

# OCPF Reports



## From the Director

Mike Sullivan

The 2016 state election marked the first time OCPF used e-mail to send notices and other information to all candidates and PACs organized with our agency.

Sending our materials by e-mail saved thousands in postage, printing and staff time. For example, every legislative committee used to get six letters during the election cycle. That's almost \$3 just in postage per campaign for the cycle. There's no cost now.

We are grateful to every candidate and committee for providing us with valid e-mail addresses for this project.

### Year-End Report Results

Ninety percent of 1,430 candidates and committees filed the year-end report, due Jan. 20, on time. I want to thank everyone for their cooperation.

Local party committees also filed year-end reports, but only if they exceeded \$100 in activity for the reporting period.

### My Favorite Page

There's one page on the OCPF website that I visit several times a day — the Report Log.

The log is a live posting of campaign finance reports that are listed in the order that they are filed with the agency.

For a quick look at real-time campaign finance disclosure, I recommend the log, [here](#).

### Jobs

OCPF is taking resumes for two positions that opened up recently

Continued on the next page

## Number of candidates with OCPF increased in 2016

### PACs also increased in state election year

The number of candidates registered with OCPF at the end of 2016, a state election year, represents an increase of 42 from the year before.

Of the 1,130 candidates and candidate committees registered in 2016, **542 were in the depository system**, a drop of 26 from 2015.

Depository candidates include statewide and county office, the Governor's Council, and mayor or city councilors in Boston, Brockton, Cambridge, Fall River, Lawrence, Lowell, Lynn, New Bedford, Newton, Quincy, Somerville, Springfield and Worcester.

OCPF anticipates an increase in depository candidates during the 2017 municipal elections.

**There were 588 candidates** in the non-depository system in 2016, a state election year.

Non-depository candidates include House and Senate offices, mayoral candidates in cities with populations of less than 75,000, and other regional offices that file with OCPF.

The 2016 candidate total is an increase of 68 from 2015.

### PACs

A total of **287 political action committees** were registered with OCPF in 2016, an increase of 11 from 2015. The PAC total includes 23 independent expenditure PACs and eight people's committees.

### State Party Committees

**Four committees** were registered as state parties in 2016, representing the Democratic, Republican, United Independent and Green Rainbow parties.

The United Independent and Green Rainbow parties will convert to "party designations" in 2017 because they did not reach the required vote percentages in the 2016 election. They will become PACs for the purposes of the campaign finance law.

### Local Party Committees

Local party committees must reorganize every four years during the presidential primary. Because 2016 was a presidential primary year, there was a steep drop in the total number of committees registered as of Dec. 31, 2016.

A total of **642 local party committees** were considered active with OCPF, a decrease of 290.

There were 345 Democratic party committees registered and 290 Republican party committees.

Total Candidates: 1,130

Total PACs: 256

Total IEPACs: 23

Total Party Committees: 642



# Ballot question committee agrees to \$125,000 civil forfeiture to resolve campaign finance issues

The Horse Racing Jobs and Education Ballot Question Committee has agreed to a \$125,000 civil forfeiture, paid to the state’s general fund, to resolve campaign finance issues related to the 2016 state election, according to a disposition agreement between the committee and OCPF.

OCPF concluded that the committee, which supported Question 1 concerning expanded gaming, violated several sections of the campaign finance law:

- Receiving contributions made in a manner intended to disguise the true source of the funds.
- Broadcasting television advertisements that did not contain required disclosures.
- Failing to disclose campaign finance activity in a timely or accurate manner.

According to the agreement, the committee accepted and disclosed contributions to support the question from Capital Productions, a company that registered in Delaware on Sept. 28, 2015. The committee knew that the contributions from Capital Productions actually originated with other entities and individuals. The total that was channeled to Capital Productions to disguise the true source of the funds was approximately \$1.6 million.

The campaign finance law also requires committees to list their top five contributors in television ads if the donor exceeds \$5,000 in contributions during the 12-month period before the date of the advertisement. The committee failed to comply with this requirement from Oct. 18-30, 2016, because the ads did not contain the disclaimer. More than 400 ads were broadcast without the required disclaimer during this period.

The committee, after being notified by OCPF of the requirement that the committee’s reports accurately reflect the true source of the funds it received, promptly amended the reports on Nov. 2, 2016, six days before the Nov. 8 election.

