



OCPF Reports

From the Director

How many times have you thought that technology is an amazing, yet frustrating tool? Well, we're no stranger to that feeling at OCPF. As you may know, we are experiencing growth pains with our website, our software, our internal intranet, and our new phone system. As I write this, OCPF staff is working out the bugs on all of these items – and testing is continuing on a daily basis.

I'm sure you've noticed that our home page, www.mass.gov/ocpf has changed. I'm not very tech-savvy, but our IT people told me that the technological support for our website no longer existed and we had to redesign our site using newer software. So we've done what we had to do and although I do miss the old website, I can vouch that all of the information that you were able to find before is still there, it's just in a slightly different format. The major visual change is the removal of the "blue bars" at the top of the page – they've been moved to a menu format on the left hand side of the home page – you can get to all of our pages from there.

The office's Electronic Filing System (EFS) has been completely rewritten by Al Grimes and Tracey Dano. As with our Web site, the first change you will notice is that the new EFS has a

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Fall election draws pool of 301 House, Senate candidates

OCPF schedules campaign seminars

As campaigns across the state rev their campaign engines for the fall elections this summer, OCPF is preparing to track all 301 legislative candidates to ensure they are accurately disclosing their campaign spending and fundraising for the September and November contests.

Candidates must file pre-primary campaign finance reports by Sept. 8 covering the Jan. 1 to Aug. 29 reporting period, and an Oct. 27 report covering campaign finance activity from Aug. 30 to Oct. 17.

To prepare campaigns for political finance reporting requirements, OCPF is inviting candidates for all offices to educational seminars in July and August at four locations — Springfield, Bridgewater, Natick and Peabody (a full schedule can be found on page three).

The 301 legislative candidates vying for 200 seats represent the lowest total this decade, which peaked at 390 in 2004 when candidates spent \$17.6 million.



Senate and House candidates spent \$11.9 million during the last state election in 2006, about the same as was spent in 2002, when 339 and 372 candidates were on the ballot, respectively. The highest

number of legislative candidates recorded by OCPF was 507 in 1990.

OCPF is also tracking campaign finance activity for depository candidates on ballots this year, including Governor's Council, register of probate and county commissioners and treasurers.

All candidates with active committees are also required to file year-end reports on Jan. 20, 2009, even if they are not on the 2008 ballot.

Shallow candidate pool

Year	Senate	House	Total	Spent
2000	65	265	330	\$11,013,392
2002	61	311	372	\$11,976,712
2004	81	309	390	\$17,640,644
2006	70	269	339	\$11,877,069
2008	55	246	301	N/A

Note: Candidate totals from 2000 to 2006 include write-in candidates

Hundreds of local party committees organize

Nearly 700 ward, town and city political party committees have organized with the Office of Campaign and Political Finance.

The local party committees organize every four years following the presidential primary.

As of June 11, 390 Democratic ward, town and city committees formed, while Republicans had organized 280. The Green Rain-bow Party has one committee in

Amherst. Newly elected members of the local party committees were required to meet and organize between 31 and 40 days of the presidential primary election on Feb. 1. After that period, the state committees could step in and help organize the groups, which the parties consider important grassroots organizations. The state organization may continue to form committees, potentially boosting the total.

Local party committees disclose their campaign spending three times annually in an election year if they spend or raise more than \$100 during any one of the three reporting periods. They report once in a non-election year if they spend or raise more than \$100 during the year.

OCPF to launch new search engine this summer

OCPF is launching an upgraded search engine to enhance the disclosure of political finance information — an open-government policy at the heart of the campaign finance law.

The updated "Electronic Filing System" also makes it easier for candidates and other political committees to file their periodic reports.

The system allows the public to see how much money is raised and spent, and who

donates to candidates and other political committees.

Here are some of the new features:

- Contributions can be sorted by zip code in addition to being sorted by city or town, allowing the public to see who is giving money in their communities.



- The appearance of the filing system will match the new OCPF Web site, which was launched in the spring.
- Political committee reports are sorted by year. Previously, all reports were listed in one group.
- Individual reports can be transported to a Microsoft Excel spreadsheet with the click of a button.

- Special windows open when the cursor is placed on a candidate's name, revealing the candidate's address and name of his or her treasurer.

The new EFS system was created by Al Grimes, OCPF's information technology manager, and Tracey Dano, the office's business systems analyst.

It is scheduled to launch later this summer.

People's Committees spend more than \$200,000 on political activities, candidates

People's Committees spent more than \$200,000 last year, mostly in contributions to state and local candidates.

The top spender last year at \$67,294 was the Sheet Metal Workers Local 17 People's Committee followed by the Professional Firefighters of Massachusetts at \$53,587.

People's Committees are relatively new to Massachusetts Politics — legislation creating the committees was passed in 1994. People's Committees are used by large groups with common ties — such as an employer or professional trade — to make donations

for political purposes.

Only individuals may give to people's committees and they are limited to \$147 annually. Political action committees, on the other hand, can accept donations up to \$500 from individuals and organizations.

