



LEAGUE OF WOMEN VOTERS OF MAINE

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TO: The Honorable Senator Garrett P. Mason
The Honorable Representative Louis J. Luchini, Co-chairs
Members of the Joint Standing Committee on Veterans and Legal Affairs

DATE: April 24, 2017

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

Senator Mason, Representative Luchini, and members of the Joint Standing Committee on Veterans and Legal Affairs, my name is Ann Luther. I am a resident of Trenton. I am here today as a volunteer member of the League of Women Voter's Advocacy Committee to testify in support of LD 1211 – An Act To Amend the Laws Governing Legislative Political Action Committees.

In response to the prevalent role of money in state and national politics, the League of Women Voters of Maine (LWVME) supports measures that ensure the public's right to know, combat corruption and undue influence, enable candidates to compete more equitably for public office, and promote citizen participation in the political process.

Over the years, the LWVME has supported the Maine Clean Election Act, reasonable limits on campaign contributions, full disclosure of significant financial transactions affecting our elections, and transparency in the activities of elected officials and those who aspire to serve in office.

The League strives for well-informed policy positions that live up to our organization's long reputation for impartial, thoughtful advocacy. Between 2007 and 2011, the League conducted an in-depth study of political action committees in Maine. That report is one of the most detailed such studies available in Maine. Although it was completed six years ago, the conclusions have only gained importance since then. The five briefing papers and numerous other citations and other authorities that comprise the study are available at:

http://www.lwvme.org/pac_study.html

While some PACs serve a useful purpose of allowing small contributors to pool their funds and amplify their voices, there is a risk that PACs will be used to circumvent the regulations that apply to other kinds of political committees such as those that apply to candidates in conducting their election campaigns. When a PAC is under the control of a single person, and when that person is an elected official, the risk of harm to and confidence in our political process is at its highest.

One myth that was deflated by the League's study is that leadership PACs are necessary in order to pay the expenses of legislators who travel around the state running for leadership positions. That is not the current function of leadership PACs. Instead, they are a means of funneling campaign contributions into the caucuses and party committees. As we wrote then,

Leadership PACs tend to be even more controversial than caucus PACs because ...the donor-legislator relationship is more direct and because the personal advancement of the legislator is more directly affected by the success of his or her leadership PACs than it would be by the success of the caucus PAC.

For that reason, the League is opposed to the practice of privately funded legislators operating their own political action committees, and supports LD 1211.

At the time of that study, leadership PACs were still permitted for Clean Election candidates. Legislation in the 127th Legislature prohibited Clean Election candidates from being involved in their own PAC. In effect, the legislature decided that the contribution limits governing Clean Election candidates' campaign fundraising should also apply to their PAC fundraising. With that change, since the contribution limit is zero – Clean Election candidates cannot raise any private funds for their own PAC.

In the case of Clean Election candidates, the legislature decided that PAC fundraising and candidate campaign fundraising should be subject to the same the rules. We supported that measure, but we also argued that the same logic applies to privately funded candidates.

Under Maine law, privately funded legislators cannot accept contributions larger than \$400 for their campaign committees. But they can accept unlimited contributions if they set up a PAC. This makes no sense. Large contributions are no less worrisome going into a PAC controlled by a single legislator than into a candidate campaign committee controlled by that same person.

If PAC fundraising by a Clean Election candidate should be subjected to the regulations that govern the candidate's campaign contributions, then the same principle should apply to privately funded candidates. Privately funded candidates operating a PAC should be subject to the same contribution restrictions as those that apply when operating their campaign committee. This would mean a contribution limit on the privately funded candidate's PAC of \$400 per election; \$800 per election cycle. If that were the law, these candidates would not need leadership PACs – they could raise money up to the \$400 limit into their candidate campaign and donate it to other candidates, to their caucus, or to their party.

For all these reasons, the League supports LD 1211 to eliminate leadership PACs, and urges a unanimous ought-to-pass from the Committee. With LD 1211, Mainers are in a position to show leadership on a national issue. We urge you to support this bill and restore the integrity of the contribution limits applicable to privately funded candidates. Your constituents will thank you.