The committee made a \$50,000 payment when the disposition agreement was signed. The remaining payments will be made by the committee in three installments: \$25,000 no later than Feb. 28; \$25,000 no later than March 31; and \$25,000 no later than April 30.

The disposition agreement was signed by OCPF Director Michael Sullivan and Eugene McCain, chairman and treasurer of the committee. It was also signed by Alexis Fallon, the attorney for Capital Productions and Miami Development Concepts. The disposition agreement is [available here](#).

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.

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## Continued from Page 1: From the Director

— web developer and auditor.

The position requirements are available by [clicking here](#).

### City Elections

Each municipal election year, we depend on local election officials to help us identify candidates who are on the ballot and must file with OCPF.

In 2017, all mayoral and city council candidates in [cities](#) with populations of more than 75,000 file with us, as well as mayoral candidates in the 25 smaller [cities](#) with elections this year.

We will reach out to those communities when their ballots are set. The first step for new candidates is to visit our “Getting Started” page [here](#).

### Seminars

We’ve scheduled several seminars in communities across the state (see the list on page 4).

All candidates and committees are invited and are highly en-

couraged to attend. It takes about an hour and can help a campaign avoid tripping up on the little things.

Communities will be added to the list in the coming months, and we will update our website as those changes are made.

### Closing a Committee

If you had a campaign and don’t plan on running again on any level, please call our office to discuss dissolving.

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

To get to a zero balance, the residual funds can be donated to one of four places: 1. a charity 2. scholarship fund 3. a city or town 4. state’s general fund.

Have a good winter.

Michael Sullivan, Director

# SPRING ELECTIONS

**A CANDIDATE ON THE TOWN BALLOT WILL FILE A PRE-ELECTION REPORT EIGHT DAYS BEFORE THE ELECTION. THE ENDING DATE FOR THE REPORT IS 18 DAYS BEFORE THE ELECTION.**

**IF THERE IS A PRELIMINARY ELECTION (RARE IN TOWNS), A REPORT IS ALSO DUE EIGHT DAYS BEFORE THE PRELIMINARY.**

**A CANDIDATE ON THE BALLOT WILL FILE A POST-ELECTION REPORT 30 DAYS AFTER THE ELECTION. THE ENDING DATE FOR THIS REPORT IS 20 DAYS AFTER THE ELECTION.**



## HELPFUL LINKS

- [Click here](#) for the M101 organizational form
- [Click here](#) for the standard M102 campaign finance report
  - [Click here](#) for OCPF's guide for municipal candidates
- [Click here](#) for OCPF's video tutorial for municipal candidates who file locally

# MUNICIPAL SEMINARS

Seminars are for mayoral, city council, school committee and other candidates and committees. The training covers campaign finance requirements, as well as a demonstration of Reporter 6, OCPF’s filing system. It lasts for about one hour.

*Candidates and committees in surrounding cities and towns are encouraged to attend*

Boston (Copley Library, Commonwealth Salon)	Feb. 27	6 p.m.
Newton City Hall	March 6	6:30 p.m.
Pittsfield City Hall	March 7	6 p.m.
Springfield Forest Park Library	March 16	6:30 p.m.
Lowell City Hall	March 20	6:30 p.m.
Fall River City Hall	April 10	6:30 p.m.
Somerville City Hall	May 2	6:30 p.m.
Brockton City Hall	May 17	6 p.m.
Worcester City Hall	May 22	6:30 p.m.

**Additional 2017 dates and locations will be added. Please check OCPF’s website and Twitter account for updates.**



### 2017 Municipal Elections

R6 can be used by municipal candidates **who file locally** and is only available by contacting OCPF. To register, candidates and committees should send by e-mail the M101 organizational form with “R6 Only” written at the top to OCPF (there’s no requirement to sign the form). Click here for a tutorial on how to use R6 to create and print campaign finance reports.

**E-Mail: [ocpf@cpf.state.ma.us](mailto:ocpf@cpf.state.ma.us)**

# Recent Cases & 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 (below). 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. Disposition agreements are matters of public record once cases are concluded.*

## Public Resolution Letters

*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.*

**CPF-16-87: Anthony J. Farrington, Milton:** Did not comply (public employee); 11/16/2016. A solicitation that appeared to come from the candidate, a state employee running for state representative, was posted to a website. Public employees are prohibited from personally soliciting or receiving contributions, even for their own campaigns. When OCPF contacted Farrington about the solicitation, the campaign corrected the issue.