There is a cap on how much some state candidates can accept from PACs. For example, state representatives can only accept an aggregate of \$7,500 a year from PACs. But there is no aggregate cap on how much money candidates can accept from people's committees.

2007 People's Committees by the numbers

People's Committee	Receipts	Expenditures
Sheet Metal Workers Local 17	\$42,828	\$67,294
Professional Firefighters of MA	\$60,595	\$53,587
Eastern MA Brick Layers	\$44,006	\$31,993
MA Dental Society	\$52,853	\$28,163
Elevator Constructors Local 4	\$20,210	\$7,996
Industrial & Office Properties	\$8,685	\$7,564
UFCW Local 1459	\$8,290	\$6,185
Brockton Fire Fighters	\$4,929	\$4,159
Nonprofit Housing Agencies Affordable Housing	\$0	\$194
Total	\$242,396	\$207,133

Personnel Update

OCPF receptionist **Claire McCarthy**, who greeted and helped guests for a decade, retired in May.

OCPF staffer **Harleigh Billian** left in June to become a legislative aide for state Rep. Richard Ross, R-Wrentham. She is a 2007 Boston College graduate.

The 2008 Randolph High School valedictorian, **Jessi Fixsen**, was hired as a summer intern. She will attend Brandeis University in the fall.

Wisdom of

Public Disclosure

"Sunlight is said to be the best of disinfectants."

U.S. Supreme Court Justice **Louis Brandeis**



CAMPAIGN FINANCE REPORTING DATES FOR NON-DEPOSITORY FILERS

Pre-Primary Report

Campaign Finance Report Due: Monday, Sept. 8, 2008
Reporting Dates: Jan. 1 - Aug. 29, 2008*

*The pre-primary report period begins on the day following the ending date of any previous report filed for that candidate or committee.

Pre-Election Report

Campaign Finance Report Due: Monday, Oct. 27, 2008
Reporting Dates: Aug. 30 – Oct. 17, 2008

Year-End Report

Campaign Finance Report Due: Tuesday, Jan. 20, 2009
Reporting Dates: Oct. 18 – Dec. 31, 2008

Note: Late reports result in fines of \$10 daily up to \$2,500

OCPF Seminars

Weekly Workshops

OCPF hosts **one-hour seminars** each Wednesday at 2 p.m. for candidates, the public and the media.

The seminars focus on the needs of the attendees, from using the electronic filing system to answering questions about general campaign finance rules.

The seminars are in the OCPF conference room. Reservations are not required.

Candidate Seminars

OCPF is hosting four seminars for candidates who are appearing on the September and November ballots. All seminars are from 6 to 8 p.m.

- Peabody: July 22, West Branch Library, 603 Lowell St.
- Springfield: July 31, City Hall, Rm. 220
- Natick: Aug. 7, Morse Institute Library, 14 E. Central St.
- Bridgewater State College: Aug. 11, Moakley Center, Room 307

It's on the books

Candidate Loans

State candidates can spend as much of their own money on their campaigns as they like, but there is a limit to how much they can loan their campaigns and get paid back.



Candidates for governor can loan themselves \$200,000 per election, while the secretary of state, treasurer, auditor and attorney general candidates are limited to \$150,000. Legislative candidates can loan \$50,000 and \$30,000 for Senate and House campaigns, respectively.

The limits apply per election. For instance, a candidate for state representative can loan himself \$30,000 for the primary election, then another \$30,000 in the general election, if they advance.

Candidates may obtain bank loans to fund their campaigns, but the limits stand.

There are no loan limits for municipal candidates.

We're on the Web
www.mass.gov/ocpf

Cases & Rulings

OCPF audits all campaign finance reports and reviews complaints alleging violations of the campaign finance law. These audits and reviews may result in enforcement actions or rulings such as public resolution letters, disposition agreements or referral to the Office of the Attorney General for further action.

A public resolution letter may be issued in instances where the office found "no reason to believe" a violation occurred: where "no further action" or investigation is warranted; or where a subject "did not comply" with the law but, in OCPF's view, the case is able to be settled in an informal fashion with an educational letter or a requirement that some corrective action be taken. A public resolution letter does not necessarily imply a wrongdoing on the part of a subject and does not require agreement by a subject.

A disposition agreement is a voluntary written agreement entered into between the subject of a review and OCPF, in which the subject agrees to take certain specific actions.

OCPF does not comment on any matter under review, nor does the office confirm or deny that it has received a specific complaint. The identity of any complainant is kept confidential. Public resolution letters and disposition agreements are matters of public record once cases are concluded.

Public Resolution Letters

CPF-08-06: New Leadership Fund PAC. Did not comply (PACs controlled by candidates, excess contribution); 04/17/08. A group organized to identify, train and endorse new candidates, and to increase awareness of certain public policy issues in Brockton, organized as a PAC and received a contribution of more than \$500 from an individual in violation of Section 7A. In addition, the PAC was organized by a candidate for mayor, Jass Stewart, in violation of section 5A. Since it appeared that the group did not make contributions or expenditures to support candidates, it did not need to organize as a PAC. The PAC was required to dissolve and the organizers were instructed to contact OCPF for guidance before forming a PAC in the future.

