Commonwealth of Massachusetts Office of Campaign and Political Finance

FOR IMMEDIATE RELEASE August 27, 2007

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PAC contributions to candidates reached record high in 2005-06 election cycle

Political action committees reported contributions of almost \$2.6 million to candidates for state and county office in Massachusetts in 2005 and 2006, reaching new record highs for both a single year and a two-year election cycle, according to a new study by the Office of Campaign and Political Finance.

PACs set a new single-year high for contributions in 2006, with the \$1.44 million figure exceeding the old record from 1994 by more than \$42,000. The 2005 figure of \$1.15 million ranked ninth all-time but is the highest total ever recorded for a year that did not feature any state elections at all, statewide or otherwise (not including any special elections due to legislative vacancies).

In addition to aggregate contributions, PACs also set records for total expenditures and the total number of committees making contributions in the election cycle.

The 2005-06 PAC totals reflect a continuing trend of growth in PAC activity since the mid-1990s, when changes in the law led to a drop in the number of PACs and contributions by those committees. Since then, however, PACs have seen increases in such benchmarks as aggregate expenditures, contributions and the number of committees giving to candidates.

Other key findings of the new study were:

Number of PACs contributing: A total of 233 PACs, more than two-thirds of the number registered with OCPF, reported making contributions to candidates in the 2005-06 cycle. The 221 PACs contributing in 2006 was the highest single-year total ever recorded by OCPF.

Aggregate PAC expenditures: The PACs' total spending of \$5.6 million for the cycle broke the previous record set two years before. (Less than half of the 2005-06 total, however, went toward contributions to state or local candidates.) PAC expenditures for a cycle have exceeded \$5 million only three times: the last two cycles and in 1989-90.

Average PAC contribution: The average amount of a PAC contribution to an individual candidate in 2006 was \$291, up \$26 from the last election in 2004 and the largest figure recorded by OCPF in 23 years. The \$331 average contribution figure posted in 1983 remains the record. That mark was set at a time when there was no legal limit on PAC contributions to candidates; a limit of \$1,000 was imposed in 1988, then cut to \$500 seven years later.

Most active PAC sectors: PACs representing labor, business and professional interests continued to dominate in terms of contributions to candidates. Of the top 20 PACs in terms of total contributions, 15 represented unions or labor organizations, while, the remaining five PACs on the list represented professional or other business interests.

Top contributing PAC: Once again, the Retired Public Employees PAC was the most active PAC in terms of contributions in the most recent cycle, reporting a total of \$120,950 donated to candidates. The PAC also finished at the top of the list in both 2005 and 2006. (Its total contributions in 2003-04 were \$100,800, about \$20,000 less than its most recent level.) In fact, the Retired Public Employees PAC has reported the most contributions for each of the last five election cycles, since 1997-98.

Recipients of contributions: PACs continued to direct the bulk of their contributions to the same types of candidates they have supported in the past: legislative candidates, Democrats, incumbents and winners in the 2006 election were once again more likely to receive PAC dollars in 2005-06.

The study is based on contributions as reported by PACs, not those that were actually accepted by candidates. In some cases, contributions were returned to PACs because candidates had already reached the annual limit for aggregate PAC contributions or chose not to accept donations from some or all PACs. PACs are instructed to amend their reports to reflect returned contributions.

For the most current reports, including amendments reflecting PAC contributions, visit OCPF's Electronic Filing System, accessible through OCPF's website at www.mass.gov/ocpf.

The PAC study is online on OCPF's website, at www.mass.gov/ocpf/pacrpt06.pdf. Other past studies of campaign finance activity may also be found in the Studies section of the website.