

OCPF Reports



From the Director

With the state election behind us, we've turned much of our attention to the spring and fall municipal elections.

OCPF has already held a handful of candidate seminars this year, and we'll schedule several educational opportunities this summer in cities across the state. The seminars focus on the basics of campaign finance reporting.

Use us as a resource when planning your city or town campaign — many municipal candidates have already called our office for assistance.

Mid-year Reports

Legislative candidates and PACs will file mid-year reports for the first time this summer.

Filing the reports electronically will work just like the year-end reports, but you'll check the "mid-year" box instead. We'll notify you on when and how to file the reports, which will be due on July 20 covering from Jan. 1 to June 30.

Meeting the Due Date

Most of the state's 652 legislative candidates filed their 2010 pre-primary and pre-election campaign finance reports on time last year.

Ninety-three percent of Senate and House candidates filed their pre-election reports with OCPF by the due date eight days before the Nov. 2 election. The pre-primary was

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Statewide candidate spending exceeds \$30 million in election cycle

Statewide candidates spent \$30.4 million during the 2009-2010 election cycle for the offices of governor, lieutenant governor, attorney general, treasurer, secretary and auditor, according to an OCPF review of campaign finance activity by statewide candidates. Fundraising for the election cycle totaled \$25.5 million.

OCPF's review of statewide campaign finance activity included receipt and expenditure data for 23 candidates from Jan. 1, 2009, to Nov. 15, 2010. Though overall spending was down in 2010, three of six statewide races saw increased spending, for attorney general, treasurer and auditor. A new spending record was set for auditor.

Candidates for governor spent \$17.6 million, a drop of 58 percent from 2006's record-breaking \$42.3 million total. Candidate fundraising totals were nearly \$15 million.

Charles Baker led all gubernatorial candidates in total spending in the 2010 cycle, reporting \$6.7 million in expenditures. The eventual winner, incumbent Gov. Deval Patrick, spent \$5.4 million, \$3.5 million less than his spending total in 2006. Timothy Cahill spent \$4.8 million as an unen-

rolled candidate, and was the only candidate for governor to receive public financing from the State Election Campaign Fund (the Cahill Committee received \$661,532).

Total spending by statewide candidates in the 2010 election cycle was 41 percent less than the total from the 2006 election cycle, and a 35 percent drop from 2002. The [full report](#) is available on the OCPF website.

Total Spending by Office Sought in 2009-2010 election cycle

Governor:	\$17,625,686
Lt. Governor:	\$4,814,219
Attorney General:	\$1,322,011
Treasurer:	\$3,515,828
Secretary:	\$560,164
Auditor:	\$2,595,371
Total:	\$30,433,279

Independent expenditures and electioneering communications top \$11.5 million

Organizations and individuals reported spending more than \$11.5 million during the 2010 election year on independent expenditures and electioneering communications, political spending that is done without consultation or cooperation with any candidate campaign.

A total of \$3.7 million was spent on independent expenditures to directly advocate for or against the election of 116 legislative and statewide candidates. An independent expenditure is an expenditure made by an individual, group, association or corporation to expressly advocate for the election or defeat of

a clearly identified candidate, without cooperating or consulting with any candidate.

A majority of all independent expenditures were made to influence the race for governor. The Massachusetts Teachers Association spent \$2.75 million

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slightly better at 95 percent.

Ninety-seven percent of incumbent legislators were on time for the pre-election report.

All Senate and House candidates were required to file campaign finance reports eight days before the primary, eight days before the election, and a year-end report due by Jan. 20, 2011.

Political Action Committees were required to file on the same schedule. For the pre-primary reports, 82 percent of PACs filed on time. It was 86 percent for the pre-election report.

Legislative candidates and PAC treasurers are fined \$25 a day up to \$5,000 for late reports.

Again, please call with questions on these or other issues.

Michael J. Sullivan
Director

Meeting the due date

Percentage of legislative candidates and PACs that filed campaign finance reports on time:

Legislative Candidates

Pre-primary	95 percent
Pre-election	93 percent
Year-end	91 percent

Political Action Committees

Pre-primary	82 percent
Pre-election	86 percent
Year-end	92 percent

Continued: Independent spending in 2010

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to support Gov. Deval Patrick, and the Massachusetts AFL-CIO spent \$33,879 to oppose Patrick's challenger, Charles Baker. The remaining \$952,203 was spent to support or oppose candidates running for the House of Representatives, Senate and other offices.

More than twice as much was spent on electioneering communications than on independent expenditures. Electioneering communications are print, mail and broadcast ads that clearly identify candidates on the ballot within 90 days of an election, but do not expressly advocate for or against their election.