**CPF-16-103: Mystic Valley Regional Charter School:** Did not comply (public resources); 11/21/2016. The school used resources, including staff time, public e-mail and computers, to distribute information related to Question 2, a ballot question that appeared on the November 2016 statewide ballot. Public resources may not be used to influence an election.

**CPF-16-98: Adam Hinds, Pittsfield:** No further action (public resources); 11/21/2016. The campaign committee filed an application with the city for a special event to be held in August, 2016. After processing and approving the committee’s application, a city employee, as with all events, posted the event to the municipal website’s calendar. The announcement was removed within 24 hours of it being posted. The use of public resources (employee time and public computer) was inadvertent and not intended to promote a campaign, and no further action was warranted.

**CPF-16-128: Massachusetts Public Charter School Association:** No further action (public resources); 12/6/2016. The association made a \$100,000 contribution to a ballot question committee in 2016 from its general treasury, which contained both private and public funds. Because the association did not maintain physically separate accounts for its public and private funds, its contribution to the ballot question committee would

not have complied with the campaign finance law prohibiting the use of public resources for political purposes. Prior to the election, and after consultation with OCPF, the ballot question committee refunded the association’s contribution.

**CPF-16-100: Melrose Democratic City Committee:** No further action (reporting); 12/8/2016. The committee’s initial 2015 year-end report was not complete and accurate, but the amended report appeared to fully address issues concerning reimbursements and in-kind contributions.

**CPF-16-81: Patricia Jehlen, Somerville:** Did not comply (reporting); 12/8/2016. The Jehlen Committee did not file complete or accurate campaign finance reports during the period of 2014-15, according to OCPF’s review of committee bank records. During the timeframe, the committee did not disclose \$5,670 in contributions and \$11,750 in expenditures. Additionally, the committee reported \$1,550 in contributions that did not appear to be deposited. To resolve the matter, Jehlen personally made a payment of \$2,000 to reimburse the state for costs incurred during the review. The committee also agreed to provide OCPF with copies of financial records through January, 2019.

**CPF-16-105: Andrea Harrington, Richmond:** No further action (disclosure); 12/16/2016. The candidate paid out-of-pocket for events at two restaurants in 2016, and for the opening of a campaign office that year. In addition, the committee inadvertently did not include an in-kind contribution of \$54 from a supporter who provided refreshments for a fundraiser at a local business. After being contacted by OCPF, the committee amended its pre-primary report to accurately disclose this activity.

**CPF-16-111: Laura Hairston, Edgartown:** Did not comply (disclosure); 12/20/2016. The committee did not initially disclose its contributors and expenditures it made for signs. The report was amended to fully address all issues.

**CPF-16-135: Concerned Watertown Homeowners Association and Watertown Strong Schools:** Did not comply (disclosure); 12/21/2016. The two entities, by soliciting and

Continued on the Next Page

# Continued: Recent Cases and Rulings

or receiving monetary or in-kind contributions to oppose a local ballot question, were acting as a ballot question committee and should have organized and disclosed their activity. After being contacted by OCPF, a ballot question committee was formed and the activity was disclosed.

**CPF-16-123: James Demaggio, Milton:** No further action (public resources); 12/28/2016. James Demaggio, an employee at Pierce Middle School in Milton, used his government e-mail address to promote the Massachusetts Teachers Association’s initiative to defeat Question 2 at the November, 2016, election. Governmental entities may not expend public resources to support or oppose a candidate, political committee or ballot question.

**CPF-16-121: Patrick Cahillane, Leeds:** Did not comply (public employee contributions); 12/28/2016. The committee accepted contributions from employees of the Hampshire County Correctional Facility, where the candidate was a supervisor. The campaign finance law prohibits a committee organized on behalf of a public employee from soliciting or receiving contributions from employees under the candidate’s official responsibility. The committee refunded or disgorged \$10,010, the amount contributed to the committee by jail employees under Cahillane’s supervision.

**CPF-16-130: MassCare, Boston:** No further action (fundraising in a public building and organizing); 1/5/2017.

MassCare, the Massachusetts Campaign for Single Payer Health Care, sent an e-mail to its e-mail list, which includes public employee addresses. The e-mail identified certain candidates that support single payer health care and asked for \$27 donations. The campaign finance law prohibits solicitations in buildings used for governmental services, which includes e-mail solicitations to government e-mail addresses. Because MassCare solicited and received funds for the purpose of electing candidates, it should have organized as a political action committee.

