



OCPF Reports

From the Director

There's a lot happening at OCPF since I last wrote to you. I'll mention just a few things since there's not much extra space in this edition.

We've hired a new director of communication and public education, Jason Tait, to replace Denis Kennedy. Denis left in September to take a position with Dewey Square Associates in Boston. Jason comes to us from the Lawrence Eagle Tribune, where he served as a political writer for seven years.

We've almost finished testing some new enhancements to our Web site. We anticipate rolling out the new, easier to use site by May 1. We've also made some positive changes to our very popular Electronic Filing System, including improvements to our search capabilities. That should be on line this summer.

Our audit staff continues to work on the comprehensive audits for several statewide candidates from 2006. They're about halfway complete and we anticipate finishing them by the end of 2008.

We've also started holding weekly seminars in our office conference room. We'll be

Continued on 5

2008 Election Season Begins

High level of campaign finance activity expected

The queue of legislative candidates hoping to win vacant seats on Beacon Hill is growing, sparking the start of what appears to be a highly active campaign finance season.

So far, at least 10 state representatives and four state senators have decided not to run for re-election. Candidates have until April 29, when nomination papers are due to the local registrars of voters, to decide to run. Certified papers are due to the State Secretary by May 27.

Since November 2007, 37 new House candidates and seven on the Senate side have filed organizational forms with the Office of Campaign and Political Finance. Municipal-level candidates who already have campaign accounts must also file a change of purpose with OCPF if they are running for a state seat.

Past spending trends indicate that the current field of candidates is expected to spend several million dollars this year, especially with the hearty supply of open seats. Senate and House candidates spent \$11.9 million in the 2006 election that had two open Senate seats and 14 vacant House seats.

Senate and House candidates are required to file campaign finance reports electronically three times this election cycle:

- The pre-primary report is due Sept. 8.
- The pre-election report is due Oct. 27.
- They must file a year-

By the numbers

House members not seeking re-election: At least 10

Senators not seeking re-election: At least 4

Newly filed candidates with OCPF since November: 44

Note: Statistics as of April 23. Final tallies are determined after April 29 when nomination papers are due.

end report Jan. 20, 2009.

Political Action Committees must also file three reports this year, and local party committees must file only if their receipts or expenditures exceed \$100 in a reporting period.

There are no state-wide races this year, but some county contests.

Planting their grassroots

State parties set out to organize local committees

It happened all across the state, and at first glance might seem like an electoral quandary: the Feb. 5 presidential primary election passes, but many local political party committees are left

unfilled because too few or no candidates were on the ballot.

Don't fret. State law provides a remedy.

Potential local party committees that did not organize can

be formed by the state committees of each political party.

State parties organize the committees by appointing

Continued on 2

INSIDE THIS ISSUE

New Web site debuts	2
Personnel changes	2
Recent cases	3
Seminar schedule	4

Top of the Class

The OCPF electronic filing program shines nationwide.

The Campaign Disclosure Project, in collaboration with the University of California at Los Angeles and other groups, awarded an "A-plus" grade in user-friendliness to the Massachusetts on-line electronic filing system.

The Massachusetts program requires all statewide candidates to file electronically if they spend or raise more than \$50,000 in an election cycle. The threshold is \$5,000 for legislative candidates.

Immediately after filing a report electronically, it is posted on the OCPF Web site for the public to see.

The system requires nearly every candidate for state office to file electronically, enhancing the disclosure of campaign finance activity by providing the public an easy and convenient way to search for information.

Did you know?

The director of OCPF is appointed every six years by the State Secretary, the chairs of the Democratic and Republican state committees and the dean of a Massachusetts law school who is appointed by the governor. The current director, Michael Sullivan, was first appointed in 1994 and is serving his third term, which expires in 2012.

New OCPF Web site launching

Designed for easier use by candidates, public

It looks a lot different, but still has all the same great information.

The Office of Campaign and Political Finance is launching its new Web site at www.mass.gov/ocpf in May.



The site is a streamlined version of its predecessor, and will continue to serve as the public portal into Massachusetts campaign finance activity.

Navigating the Web site will be easier, but the major changes to the site are aesthetic.

The big blue bar across the top of the home page, where users previ-

ously had 16 choices for information, was removed. There is now a column on the left with 15 choices and several "drop-down" tabs containing more information.

Step-by-step kits in the "Getting Started" section are available to help new candidates and committees through the world of disclosing campaign spending and fundraising.