CPF-08-07: Timothy McMullen. Did not comply (corporate contributions, recordkeeping and reporting, depository accounts); 04/25/08. McMullen, a Plymouth County Commissioner, failed to file a timely statement of organization when he decided to run for Plymouth County Treasurer. After being notified, McMullen also filed a new appointment of depository bank form with his depository bank to ensure that his bank reports timely to OCPF. McMullen also included his business e-mail and fax machine number on campaign letterhead. Business corporations may not directly or indirectly contribute anything of value to a campaign committee.

CPF-08-23: Dr. Charlie Schlegel. Did not comply (public resources); 06/02/08. Wayland Middle School, with authorization from Principal Schlegel, used its computer server and e-mail list to send e-mails advocating for the passage of an override. Public resources, namely the use

of the school server, e-mail list and the time of school staff, were used to distribute the documents.

CPF-08-31: Rep. Harold Naughton. Did not comply (disclosure and reporting); 06/02/08. Naughton's committee understated receipts and expenditures annually from 2003 to 2006, resulting in a \$6,000 discrepancy for that time period. The committee has agreed to an enhanced reporting schedule from Jan. 1, 2008, to Dec. 31, 2010, and has made a \$2,000 payment to the Commonwealth for costs incurred during the course of the review.

CPF-08-22: UMass Memorial Health Care. No further action (public resources: entities subject to prohibition); 06/04/08. A complaint stated that the CEO of UMass Memorial Health Care was coercing employees to contribute to candidates. No credible evidence was found to support the conclusion that the CEO violated Section 16B of the campaign finance law, which prohibits any person employed for compensation from being under any pressure to contribute to a candidate or political committee.

CPF-08-09: Ernest Mendrala. Did not comply (disclosure of receipts, expenses and liabilities); 06/20/2008. Mendrala failed to report receipts, expenses and liabilities in a timely manner related to an Aug. 16, 2007 campaign event at a function hall during his campaign for Chicopee alderman.

CPF-08-05: State Rep. Sean Garballey of Arlington. Did not comply (receipt of corporate contribution, timely disclosure of expenditures); 06/23/2008. The Garballey Committee used telephones and offices provided by a corporation in March, 2008, for campaign purposes, amounting to an in-kind corporate contribution. The committee took appropriate remedial action by reimbursing the corporation \$534. The committee also did not report expenditures for banners in a timely manner by not listing the costs of the banners as a liability on its pre-primary report.

Advisory Opinions

AO-08-02: A candidate's political committee may make expenditures to pay for the travel of a candidate who is also a delegate to a national political convention. The Federal Election Commission, however, has issued regulations relating to contributions to and expenditures by delegates to national conventions. The regulations indicate that funds received and disbursements made to pay for travel expenses to the convention may be subject to restrictions under federal law since they "would be for the purpose of influencing a federal election." A group of delegates raising and spending money to pay for travel to a national convention would be considered a "delegate committee" that would have to comply with special rules for such committees issued by the FEC. (Ruben Kantor, chief of staff for Boston City Councilor Mike Ross).

AO-08-03: A candidate may set up an account to solicit and receive funds solely to pay legal fees associated with being certified to be on a ballot. Donations would not count toward an individual's annual contribution limit, and other limits and restrictions of the campaign finance law would not apply. The funds that are deposited into the separate account may not, however, be used to reimburse a campaign account for legal expenditures already made from the campaign account. (Rep. Carl Sciortino, Medford).

From the Director

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completely different look. We hope you will also discover that your ability to search, view and file campaign finance information has greatly improved. We are currently in the process of testing the changes and they should be up and running by mid-August for everyone. Don't worry about having to upgrade your system – if you are using Reporter 4, your system will automatically upgrade when you return to the software. If you are still using Reporter 3, you may want to give us a call to help you upgrade. We will be meeting with bank representatives to instruct them on the changes to Bank Reporter. Web Reporter has been redesigned to be more user-friendly, but OCPF still believes that using Reporter 4 is a better option than Web Reporter for most committees. Reporter 4 has much more functionality for the user.

As I write this, we are in Day 3 of our new phone system and we are working out the bugs. This system provides enhanced voice mail capability and will cut our phone bill by close to 50% - a priority during the current economic conditions. We have been working closely with ITD to ensure as seamless a transition as possible.

Oh, and in case you think I forgot, there's an election this fall for 200 legislative seats, various county positions, and the potential of three statewide ballot questions. We'll be holding seminars in locations across the commonwealth, as well as continuing our weekly workshops on Wednesdays at 2 p.m. in our Boston office. Please drop by to ask any questions you might have.

Mike Sullivan
Director

Office of Campaign and Political Finance
One Ashbrton Place, Room 411
Boston, Massachusetts 02108
Phone: 617-727-8352
Fax: 617-727-6549
E-mail: ocpf@cpf.state.ma.us