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PAC contributions drop in 1995-1996 election cycle

BOSTON -- Contributions to candidates by Massachusetts political action committees dropped from previous levels in the 1995-1996 election cycle, due largely to recent changes in the law, according to a study released today by the Office of Campaign and Political Finance.

The study, "Campaign Finance Activity by Political Action Committees, 1995 & 1996," states that PACs reported giving \$676,599 in 1995 and \$992,528 in 1996, for a two-year total of \$1,669,127. The two-year figure is the lowest for an election cycle in a decade and significantly less than the record high of \$2.3 million in 1989-90. The 1996 mark is also the lowest election-year total since 1986 and about \$400,000 less than the total for 1994, which marked the highest recorded annual total for PAC contributions.

The drop in contributions in 1995-96 was also accompanied by a continued decrease in the size of the average PAC contribution to a candidate. The average donation in 1995 was \$204 – the largest annual percentage drop ever recorded at 24 percent. In 1996 the average dropped below \$200 for the first time – the lowest figure recorded since OCPF started compiling PAC reports in 1982.

The report attributes the lower figures largely to a sweeping change in the campaign finance law that took effect in January 1995, the starting date of this report. The new law cut the maximum contribution to or from a PAC from \$1,000 to \$500, resulting in smaller contributions to candidates. The law has also been an apparent factor in reducing the number of PACs to its lowest level in 12 years, with 261 PACs registered with OCPF at the close of 1996.

Aside from the lower contribution figures, the report also found that PAC activity in 1995-96 followed trends that have been reflected in previous reports. The majority of PAC contributions continued to go to candidates for legislative office, Democrats and incumbents. In addition, those who won their races in 1996 were more likely to have received PAC money.

"PACs continue to play a significant role in campaign finance activity in Massachusetts," OCPF Director Michael J. Sullivan said. "But the changes in the law have had a direct impact on how they operate, as reflected in findings such as the decline in the number of PACs and a significant decrease in the average contribution to a candidate."

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The report tracks contributions by PACs to candidates as reported by the PACs to OCPF. The figures do not take into account subsequent amendments by the PACs, such as contributions that were returned or not accepted by candidates.

A copy of the report is attached. Among the data are contribution totals for each active PAC in both 1995 and 1996 and rankings of the Top 20 PACs by total contributions for each year and the two-year election cycle.

Disclosure reports filed by PACs and all other committees reporting to OCPF are available for public inspection at the agency's office in Room 411, McCormack Building, One Ashburton Place, Boston.