Construction of the new Web site has been ongoing since last September.

Party committees get organized

From page 1

qualified party members from the local voting rolls, then setting meeting dates so local committees can organize and elect their officers.

Newly elected members of ward, town and city political party committees were required to meet and organize between 31 and 40 days of

the presidential primary election. This year the organizational period was March 7-16. After that period, the state committees could step in.

Within 10 days of organizing, state law requires the secretary of each local political committee to file a statement of organization with the Office of Campaign and Political

Finance. There are more than 600 potential committees in the state from each party.

Political party committees organize locally every four years for a few reasons: to represent their party on the neighborhood level, promote the party's platform, and work for the nomination and election of candidates.

Communications, education director hired

OCPF has hired Jason Tait, a former newspaper reporter, as director of communication and public education.

Tait replaces Denis Kennedy, who held the job for 11 years before joining the Boston-based Dewey Square Group, a marketing and strategic communications company with offices in Washington, D.C., and California.

The communications director

writes the agency newsletter and press releases, compiles studies and answers questions from the media and the public. Tait will serve as the office's liaison with local election officials, and conduct public educational seminars on campaign finance regulations in cities

Continued on 3



Recent Cases and Rulings

OCPF audits all campaign finance reports and reviews all 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

06-55: Larry Procopio, Rehoboth. Did not comply. (Recordkeeping and reporting; 6/26/07. The group "Concerned Citizens of Rehoboth" that made expenditures opposing a municipal candidate in a town election did not keep records or file campaign finance reports to disclose how the money was spent.

07-33: Francis Roache, Boston. Did not comply. (Contributions: Reporting Requirements); 6/27/07. The committee did not comply with the campaign finance law when it failed to file, in an accurate and timely manner, occupation and em-

ployer information for contributors who donated \$200 or more.

07-35: School Superintendent Michael Zapantis, Ashburnham. Did not comply (Public Resources); 6/27/07. A superintendent of schools distributed a newsletter advocating a vote in favor of an override. The school district's bulk mail permit was used. Also, the school district used money provided by two corporations, but disclosure of the expenditures did not take place in a timely manner.

07-05: Maryanne Lewis, Dedham. Did not comply (Excess Contributions). 7/11/07. The committee of a candidate for state representative received \$3,225 over the \$7,500 limit in contributions from PACs in 2000 (and also received a contribution of \$500 from a PAC not registered in Massachusetts). To resolve the matter, the committee donated all remaining funds to a town and dissolved.

07-41: Jacqueline Dellicker, Town Clerk, Holliston. No further action. (Public Resources); 7/24/07. Public resources include the use of a town owned computer and email access. A town clerk's use of such resources to add a comment and forward an e-mail message regarding a candidate should have been avoided.

07-40: Ken Pottell, Fairhaven. No Reason to Believe. (Town Meeting); 7/24/07. The concern raised in this case was whether a group should have organized as a PAC and filed campaign finance reports. The group, however, was in fact organized to influence town meeting and therefore was not subject to the campaign finance law's reporting requirements.

07-26: Paul Mazzuchelli, Milford. Did not comply. (Recordkeeping and reporting; public employee fundraising); 7/27/07. Paul Mazzuchelli, director of public health for the Town of Milford, failed to organize a political committee on his behalf before raising funds in violation of Section 13. In addition, his reports did not include loans that he made to his campaign. The campaign also re-

ceived an excess contribution from another committee, in violation of Section 6.

07-06: Michael Callahan, Medford/Teletype Graphics Inc., Malden. Did not comply. (Recordkeeping and reporting; corporate contributions) 7/30/07. The committee was not billed for over four months for a service provided by a business corporation, and the committee did not make payments for the services provided until four months after the committee was contacted by OCPF.

07-60: Representative Demetrius Atsalis, Barnstable. Did not comply. (Recordkeeping and reporting) 9/5/07. A candidate's committee failed to accurately disclose campaign expenditures and liabilities in 2005 and 2006.

07-49: Stuart Sklar, SOS Harvard, Harvard. Did not comply. (Expenditures to promote or oppose a ballot question) 9/24/07. SOS Harvard failed to file a CPF M 22 disclosing its expenditures for two mailings in support of the override in the Harvard town election held on April 3.

07-51: Reclaim Rehoboth PAC, Rehoboth. No Reason to Believe. (PACs generally) 10/19/07. A PAC organized with the Town Clerk as a political committee prior to raising or spending any funds to influence a recall election.