**CPF16-106: Rep. Tricia Farley-Bouvier, Pittsfield:** No reason to believe (disclosure); 1/11/2017. OCPF reviewed a complaint that the committee did not accurately disclose expenditures for newspaper advertisements that were published prior to the Sept. 8, 2016, primary election. OCPF determined that the committee complied with the campaign finance law.

**CPF-16-99: Our Revolution, Washington, D.C.:** No reason to believe (organizing); 1/11/2017. Our Revolution’s website directed visitors to contribute to candidates. When the visitor clicked a donate link, he or she was directed to the website of a candidate or committee. Because Our Revolution did not raise funds for the purpose of influencing a Massachusetts election, it was not required to organize as a political action committee.

## HOW TO CONTACT YOUR OCPF AUDITOR

EACH CANDIDATE ORGANIZED WITH OUR AGENCY IS ASSIGNED TO AN OCPF AUDITOR BASED ON THE FIRST LETTER OF HIS OR HER LAST NAME. PACs AND LOCAL PARTY COMMITTEES ALSO HAVE AUDITORS.

OCPF AUDITORS ASSIST CANDIDATES AND COMMITTEES WITH RULES, REGULATIONS AND E-FILING. THEY ALSO REVIEW THE REPORTS FILED BY CANDIDATES AND COMMITTEES.

Candidate Last Name	Auditor	E-Mail
A-D	Shane Slater	sslater@cpf.state.ma.us
E-L	Jeff Tancreti	jtancreti@cpf.state.ma.us
M	Tricia Jacobson	pjacobson@cpf.state.ma.us
N-Z	Anne Bourque	abourque@cpf.state.ma.us
PACs (80000 to 80399):	Caroline Paras	cparas@cpf.state.ma.us
PACs (80400 to 89998):	Michael Joyce	mjoyce@cpf.state.ma.us
LPC:	Sheila Cole	scole@cpf.state.ma.us



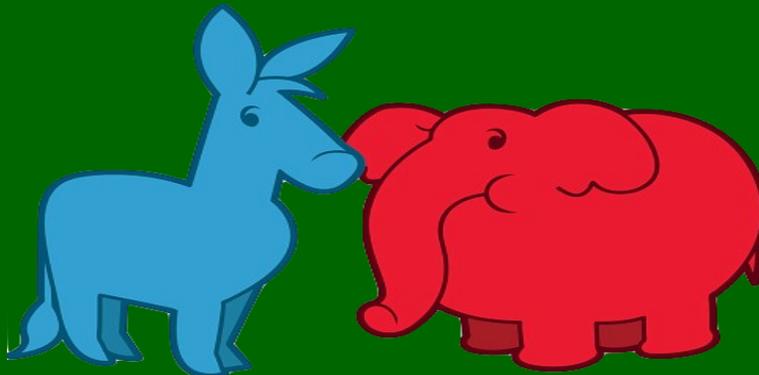
AGENCY  
ACTIONS ARE  
POSTED TO  
THE OCPF  
WEBSITE  
HERE

**LOCAL PARTY COMMITTEES BEGAN TO REORGANIZE AFTER THE 2016  
PRESIDENTIAL PRIMARY ELECTION.**

**THERE ARE 345 DEMOCRATIC PARTY COMMITTEES AND 290 REPUBLICAN  
PARTY COMMITTEES.**

**CLICK THE PARTY NAMES BELOW TO SEE THE COMPLETE LISTS.  
ONLY COMMITTEES WITH TREASURERS ARE CONSIDERED ACTIVE.**

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**CAN A LOCAL PARTY  
COMMITTEE RAISE MONEY  
JOINTLY WITH OTHER  
PARTY COMMITTEES?**

**YES.**

[Click here](#) for OCPF's memo  
on joint fundraising

The simplest and preferable method is for each committee to:

1. Allocate costs according to the percentage of total contributions expected to be received by each committee.
2. Each committee pays vendors directly.
3. Ensure that contributors write separate checks directly to the participating committees.
4. Maintain complete records regarding the event.