Two organizations, the Republican Governors Association (RGA) and Bay State Future, accounted for the vast majority of the \$7.8 million spent on electioneering communications concerning candidates who were running for governor. The RGA spent more than \$4.6 million in elec-

tioning communications, which identified three candidates for governor, Baker, Patrick and Timothy Cahill. Bay State Future, a group funded by the Democratic Governors Association, SEIU and the Massachusetts Teachers Association, spent \$3,157,301 on ads identifying Baker.

No business corporations reported spending money directly on independent expenditures or electioneering communications, despite a US Supreme Court ruling in 2010 that allowed corporations to make independent expenditures to expressly advocate for or against candidates.

The \$3.7 million spent in 2010 on independent expenditures is a 7 percent drop from 2006, the last statewide gubernatorial election year. There are no records on electioneering communication expenditures in 2006 because changes to the state campaign finance law only required such disclosure beginning in 2010.

Independent spending by group

Organization or Individual Making Expenditure	Total Independent Expenditures	Total Electioneering Communications	Total
Republican Governors Association	0	\$4,643,459	\$4,643,459
Bay State Future	0	\$3,157,301	\$3,157,301
MA Teachers Association	\$2,941,153	0	\$2,941,153
1199 SEIU	\$464,334	0	\$464,334
MA Nurses Association	\$188,470	\$26,416	\$214,886
SEIU Local 509	\$46,014	0	\$46,014
Mass. AFL-CIO	\$33,879	0	\$33,879
Alliance to Protect Nantucket Sound	0	\$32,561	\$32,561
Coalition for Marriage	0	\$11,907	\$11,907
MassEquality	\$10,075	0	\$10,075
Neighbor to Neighbor	\$9,554	0	\$9,554
Empower Massachusetts	\$3,282	\$5,611	\$8,893
SEIU Local 615	\$6,163	0	\$6,163
Retired State, County and Municipal Employees	\$4,226	0	\$4,226
Worcester Police Officials Union	\$1,506	0	\$1,506
Paul Peter Nicolai	0	\$883	\$883
Andover Education Association	\$352	0	\$352
Eldin Villafane	\$262	0	\$262
SEIU Local 888	\$140	0	\$140
Totals	\$3,709,423	\$7,878,138	\$11,587,561

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.**

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-10-93: Jerald A. Parisella, Beverly. No reason to believe (receipt of prohibited contribution); 11/10/2010. Parisella, a municipal Salem employee and candidate for state representative, did not receive a contribution prohibited by Section 13 of the campaign finance law. Parisella’s committee received a contribution from a real estate director, whose project was in the permitting process with the city. Parisella, as a city employee, was not involved in the permitting process and his committee was not prohibited from accepting a donation from the developer.

CPF-10-74: Matt Albanese, West Bridgewater. No further action (solicitation in a government building); 11/18/2010. The Albanese Committee sent a fundraising e-mail to public employees at their place of work in a government building.

CPF-10-94: James P. McKenna, Millbury. Did not comply (disclosure, reporting); 11/30/2010. Campaign expenditures were not disclosed in a timely manner because the committee used the candidate’s personal credit card for more than \$6,000 in purchases. The candidate, who ran for attorney general, filed appropriate amendments to reflect actual campaign finance activity.

CPF-10-67: Ryan Fattman, Sutton. Did not comply (disclosure, reporting); 12/20/2010. The committee for state representative candidate Ryan Fattman did not file timely and accurate campaign finance reports with the Sutton Town Clerk for 2008 and 2009, while the candidate held municipal office.

CPF-10-100: Richard Pilla, Milton. Did not comply (disguising the source of a contribution); 12/28/2010. Pilla made a \$500 contribution to a statewide candidate by disguising the contribution as coming from another person. To resolve the matter, Pilla made a payment of \$1,500 to the state’s general fund.

CPF-10-25: Rep. Michael Rush, West Roxbury. Did not comply (reporting, disclosure); 01/03/2011. The committee did not disclose a significant number of PAC contributions. To resolve the matter, the committee amended its campaign finance reports to accurately reflect all activity in 2009. Additionally, the committee made a \$2,500 payment to the state’s general fund. The committee also agreed to a \$3,000 suspended forfeiture, which will be forgiven if the committee’s reports are substantially accurate for calendar years 2010 to 2012.

CPF-10-114: William Farretta, Weymouth. Did not comply (disclosure); 1/4/2011. The committee did not initially file timely disclosure reports related to credit card expenditures, including expenditures for radio and TV advertisements. The committee took appropriate corrective actions and filed the required campaign finance reports.

CPF-10-107: Andover High School. No reason to believe (use of public resources); 1/7/2011. The school’s intercom system was used to recruit campaign interns for Rep. Barry Finegold’s candidacy for Senate. The use of the intercom system to announce internship opportunities did not violate campaign finance law because such use was not intended to influence people on how they should vote. Additionally, if approached, the school would have provided equal access to other candidates to utilize the intercom system for similar purposes.