07-53: The Koch Committee, Quincy. Did not comply. (Corporate contributions) 11/09/07. Daniel Flynn & Co. provided postage, invitations, and staff time to prepare and mail 400 invitations for a Tom Koch mayoral campaign event. By providing these resources, the corporation did not comply with Section 8. Daniel Flynn & Co. reimbursed the Koch Committee \$436 and cancelled the event.

Continued on 4



It's on the books

When a political committee dissolves, residual funds in the campaign account can be donated four ways:

- Religious institution or public charity
- A scholarship fund
- The general fund of any city or town in the state
- To the Commonwealth

Contribution limits inch upward

The amount of money an individual can donate to People's Committees increased to \$147 per calendar year starting Jan. 1, 2008.

The rate is set every two years and is based on the most recent Consumer Price index for the Boston region.

The limit was first set by the state legislature at \$100 in 1994, and gradually increased up to \$140 in 2006.

New communications director hired

From page 2

and towns across the Bay State.

Tait covered politics for seven years at the North Andover-based Eagle-Tribune newspaper in the Merrimack Valley, regularly writing about cam-

paign finance issues.

Prior to working at the newspaper he was a sergeant in the Army's 10th Mountain Division and served nine months in Bosnia.

Jason is a Michigan native and is a graduate of Central Michigan University.

In another personnel change at OCPF, Anne Bourque was promoted from auditor to senior auditor. The previous senior auditor, Bob Robertson, retired after 14 years at OCPF. Bourque joined the office four years ago after working 16 years at a bank.

How do I ...

... request legal advice from OCPF?

Staff lawyers and auditors will take your questions by phone, e-mail or mail. Requests are often answered immediately over the phone, or in a timely manner by mail or e-mail. Some advice is delivered in the form of written "advisory opinions" or "guidance letters."

... raise money to support an override in my town if I'm a municipal employee?

Government employees, even part time workers, are banned from soliciting or receiving money to affect the outcome of a ballot question.

Did you know?

There is no dollar limit on how much an individual can contribute to support or oppose a state or municipal ballot question. Even corporations, which are banned from donating to candidates, can donate unlimited amounts of money and in-kind contributions.

Campaign and Political Finance Seminars

Educating people on campaign and political finance laws and regulations is a priority at OCPF. We travel the state giving seminars to candidates, political committees and other groups, including college students. Call our office to schedule a seminar. We also host workshops each Wednesday at 2 p.m. in our conference room on the fourth floor at One Ashburton Place near the Statehouse in Boston. The in-house seminars are open to the public and do not require reservations. We hope to hear from you soon.

Recent cases and rulings

From page 3

07-47: Andrea Soucy, Plainville. Did not comply. (Recordkeeping and reporting); 11/15/07. In April 2007, Soucy failed to report as in-kind contributions expenditures she made in the total amount of \$679 for automated telephone calls, stock paper and ink used for a pre-election mailing. Additionally, the town selectman candidate failed to file a CPF R1 Itemization of Reimbursements to disclose the purpose of the payment.

07-44: Linda Williams, Nantucket. Did not comply. (Recordkeeping and reporting) 11/15/07. In 2006 and 2007, Williams failed to file campaign finance reports in a timely manner.

07-66: Murray Committee, Worcester. Did not comply (Occupation and employer information) 12/11/07. For the period January 1 through September 30, 2007, Lt. Gov. Timothy Murray's committee reports did not include employer and occupation information for more than 350 contributors of \$200 or more. In response to OCPF's review, however, the committee made additional written requests for this information and filed amendments to disclose additional information received.

07-62: Jason Marcus, Everett. No Further Action. (Committee to committee excess contribution); 12/13/07. Marcus paid for an event which was advertised as a rally for Anthony Galluccio. The event occurred three days prior to Galluccio's special Senate primary election. Due to its timing and the manner of its promotion, the event could be seen as part of an effort by the Marcus Committee to promote Galluccio's campaign.

07-57: Representative James Eldridge, Acton. Did not comply (Corporate contribution); 12/14/07. A candidate's committee was able to use phones provided by a corporation for phone banking. As a result of OCPF's review, the committee reimbursed the corporation.

07-71: David M. Nangle, Lowell. Did not comply. (Recordkeeping and reporting); 1/08/08. A candidate's committee's reports did not accurately reflect campaign finance activity. After OCPF's review, which included a reconciliation of the committee's finance records to the committee's bank statements and accompanying documentation, the commit-

tee amended its reports, agreed to enhanced reporting in the future, and made a payment of \$1,000 to the Commonwealth.

