

# OCPF Reports



## From the Director

Mike Sullivan

OCPF has never extended a filing deadline for any reason. Then came Hurricane Sandy.

We extended the Oct. 29 pre-election deadline by 24 hours this year, and the extra time helped — 95 percent of legislative candidates filed on time, as did 91 percent of PACs. *Those are all-time highs.*

On a side note, our on-line filing system never went down on Oct. 29, the day Sandy hit. Legislative candidates filed 162 reports that day.

### Audit Season

Callers have asked us recently about how and when

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## Legislative candidates file reports by deadline at highest rate in e-file era

### Political Action Committees also reach on-time filing highs

Legislative candidates and political action committees have never been better at filing pre-primary and pre-election reports on time.

Ninety-seven percent of legislative candidates, 331 total, filed **pre-primary reports** on or before the Aug. 29 deadline, the highest percentage since the e-filing era began in 2002.

The **pre-election report** rate was slightly lower, at 95 percent, but was also the highest rate for any pre-election report since 2002. The pre-election report deadline was extended by 24 hours this year due to Hurricane Sandy.

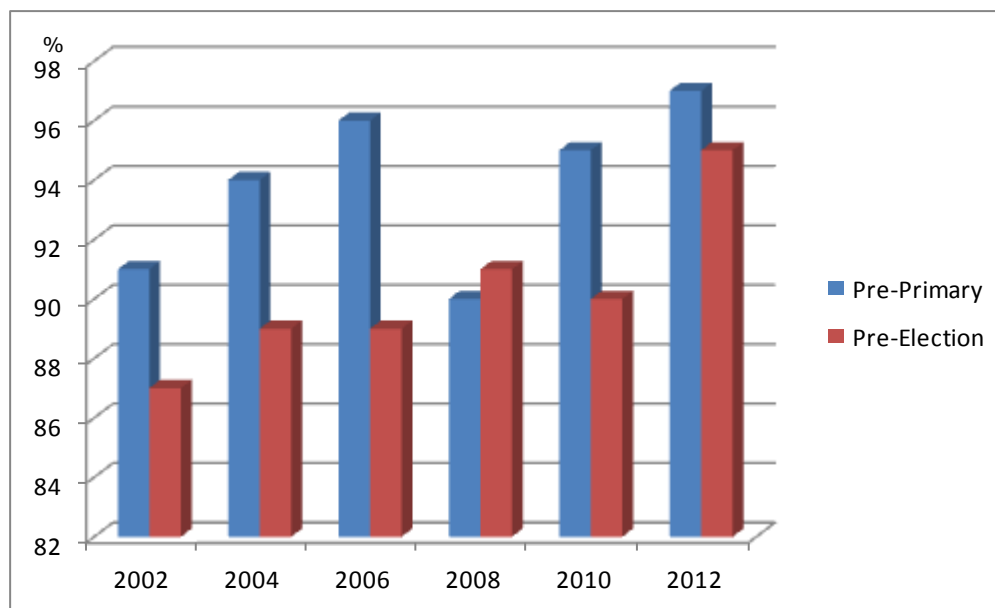
On-time filing rates have gradually improved since 2002 for legislative candidates (see the graph below) and PACs.

The state's 304 political action committees reached their highest percentage of on-time filings this year — 89 percent for the pre-primary report and 91 percent for the pre-election report. The on-time rate in 2010 was 82 percent for the pre-primary report and 87 percent for the pre-election report.

Legislative candidates and PACs are

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### On-Time Filing Rate for Legislative Candidates by Election Year and Report Type



Since 2002, legislative candidates have gradually improved at filing pre-primary and pre-election campaign finance reports on or before the deadline.

## Public financing period begins Jan. 1 for statewide candidates

The State Election Campaign Fund (SECF), which provides matching funds to statewide candidates, begins its next cycle Jan. 1, 2013.

Starting Jan. 1, candidates for statewide office can begin collecting “**qualifying contributions**” to receive matching funds from the SECF.

Qualifying contributions include only the first \$250 of individual contributions that are received and deposited during 2013 and 2014.

For example, if an individual gives \$500 to a candidate on Jan. 1, 2013, matching funds can be received for the first \$250.

