rent
- general operations
- communications services from OIT
- maintenance fees for our electronic filing and public disclosure software.

Thank you for your consideration of this initiative.

Overview of Ethics Commission Responsibilities

General Fund

Regulating how state political campaigns are financed

- receiving and reviewing financial reports from candidates, political parties, PACs and others
- maintaining a public access website to disclose campaign financial activity
- enforcing limits on political contributions
- providing compliance advice
- conducting investigations and enforcement proceedings

Legislative ethics

- advising Legislators on ethics questions, such as conflicts of interest and travel
- administering complaint process

Disclosure of sources of officials' personal income

- receiving statements of the sources of personal income from constitutional officers, executive branch officials, legislators, and candidates
- developing and maintaining a website for easy access by the public

Maine Clean Election Fund

Administration of Maine Clean Election Act program

- verifying candidates' qualification for public campaign funds
- administering \$3 - \$6 million in grants every election year
- reviewing candidate compliance
- conducting audits, investigations, and enforcement proceedings

Lobbyist Registration Fee Account

Lobbyist disclosure

- administering registration and monthly reporting by lobbyists
- providing guidance on reporting and questions of legislative relations
- verifying lobbyist compliance with reporting obligations

VLA Committee Vote on 2019 Supplemental Budget

Sec. A-12. Appropriations and allocations. The following appropriations and allocations are made.

ETHICS AND ELECTION PRACTICES, COMMISSION ON GOVERNMENTAL

Governmental Ethics and Election Practices - Commission on 0414

P. A-42

Initiative: Reallocates the cost of one Executive Director Commission on Governmental Ethics position, one Assistant Director position, one Staff Attorney position, 2 Registration and Report Officer positions, one Secretary Assistant Legal position and one Planning and Research Assistant position between General Fund and Other Special Revenue Funds within the same program. Position detail is on file in the Bureau of the Budget. This initiative also reallocates funding for related All Other costs.

Ref. #:		Committee Vote: <u>8-0 IN</u>	AFA Vote: _____		
	2/26/20	Absent: EH, CH, SH, BH, SC			
GENERAL FUND		JS Motion - IN (both votes this page)	2018-19	2019-20	2020-21
Personal Services	JM second		\$0	\$0	\$162,643
All Other			\$0	\$0	\$79,571
GENERAL FUND TOTAL			\$0	\$0	\$242,214

Ref. #:		Committee Vote: <u>8-0 IN</u>	AFA Vote: _____		
		Absent: EH, CH, SH, BH, SC			
OTHER SPECIAL REVENUE FUNDS		Voted concurrently with above vote	2018-19	2019-20	2020-21
Personal Services			\$0	\$0	(\$162,643)
OTHER SPECIAL REVENUE FUNDS TOTAL			\$0	\$0	(\$162,643)

Justification:

The current cost allocation has overcharged the Maine Clean Election Fund, which was established to finance the campaigns of candidates participating in the Maine Clean Election Act program "and to pay administrative and enforcement costs of the commission related to [the program]." (per 21-A MRSA, §1124 sub§1). Currently, the Maine Clean Election Fund is subsidizing the general operations of the commission, which is contrary to the Fund's statutory purpose and is significantly reducing the amount of cash available to pay candidates. The proposed reallocation reflects the commission's actual responsibilities, and would charge the General Fund and the commission's Other Special Revenue Funds for an appropriate portion of the agency's overhead costs, such as technology, communications, services from the Department of Administrative and Financial Services, and office rent.

ETHICS AND ELECTION PRACTICES, COMMISSION ON GOVERNMENTAL

DEPARTMENT TOTALS	2018-19	2019-20	2020-21
GENERAL FUND	\$0	\$0	\$242,214
OTHER SPECIAL REVENUE FUNDS	\$0	\$0	(\$162,643)
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0	\$79,571

Note

 This initiative was removed through the AFA Committee Amendment before the Supplemental Budget was enacted as P.L. 2019, Ch. 616