07-56: Fallon Ambulance, Inc., Quincy. Did not comply. (Receipt of corporate contributions); 1/10/08. Corporation provided a conference room for Quincy Mayor William Phelan's fundraising event that was open to an exclusive group invited by the candidate's campaign, and not corporate personnel exclusively, so "ordinary hospitality" exception was not applicable. Candidate's committee took appropriate remedial action by reimbursing the corporation for value of resources used.

07-87: Timothy Rooke, Springfield. Did not comply. (Waiver hearing after late filing of campaign finance report); 1/18/08. Depository candidate's claim that failure to file year-end reports was not required because the committee's bank filed periodic reports was not "good cause" warranting a waiver of the penalty assessed for late-filing of two year-end reports. After a hearing, however, the hearing officer agreed to suspend all but \$1,800 of the \$5,000 assessed penalty.

08-01: Robert Travaglini, Boston. No reason to believe. (Recordkeeping and reporting). 1/18/08. The committee held fundraisers in 2005, but did not present approximately \$80,000 in contributions to the bank for cashing and deposit because these checks were lost or misplaced. OCPF determined that the checks were not cashed by the committee or any other entity. The committee filed amended reports by reducing its receipts for 2005 and adjusting the balances for subsequent reports filed in 2006. The committee also paid \$2,000 to the Commonwealth for the costs incurred by OCPF during the course of its review, and agreed to notify OCPF should any of the checks be located.

07-93: Massachusetts Building Trades PAC, Dorchester. Did not comply. (Waiver hearing after late filing of campaign finance report); 1/24/08. A committee claimed that reports were filed late because the new office manager did not do his job and destroyed all correspondence from OCPF and other state and federal agencies. That office manager was terminated and new procedures established to ensure future compliance. These reasons were not con-

sidered "good cause." After a hearing, however, the hearing officer agreed to suspend all but \$6,700 of the \$7,450 assessed penalty.

07-76: Senator Robert Hedlund, East Weymouth. Did not comply. (Receipt of excess contributions from political committee and individual, and failure to disclose information regarding reimbursements); 1/30/08. A legislator's committee received a contribution from another legislator's committee of more than \$100 and refunded the excess; received two excess contributions from an individual and refunded the excess amounts; and amended or filed reports of reimbursements to disclose required information regarding the goods or services for which reimbursement was made.

07-84: John Brunelle, Holyoke. Did not comply. (Recordkeeping and reporting); 1/30/08. A committee failed to file an accurate 2007 pre-election campaign finance report. The committee's failure to use the correct ending date on a report violated Section 18 and resulted in the committee's failure to disclose receipts in the amount of \$2,205 and expenditures in the amount of \$575. After being contacted by OCPF, the committee filed an amended pre-election report disclosing such activity with the Holyoke city clerk.

07-75: Representative William Lantigua, Lawrence. Did not comply. (Recordkeeping and reporting); 2/6/08. The committee amended its 2006 campaign finance reports to accurately reflect activity, in order to resolve balance discrepancies and to show the receipt of seven contributions in the total amount of \$725 that had not been included in the reports as initially filed. The committee agreed to an enhanced reporting schedule.

07-67: Frederick Rushton Committee, Worcester. Did not comply. (Political fundraising in building occupied for governmental purposes); 2/7/08. The committee mailed fundraising letters to public employees in their place of business, i.e., buildings occupied for governmental purposes, in violation of Section 14. The Rushton Committee refunded the \$635 in illegally raised contributions.

Continued on 5

Recent cases and rulings

Commonwealth of
Massachusetts



Office of Campaign and
Political Finance

John W. McCormack Building
One Ashbrton Place, Room 411
Boston, Massachusetts 02108

Phone: 617-727-8352
800-462-OCPF
Fax: 617-727-6549
E-mail: ocpf@cpf.state.ma.us

From page 4

07-73: Adam Weldai, Malden. Did not comply. (Receipt of funds raised by public employee, and receipt of excess contributions from individuals); 2/12/08. A candidate appointed a family member, who was a public employee, as treasurer of his committee, in violation of Section 13. Upon being notified of this violation, he immediately reappointed a new treasurer. Additionally, the candidate's committee received excess contributions from the same person, described as a loan, and when notified of the fact that family members cannot give more than \$500 to a political committee, the candidate repaid the excess amount.