Each statewide candidate who agrees to observe a spending limit and submits the minimum amount of qualifying contributions (see

chart at right) is eligible to receive matching funds for the primary and general elections, subject to available funding.

Gubernatorial candidates are funded first and remaining funds, if any, are distributed to other statewide candidates.

In 2010, more than \$1.4 million was distributed to seven candidates running for statewide office — \$525,163 for the primary election, and \$894,689 for the general election.

Money for the SECF is provided from voluntary contributions of \$1 by state income tax filers. Since 1978, the SECF has provided more than \$10.7 million to candidates.

Please call OCPF for additional information about the SECF.

To qualify for the matching funds program, candidates must submit a minimum total of “Qualifying Contributions.” This chart shows those minimums:

### Primary Election

Governor:	\$75,000
Lt Gov.:	\$15,000
Attorney Gen.:	\$37,500
Secretary:	\$15,000
Treasurer:	\$15,000
Auditor:	\$15,000

### General Election

Governor/LG:	\$125,000
Attorney Gen.:	\$62,500
Secretary:	\$25,000
Treasurer:	\$25,000
Auditor:	\$25,000

### From the Director

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we audit reports that are filed by legislative candidates and PACs.

Our office reviews reports as they come in, but we don’t do a full audit until after the year-end report is filed in January after an election year. We wait so we can get a full picture of the election cycle. If candidates or PACs have audit issues, we’ll contact them early next year and help them clarify their reports.

#### Municipal Audits

In the year following a municipal election cycle, like 2012, OCPF will perform audits in various cities.

Our office conducted audits in 10 communities this year — Agawam, Beverly, Easthampton, Holyoke, Marlborough, Milford, Peabody, Salem, Taunton and West Springfield. We thank the individuals in those communities who helped us with those efforts.

## How does a campaign close itself down?

Unsuccessful candidates in the recent election may choose to close their accounts with OCPF — and free themselves from future filing responsibilities.

If a committee does not dissolve, it is required to file regular campaign finance reports.

To dissolve, a committee must have a zero balance and no liabilities.

To get to a zero balance, a committee can pay off its liabilities and other closing costs, then donate the residual funds to one of four places:

1. The state’s general fund
2. A city or town

3. A charitable organization, so long as the candidate and the officers of his or her campaign committee are not related to the officers of the charity.
4. A scholarship fund, so long as the candidate and the officers of his or her committee don’t participate in the selection of scholarship winners, and the beneficiary of any scholarship is not related to the candidate or the officers of his or her committee.

The final step, for legislative candidates and other non-depository committees, is to electronically file a dissolution report using Reporter 5 software or Web Reporter.

# 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. All resolution letters are posted under the [Agency Actions](#) tab at the agency website, [www.mass.gov/ocpf](http://www.mass.gov/ocpf).

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.

*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.*

## Public Resolution Letters

**CPF-12-39: Rep. Nicholas Boldyga, Southwick.** No reason to believe (in-kind contribution); 6/28/2012. Rep. Boldyga wrote a column in the May 2012 edition of Southwoods Magazine, which focused on the process of collecting nomination signatures for his campaign. Rep. Boldyga disclosed the value of the column as an in-kind contribution from the owner of the magazine on the 2012 pre-primary campaign finance report.

**CPF-12-30: Thomas Bernardo, Barnstable.** Did not comply (public employee); 7/2/2012. Thomas Bernardo, a public employee, distributed an e-mail on his own personal time inviting individuals to a political fundraising event. Public employees are prohibited from soliciting campaign contributions, directly or indirectly, even on personal time. To resolve the issue, Bernardo made a payment of \$250 to the state’s general fund.

**CPF-12-34: Rep. William Pignatelli, Lenox.** Did not comply (public employee); 7/23/2012. Rep. Pignatelli’s campaign committee treasurer, Marge Pero, became a public employee in July 2011 but remained as treasurer until May 2012, when she resigned. The campaign finance law prohibits public employees from serving as treasurers of political committees. To resolve the issue, Rep. Pignatelli’s committee made a \$250 payment to the state’s general fund and appointed a new treasurer.

