

Massachusetts Office of Campaign and Political Finance

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Strong Economy for Growth discloses contributors on charter school and marijuana ballot questions

Massachusetts-based Strong Economy for Growth (SEFG), a 501(c)(4) non-profit social welfare organization, organized a ballot question committee with OCPF, disclosed its donors during the relevant period, and listed the contributions SEFG made to two other ballot question committees in 2016, as a result of a public resolution letter issued by OCPF to SEFG President Robert Haskins.

In addition, the organization has made a payment of \$31,000 to the Commonwealth. This amount represents the funds currently available in its bank account.

According to OCPF's review, SEFG solicited, raised and spent money from Aug. 1, 2016 to early November, 2016 to influence two questions on the 2016 state ballot without organizing a ballot question committee or disclosing its activity.

Based on the timing and amounts of the donations to SEFG and its subsequent contributions to the ballot question committees, OCPF determined that the organization violated the campaign finance law by disguising the identities of the original donors.

Bank records demonstrated that donations to SEFG increased dramatically during the second half of 2016 as the 501(c)(4) organization was making large contributions to two ballot question committees – \$990,000 to Great Schools Massachusetts, which supported Question 2 concerning charter schools, and \$178,000 to The Campaign for a Safe and Healthy Massachusetts, which opposed Question 4 to legalize recreational marijuana.

In at least one case, the contributions that SEFG made to one of the ballot question committees could not have occurred without significant and timely donations to the organization. For example, another 501(c)(4) non-profit organization, QXZ, Inc., whose major donor is a known charter school advocate, gave \$600,000 to SEFG on Aug. 29, 2016. SEFG, on the same day it received the money from QXZ, made a \$300,000 contribution to the Great Schools Massachusetts Committee. Prior to the donation from QXZ, Strong Economy for Growth's bank balance was less than \$60,000.

OCPF's review also revealed specific financial activity demonstrating an intent to influence the election. For example, bank records showed that on Oct. 20, 2016, less than a month before the election, Strong Economy for Growth deposited \$25,000 with "Charter School Initiative" written on the memo line of the check.

Strong Economy for Growth's bank documents further showed a \$200,000 donation received in late September from a donor who is a known anti-marijuana advocate. From Aug. 1 to Nov. 8, SEFG gave \$178,000 to the ballot question committee opposing the marijuana question. OCPF believes that the funds donated by the anti-marijuana advocate were used, in part, to allow SEFG to contribute to the marijuana ballot question committee.

According to the letter, SEFG has also agreed not to engage in any election-related activity in Massachusetts through 2018.

The resolution letter from OCPF to SEFG required the organization to disclose \$1,252,500 in receipts from donors, as well as the \$1,168,000 in contributions it made to the two ballot question committees. [Click here](#) to view the report.

The letter, signed by OCPF Director Michael J. Sullivan, is available [here](#).

A public resolution letter is a letter with a requirement that corrective and remedial action be taken.