07-86: Repeal 40B Ballot Question Committee, Arlington. Did not comply. (Recordkeeping and reporting); 2/14/08. A ballot question committee started raising and spending funds prior to filing a Statement of Organization. In addition, the committee filed its initial and year-end campaign finance reports late.

07-77: Judith Knight, Lee. Did not comply. (Recordkeeping and reporting); 3/27/08. A depository committee failed to file contribution reports for deposits totaling \$1,718 in a timely manner. The required information was filed as a result of OCPF's review.

Advisory Opinions

AO-07-06: A nonprofit organization may establish a "leadership program" consisting of a series of informational forums. The instruction provided would be useful to anyone seeking and serving in leadership roles in politics, government and their communities, and would include instruction in public speaking, fund-raising, field organizing, and campaign strategies. The program would only be available for women who are registered as Democrats. Candidates and persons working for political committees would have to pay a fee that would equal the fair market value for the classes. OCPF concluded that the organization would not be required to organize a political committee, but would not be allowed to accept donations from business or professional corporations. (Paul Murphy).

AO-07-07: This opinion addresses questions raised by a group that registered as a local PAC that was seeking guidance regarding the extent it could influence the election or recall of local candidates or other candidates and ballot questions, and also be involved in community outreach and educating the public on issues in the community. (CasinoFacts Group Formation).

AO-07-08: If NARAL, a lobbying organization, either sends an e-mail or letter to its members asking them

to send a check to a candidate with a message that "NARAL Pro-Choice Massachusetts sent me," or has someone who is not a registered legislative or executive agent deliver members' contributions to a candidate, such activities may result in the making of bundled contributions. (NARAL Pro-Choice Massachusetts)

AO-07-09: A legislator's political committee could make an expenditure for office space that would primarily be used for conducting political and legislative business in Boston, even if the legislator would occasionally use the office as a place to sleep when she needs to stay in Boston overnight for legislative or political business. The legislator would forgo per diem. (The Committee to Elect Therese Murray)

AO-07-10: An issues group, which raises funds to influence town meeting, but not an election, is not required to register as a political committee. (www.casino-friend.com)

AO-08-01: Legislators may either use campaign funds, public resources, or personal funds, or may use the stipend legislators receive under G.L. c. 3, § 9B, to pay costs associated with implementing and maintaining a constituent services website, provided the content of the website does not solicit political contributions, votes or volunteers, or advocate for or against a candidate, party or ballot question, and the website does not contain links to other websites that solicit political contributions, votes, or volunteers, or to websites that advocate for or against a candidate, party or ballot question. (Sciortino).

Interpretive Bulletins and Memos

M-97-05 (Indexing of Certain Contribution Amounts): revised to reflect new amounts effective January 1, 2008.

M-98-06 (Reporting of Year-End Contributions): updated to reflect procedures in effect since electronic filing was instituted.

M-07-01 (Use of Bulk Mail Permits): new memo issued 7/31/07 to provide guidance regarding the use of bulk mail permits.

M-07-02 (Dissolution of Political Committee and Disposition Residual Funds): new memo issued 12/19/07 to provide guidance regarding committee dissolution and the use of remaining funds on dissolution.

M-04-01 (Contributions to Political Committees by Credit or Debit Card): revised to further address disclosure requirements by depository candidates and committees.

M-90-01 (Treatment of Reimbursements and Loans for Candidate Required to Appoint a Depository Account): revised to update and clarify guidance provided.

From the Director

From page 1

available every Wednesday at 2:00 p.m. to meet with candidates and committee staff to answer questions about the campaign finance law and to provide assistance with our electronic filing software, Reporter 4. Of course, we're also available to conduct educational seminars at locations across the state.

Finally, I'll bet you didn't know that there's an organization consisting of American and Canadian agencies called the Council on Governmental Ethics Laws (COGEL). COGEL is the preeminent organization of government ethics and campaign finance administrators. Members include governmental entities responsible for ethics, government transparency, elections, lobbying, campaign finance and judicial conduct. COGEL is always on the lookout for new members – take a look at its website, www.cogel.org, and maybe you'll be interested in joining. COGEL has annual conferences where members attend panels with their peers across the United States and Canada.

I hope you like the new look of our newsletter as we continue to upgrade our publications.

Mike Sullivan, Director

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www.mass.gov/ocpf