

If you have any questions regarding the matters discussed in this memorandum, please contact the following attorneys or call your regular Skadden contact.

Ki P. Hong

Partner / Washington, D.C. 202.371.7017 ki.hong@skadden.com

Kenneth A. Gross

Partner / Washington, D.C. 202.371.7007 kenneth.gross@skadden.com

This memorandum is provided by Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates for educational and informational purposes only and is not intended and should not be construed as legal advice. This memorandum is considered advertising under applicable state laws.

One Manhattan West New York, NY 10001 212.735.3000

1440 New York Avenue, N.W. Washington, D.C. 20005 202.371.7000

Maine Will Prohibit Certain Corporate Contributions, Limit Individual and Corporate PAC Contributions to Certain State PACs

In June 2021, Maine Gov. Janet Mills signed L.D. 1417 into law, significantly limiting contributions from business entities, including, but not limited to, corporations and partnerships. The bill will go into effect on January 1, 2023.

Until the law takes effect, the current law states business entities, PACs and individuals may contribute — per election — \$1,725 per candidate for governor, \$425 per legislative candidate, \$850 per county candidate, \$500 per municipal candidate (in municipalities with a population of 15,000 or more) and \$850 per candidate for all other offices. Business entities, PACs and individuals may make unlimited contributions to PACs and party committees.

Under the new law, business entities will be prohibited from contributing to candidates for state office, county office and municipal office in municipalities with a population of 15,000 or more, as well as to state corporate PACs and state legislators' leadership PACs. A business entity will be permitted to provide its sponsored PAC with the use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the entity. A business entity's payment of other administrative expenses would constitute an impermissible contribution to its own PAC. Business entities, however, still will be permitted to make contributions to certain other state PACs, including legislative caucus PACs, and to political party committees, as long as any contribution does not go to an account that is used to make contributions to candidates or leadership PACs.

Under the new law, individual contributions will be limited to \$5,000 per calendar year to a state corporate PAC, and individual and state corporate PAC contributions will be limited to \$425 per calendar year (subject to biennial indexing) to a state legislator's leadership PAC.

Political Law Update

Additional Contacts

Melissa L. Miles

Counsel / Washington, D.C. 202.371.7836 melissa.miles@skadden.com

Matthew Bobys

Counsel / Washington, D.C. 202.371.7739 matthew.bobys@skadden.com

Charles M. Ricciardelli

Counsel / Washington, D.C. 202.371.7573 charles.ricciardelli@skadden.com

Charles.ricciardelli@skadderr.cor

Tyler Rosen

Counsel / Washington, D.C. 202.371.7035 tyler.rosen@skadden.com

Shayla K. Parker

Associate / Washington, D.C. 202.371.7534 shayla.parker@skadden.com

Theodore R. Grodek

Associate / Washington, D.C. 202.371.7262 theodore.grodek@skadden.com

Karina Bakhshi-Azar

Associate / Washington, D.C. 202.371.7365 karina.bakhshi-azar@skadden.com

Sam Rothbloom

Associate / Washington, D.C. 202.371.7354 sam.rothbloom@skadden.com

Kelvin Reese

Head Political Reports Analyst 202.371.7498 kelvin.reese@skadden.com

Minkeun Oh

Senior Political Reports Analyst 202.371.7499 minkeun.oh@skadden.com

Jennifer Shaw

Senior Political Reports Analyst 202.371.7426 jennifer.shaw@skadden.com

John Mannion

Political Reports Analyst 202.371.7559 john.mannion@skadden.com