**CPF-12-37: Christopher Griffin, Braintree.** Did not comply (public employee); 7/26/2012. Griffin began

serving as treasurer of the Rep. Mark Cusack Committee in May 2010 and became a public employee in March 2011, but did not resign as treasurer of the political committee until May 2012. The campaign finance law prohibits public employees from serving as treasurers of political committees. To resolve the issue, Griffin agreed to make a payment of \$200 to the state’s general fund.

**CPF-12-37: Rep. Mark Cusack, Braintree.** Did not comply (public employee); 7/26/2012. A public employee, Christopher Griffin, served as treasurer of the Rep. Mark Cusack Committee. The campaign finance law prohibits public employees from serving as treasurers of political committees. To resolve the matter, the committee made a \$750 payment to the state’s general fund.

**CPF-12-31: Mayor Gregory Neffinger, West Springfield.** Did not comply (public employee); 8/21/2012. An employee in the mayor’s office sent an e-mail to city department heads inviting them to the incoming mayor’s inauguration. The e-mail contained an attachment soliciting \$50 contributions. To resolve the matter, the mayor’s committee purged \$450 to a charity, and OCPF conducted an educational seminar for the mayor’s staff and city department heads.

**CPF-12-48: Westport Taxpayers Association.** Did not comply (reporting); 8/21/2012. The association did not file a timely CPF M22 form disclosing expenditures made to influence an April ballot question election. The disclosure form was filed in July.

**CPF-12-64: Charles Rucks, Springfield.** Did not comply (reporting); 9/10/2012. The Rucks Committee raised and spent \$6,759 for his City Council campaign and did not disclose that financial activity as required. Candidates for Springfield City Council are required to disclose their financial activity by making all expenditures through their campaign committee bank accounts. The Rucks committee did not process its receipts or expenditures through its bank account. In addition, the Rucks Committee filed its year-end report six months late and was fined \$5,000.

# Changes to campaign finance regulations are in effect

The state's campaign finance regulations have been changed, in part, to improve public disclosure and to change e-filing requirements for some candidates and committees.

The changes were finalized Aug. 17, after a period of public input.

One change has already made an impact — the e-filing requirement for *all* committees and candidates that file with OCPF, except local party committees. Previously, some candidates and committees could file paper reports if they

did not reach certain fundraising or spending thresholds.

Other changes address subvendor report requirements, submitting e-mail addresses to OCPF, keeping records, and pre-preliminary filing requirements in municipal elections.

OCPF's regulations can be viewed under the "[Legal Resources](#)" tab on the OCPF website.

A summary of the changes is below.

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## Summary of 2012 OCPF Regulation Changes

**E-Filing:** All candidates and committees required to file with OCPF, except local party committees, must file reports electronically.

**E-Filing:** Individuals, corporations, groups or associations that make expenditures to influence a ballot question on the state ballot must file the CPF 22 form electronically.

**Municipal Filing:** Where there is a preliminary election in a city, only those candidates on the preliminary ballot are required to file pre-preliminary reports.

**Returning BQ Contributions:** Refunds by ballot question committees to donors can be done on a pro rata basis.

**Recordkeeping:** Any expenditure that is not supported by bills, receipts or other documentation reflecting the purpose of the expenditure creates the presumption that the expenditure was made for the personal use of the candidate or another person.

**Simplified dual reporting requirements:** A candidate may seek or hold office at both the state or county and municipal level, and the revised regulation simplifies reporting their requirements.

**Recall Elections:** A PAC organized to promote or oppose the recall of a mayoral candidate in a city with a population between 40,000 and 100,000 must file its campaign finance

reports with OCPF.

**Gaming Law:** A new section of the law was added concerning casino ballot questions

**Special Funds:** Public employees may not solicit or receive donations, directly or indirectly, for legal defense, recount and inauguration funds. Such donations may not be solicited or received in buildings used for governmental purposes by any person.

**Elected Political Committees:** Candidate committees and PACs can contribute to, or make expenditures on behalf of, individuals seeking membership in state or local political party committees.

**E-Mail Addresses:** Political committees, when filing statements of organization, must include the e-mail address of the principal officers of the committee, including the candidate.

