



Minutes of the July 24, 2023 Meeting of the  
Commission on Governmental Ethics and Election Practices  
45 Memorial Circle, Augusta, Maine

Present: William Schneider, Esq., Chair; Dennis Marble

Participating via Zoom: David Hastings, Esq.; Sarah LeClaire, Esq.; and Stacey Neumann, Esq.

Staff: Jonathan Wayne, Executive Director

Commissioner Schneider convened the meeting at 9:03 a.m.

**1. Ratification of the Minutes of the May 31, 2023 Meeting**

Mr. Schneider moved to ratify the May 31, 2023 minutes. Mr. Marble seconded the motion. The motion passed 5-0.

**2. Discrepancies in Cash Balances of Political Action Committees**

In early 2023, Commission staff requested that political action committees (PACs) verify the cash balance shown in the summary section of their campaign finance reports reflected the actual balance in their bank accounts as of December 31, 2022. Emma Burke, Political Committee & Lobbyist Registrar, said the balance verification was due to law changes that took in effect in January 2023 and have since been repealed. About 110 PACs either had correct balances, or needed corrections of less than \$1,000, which were adjusted by staff. A few PACs conducted self-audits to find the causes of larger discrepancies.

The House Democratic Campaign Committee (HDCC) had a discrepancy of \$68,833 at the beginning of 2023. Its self-audit found that a July 2016 campaign finance report included duplicate contributions previously disclosed in its April and June 2016 reports, resulting in a balance increase of \$54,712. Sean Smith appeared before the Commission on behalf of the PAC. He described the PAC's internal audit process to find where the discrepancy originated. The PAC's extensive search found nothing of significance in the past five years and discovered the 17 duplicate transactions in July 2016.

In light of the PAC's very large amount of financial activity, its efforts to identify reporting errors, and the small probability of finding additional mistakes, the staff asked for authorization to make a balance adjustment to resolve the remaining \$14,000 discrepancy.

Mr. Schneider moved to permit the staff to adjust the Commission's records to match the actual balance in the HDCC funds. Ms. Neumann seconded the motion. The motion passed 5-0.

The Maine Senate Republican Majority (MSRM) had a discrepancy of \$7,047.77. The treasurer, Ms. Ashley Luszczki, who was very communicative with staff, spent a great deal of time looking for the source of the discrepancy but was unable to identify it. MSRM has been a PAC for more than two decades and the transactions were processed over two different filing systems. The Commission staff cannot rule out that the conversion of data to the newest system may have caused errors in the financial totals in eFiling. Staff recommended approving a balance adjustment due to the large amount of the PAC's financial activity, and the small likelihood of finding a reporting error.

Mr. Schneider moved to permit the staff to adjust eFiling records to match the actual balance in the Maine Senate Republican Majority PAC funds. Mr. Marble seconded the motion. The motion passed 5-0.

Ms. Burke stated the Maine Optometric Association PAC had a balance discrepancy of \$4,555.83. This PAC has been active over the last 20 years. PAC treasurer Caroline Fontaine unsuccessfully attempted to find the discrepancy, which represents a very small amount of its overall activity and the staff recommends a balance adjustment.

Mr. Marble moved to permit the staff to adjust eFiling records to match the actual balance in the Maine Optometric Association PAC funds. Mr. Schneider seconded the motion. The motion passed 5-0.

### **3. Final Adoption of Rule Amendments**

In December 2022, the Commission provisionally adopted four amendments to its rules. Because the amendments were major substantive, they required the Legislature's authorization to finally adopt them. The Legislature approved final adoption of three amendments but handled one policy issue through a statutory change.

The staff recommended the final adoption of changes to Chapter 2, § 2(6) (the Commission's procedures for formal hearings), Chapter 3, § 2(4)(N) (requests for the return of qualifying contributions) and Chapter 3, § 7(5) (post-election parties).

Mr. Schneider moved to adopt the rule changes as recommended. Ms. Neumann seconded the motion. The motion passed 5-0.

### **Adjournment**

Mr. Marble made a motion to adjourn. Mr. Hastings seconded. The motion passed 5-0. The meeting adjourned at 10:02 a.m.

Respectfully submitted,

Jonathan Wayne, Executive Director