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OFFICE OF CAMPAIGN & POLITICAL FINANCE

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M-03-01

Issued: February 27, 2003

MEMORANDUM

TO: Interested Persons
FROM: Michael J. Sullivan, Director *mjs*
SUBJECT: Golf Fundraising Events

From time to time OCPF receives questions regarding the use of golf outings or tournaments by candidates and political committees to raise campaign funds. In general, such events may be held, but the use of municipal golf courses and the receipt of items from corporate sources may raise issues under the campaign finance law. In addition, questions are often asked regarding the proper accounting of receipts, and regarding the propriety of expenditures to sponsor such an event.

The intention of this memorandum is to summarize some of the issues most often raised by such events and answer certain commonly asked questions. For further information and guidance regarding this memorandum, please contact OCPF or review the referenced advisory opinions, which are available on our website, www.mass.gov/ocpf.

1. Use of municipal golf course buildings for fundraising purposes.

Probably the most frequently raised question regarding golf tournaments concerns the planned use of a municipal golf course for a fundraising event.

Section 14 of the campaign finance law prohibits the solicitation or receipt of political contributions "in any building or part thereof occupied for state, county or municipal purposes." This includes buildings, such as clubhouses, on the grounds of municipal golf clubs that are operated and staffed by public employees. See AO-02-21 and AO-94-17. The prohibition does not apply, however, to events held outside of such buildings, such as on the grounds of a municipal golf course, or in a tent set up on the grounds. See AO-01-13 and AO-02-21. In addition, it does not generally apply to a municipally owned golf course that is managed by a private company and staffed by persons who are not public employees. See AO-94-38, in which the office stated that "where a municipality decides to provide a service which is not primarily governmental such as the operation of a golf course through a private vendor, it is the office's opinion that Section 14 is not implicated absent unusual circumstances."



Solicitation takes place if persons are asked to contribute to a candidate or political committee. In addition, solicitation would occur if signs announcing a political fundraiser are posted in a building that is subject to Section 14. The prohibition applies even if fees are paid in advance or are collected outside of the building. In addition, a building subject to the prohibition may not be used for an event even if no set fee is required for entry, but voluntary contributions are encouraged in the building. See AO-99-17.

2. Use of corporate resources.

Section 8 of the campaign finance law states that business and professional corporations may not “directly or indirectly give, pay, expend or contribute...any money or other valuable thing” to promote or oppose any candidate or political party. Therefore, a candidate, or any political committee other than a ballot question committee, may not obtain corporate sponsors for a fundraising event such as a golf tournament.

A candidate or any such political committee may, however, contract with a corporation such as a car dealership to purchase a new car or other prize in the event of a “hole in one” and may purchase an insurance policy to cover the cost of the car, but only if the contracts with the dealer and insurance company are provided in the normal course of business and use terms and conditions similar to those normally used for such contracts with other committees and other types of organizations.

Section 1 of the campaign finance law defines “contribution” to include any “discount or rebate not available to other candidates for the same office and to the general public.” A business or professional corporation may not provide such a discount or rebate to a candidate or committee. See AO-02-21.

3. Accounting of receipts and expenditures.

If a political committee conducting a fundraising event receives funds from a donor that include the cost of playing golf, the entire amount received is considered a contribution to the committee and must be reported as such. For example, if the total amount received from each contributor is \$150, and this sum includes a \$65 fee that includes greens fees and a golf cart rental that must be paid to the club, the total contribution that must be recorded for each participant is \$150. The committee would also record an expenditure of \$65 to the club for each golfer. See AO-02-21.

Records of all contributions and expenditures must be kept in accordance with M.G.L. c. 55, §§ 2 and 5 and all such contributions and expenditures must be disclosed in accordance with the campaign finance law.

4. Use of campaign funds to sponsor an event.

A political committee may make expenditures to hold a golf fundraising event, including the payment of greens fees or for the purchase of any awards to participants. Expenditures for

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awards are subject to the regulations concerning the use of campaign funds for gifts. See AO-94-22. The regulations, 970 CMR 2.06(3)(b)2, require that gifts (and awards) must be "of reasonable value." The award must be given primarily for the purpose of enhancing the candidate's political future. In addition, the candidate and treasurer may not receive such an award.

For further information and guidance with respect to this memorandum, please contact OCPF.