CPF-10-78: Eric Dahlberg, Chelmsford. Did not comply (public employee solicitation); 1/11/2011. The candidate used public employee names in a fundraising letter because the employees were members of the candidate’s “steering committee.” The candidate agreed to make charitable contributions in the amount of \$2,000, the approximate amount that was received in response to the letter.

CPF-10-132: Sen. Barry R. Finegold, Andover. Did not comply (public employee solicitation); 1/31/2011. Two fundraising invitations included a list of supporters, a fraction of which were public employees. The committee disgorged \$2,500, the approximate amount raised using the invitations, to charity.

CPF-10-112: Thomas J. Foley, Worcester. Did not comply (recordkeeping); 2/1/2011. The committee did not maintain records of contributions received in amounts of \$50 and under during 2010, specifically \$12,469 in cash contributions. To resolve the matter, the committee will pay all funds remaining in its account to charitable institutions, and the candidate will forgive

Recently Organized PACs

Several new Political Action Committees have organized with OCPF. A PAC, which is required to register and file disclosure reports with OCPF, is an organization or other group of people that raises or spends money for the *primary purpose* of influencing the election of candidates who file with OCPF.

New England Irrigation PAC, Pocasset, 12/3/2010.

Merrimack Valley Young Democrats PAC, Lowell, 12/13/2010.

The Western Mass. PAC, Amherst, 12/30/2010.

Team Future Committee for Change PAC, Dorchester, 1/10/2011.

Unsuccessful 2010 candidates can donate residual funds

Unsuccessful candidates in the 2010 state election can dissolve their campaign committees if they don’t plan on running for office in the future. Residual funds remaining in a candidate’s account can be donated to four entities:

- State’s general fund
- A municipality
- Charity
- Scholarship fund

Donations to charities are prohibited if the candidate, treasurer or any official of the political committee is related to any trustee, officer, principal or beneficiary of the charity.

Mayoral candidates will file late contribution reports in 2011 elections

Mayoral candidates in cities with populations between 40,000 and 100,000 will file “late contribution reports” with OCPF for the first time this year, due to a change in the campaign finance law.

The reports disclose contributions of \$500 or more that are deposited within 18 days before a preliminary or general election. Reports are not required for deposits made during the three days immediately preceding an election.

The purpose of the new requirement is to enhance disclosure of large contributions received shortly before an election. Under the previous system, contributions of \$500 or more that were deposited within 18 days of an election were not disclosed until after an election.

Late contribution reports can be filed two ways — through OCPF’s reporting software, Reporter 5, or via the web-based reporting system, Web Reporter. The reports are filed electronically within 72 hours of deposit.

The reports are required for several types of deposits and transactions that occur within 18 days of an election:

- A contribution of \$500 that is deposited.
- Committees that receive contributions via credit or debit cards should file within 72 hours of being notified by a mer-

chant provider that a contribution has been received.

- Any in-kind contribution of \$500 or more.
- Out-of-pocket expenditures by candidates of \$500 or more must be disclosed within 72 hours of when the expenditure was made.

Late Contributions

Example 1: A mayoral candidate receives a \$1,000 contribution from the city party committee on Oct. 22, 17 days before the Nov. 8 election. The candidate deposits the check on Oct. 23. The committee has received and deposited a check for \$500 or more within 18 days of an election, but not within three days prior, and is now required to electronically file a late contribution report with OCPF within 72 hours of the deposit.

Example 2: A mayoral candidate uses his personal credit card to purchase a \$2,000 campaign ad 15 days before the Nov. 8 election. The candidate must file a late contribution report within 72 hours to disclose a \$2,000 contribution from himself to his committee.

Continued: Recent cases and rulings

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\$18,000 that had been owed to him by the committee.

Advisory Opinions

AO-10-09: There is a \$5,000 aggregate limit on the amount that may be contributed by a state party to a local party during a calendar year, whether in money or in-kind.

AO-11-01: ActBlue may directly process contributions made on its website to Massachusetts candidates and political committees, transferring the funds from a credit card processor through ActBlue’s own bank account to the recipient, without having to register as a political committee.

Legislative candidates and PACs will file mid-year reports in July this year

All Political Action Committees and legislative candidates organized with OCPF will file mid-year reports in July.

The due date is July 20, covering the period of Jan. 1 to June 30.

The new requirement was added to the campaign finance law last year and does not affect local party committees or ballot question committees, or municipal, state-wide or county candidates.

New Requirement

The reports will be filed using OCPF’s reporting software, Reporter 5, or the web-based reporting system, Web Reporter.

Legislative candidates and PACs with questions about the new requirement can call OCPF at 617-979-8300.