# HOW TO REPORT CREDIT CARD CONTRIBUTIONS

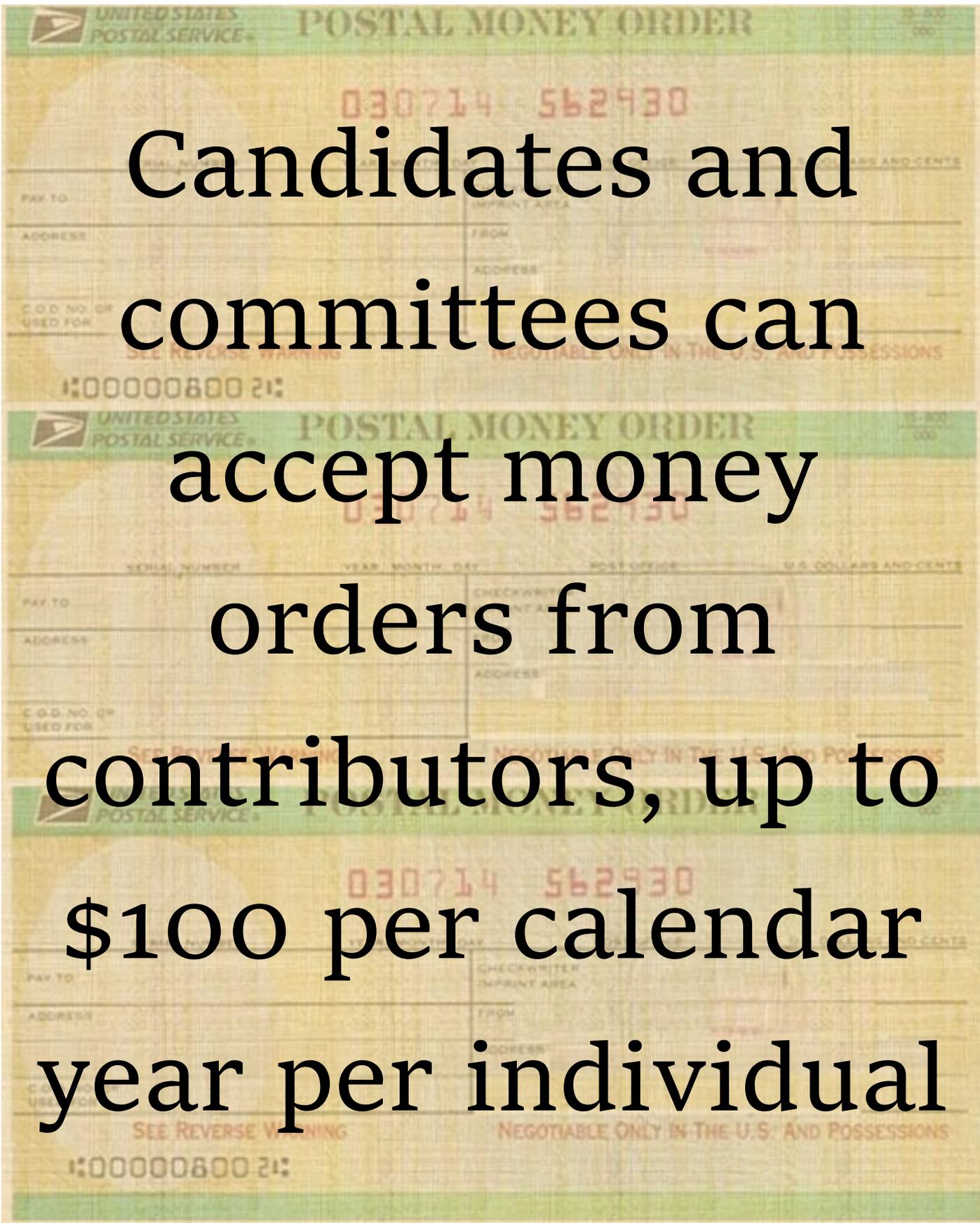
Candidates and committees are more frequently relying on credit card contributions, and less on traditional personal checks.

OCPF created tutorials to explain how credit card contributions are received and reported by depository and non-depository candidates and committees.

[Click here](#) for the depository tutorial.

[Click here](#) for the non-depository tutorial.

- ◆ Depository candidates and committees include statewide and county candidates, Governor's Council candidates, mayoral and city council candidates in cities with populations of more than 75,000, traditional PACs and state party committees.
- ◆ Non-depository candidates and committees include legislative candidates, all municipal candidates in cities with populations of less than 75,000, and local party committees.



Candidates and committees can accept money orders from contributors, up to \$100 per calendar year per individual