**Subvendor Reports:** A political committee that makes a payment to a vendor of \$5,000 or more during a calendar year, must make an inquiry to the vendor regarding whether subvendors were paid by the vendor. A committee satisfies this requirement by asking at least once for subvendor information, and keeping a record of the request.

**Click here to view  
OCPF's regulations**

## From Page 1: On-time filing rate for legislative candidates and PACs hits all time high

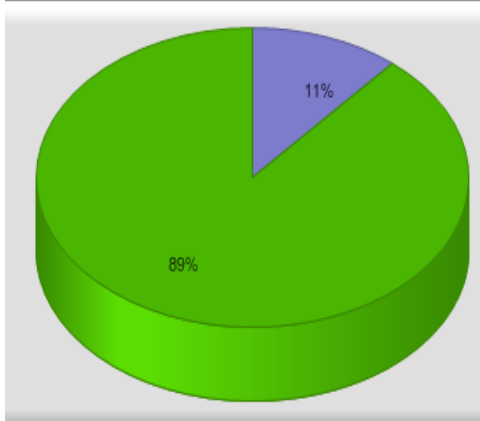
required to file campaign finance reports eight days before a primary election and eight days before a general election.

Late filers are subject to fines of \$25 a day up to \$5,000 for filing their campaign finance reports late.

The 2012 pre-primary and pre-election reports cover activity from Jan. 1 to Oct. 19. Committees will also file a year-end report, due Jan. 22 next year, to disclose activity from Oct. 20 to Dec. 31.

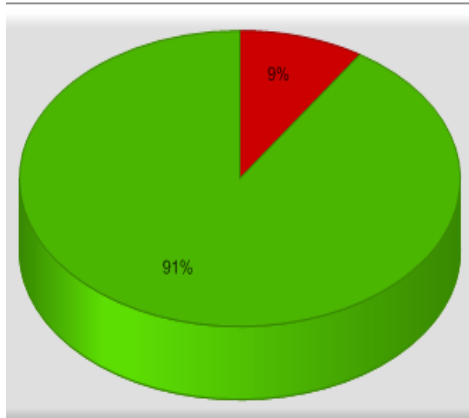
**PAC PRE-PRIMARY: 89 percent filed on time**

Filing Statistics  
34 Late E-Filed 270 On Time - Electronic



**PAC PRE-ELECTION: 91 percent filed on time**

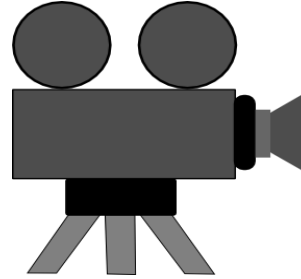
Filing Statistics  
28 Not Filed 278 On Time - Electronic



# Instructional videos produced by OCPF

OCPF has created several instructional videos to assist candidates and committees with their campaign finance responsibilities.

We will also produce videos for candidates at the town and city levels.



Our videos are posted to the “OCPFReports” channel on YouTube. Links are below.

## HOW TO FILE CAMPAIGN FINANCE REPORTS

Using [Reporter 5](#)

Using [Web Reporter](#)

## LATE CONTRIBUTION REPORTS

[How to file](#) a late contribution report

using Reporter 5.

[How to file](#) a late contribution report using Web Reporter.

## DEPOSITORY COMMITTEES

[How to file](#) a deposit report using Web Reporter.

[How to clarify](#) an expenditure using Web Reporter

## AMENDMENTS

[How to file](#) an amendment using Reporter 5.

[How to file](#) an amendment using Web Reporter

## SUBVENDOR REPORTS

[How to file](#) a subvendor report using Web Reporter.

[How to file](#) a subvendor report using Reporter 5.

# Q & A: Receipts

**Q: Can a foreign national make a contribution to a Massachusetts candidate?**

*A: Only US citizens and legal residents (green card holders) may make contributions to Massachusetts candidates.*

**Q: Can our campaign hold a raffle to raise money?**

*A: Political committees are not permitted to hold raffles.*

**Q: Can our committee “pass the hat” at a meeting to raise funds?**

*A: Not if donations are in cash. Anonymous cash contributions are prohibited. Committees must keep records of every donor, regardless of the amount.*