

OCPF POLITICAL PARTY CONVENTION GUIDANCE

STATE PARTIES

State parties are in the depository system of reporting, requiring receipts and expenditures to flow through the party's designated committee bank account for convention costs and fees. The purpose of the depository system is to provide complete and timely public disclosure of contributions and expenditures.

PARTY CONVENTION FEES: Candidates and individuals who pay a fee to attend or speak at a convention are donors to the party. When the fees are deposited into the party's designated bank account, a deposit report is e-filed with OCPF.

TIP: Candidates may make unlimited contributions to state and local party committees. Individuals may contribute up to \$5,000 (in the aggregate) per calendar year to all party committees (state and municipal).

PARTY CONVENTION EXPENDITURES: Expenditures made to host a convention must be made through a party's designated committee bank account. Examples: Rental of facility - Contracting for sound and visual services - Hiring a private security company. Any exception to this rule should be reviewed by OCPF prior to making the arrangement.

TIP: The campaign finance law prohibits corporations, LLCs, LLPs and partnerships from contributing to party committees. Generally, anything provided to the party for the convention from a business must be paid for by the party, and cannot be received as in-kind contributions. Potential exemptions to these rules must be reviewed by OCPF's legal department prior to accepting the goods or services.

FEDERAL REGULATIONS: State party committees should be aware of the federal regulations addressing administrative expenditures. By broadly defining federal election activity to include expenditures occurring when a candidate for federal office is on the ballot, the regulations require that certain expenditures be made from the federal account of the state party. The intent behind the Federal Election Commission's provision is to prevent large unregulated sums of money raised in states from being used to influence federal elections. Please review OCPF's memo on the issue, **M-08-01**.

CANDIDATES AT CONVENTIONS

Candidates may make unlimited contributions to state and local parties, for such things as convention speaking fees or to assist the party in paying for a convention, as well as party services, such as printing, mailing and internet-based outreach. Candidates who are attending a convention should make expenditures using committee funds, rather than their personal funds.

NOTE: A candidate may not make a contribution to a party on the condition that the funds or a substantial portion of the funds must subsequently be contributed by the party to any other committee (earmarking).

Q & A

1. **QUESTION:** The state party wants to hire a production company to run the audio and visual requirements for a state convention. How does that work? **ANSWER:** The party will pay the production company directly, by committee check or debit card. Please disclose the purpose of the expenditure clearly.
2. **QUESTION:** A state party charges each individual \$100 to attend the convention. Is each individual a donor to the party? **ANSWER:** Yes, each individual who buys a ticket is a donor and must be itemized on deposit reports e-filed with OCPF by the state party.
3. **QUESTION:** The state party requires candidates for nomination to pay a speaker fee. Is this considered a contribution? **ANSWER:** The fee is a contribution to the party, and must be disclosed by the party on a deposit report e-filed with OCPF.
4. **QUESTION:** A printing company, organized as an LLC, agrees to provide materials at no cost to the state party for the convention, such as programs and schedules. Is this permitted? **ANSWER:** No. The party should reject the offer for free printing, and instead pay full market rate for the service.
5. **QUESTION:** A party decides to raise money prior to the convention. Do the usual limits apply? **ANSWER:** Yes. Money contributed for the purpose of funding the convention is subject to the restrictions, contribution limits and disclosure requirements of the campaign finance law. All funds raised will be considered contributions, which means the party may not accept contributions from business corporations, LLCs, LLPs and partnerships. A separate “convention fund” bank account may not be used.

Convention-Related Legal Opinions

AO-01-11: A candidate may rent a bus to transport committee agents to the state party convention to hold signs and greet people.

AO-92-14: A candidate’s political committee may pay expenses related to attending a party’s convention.

AO-92-15: Committees for various state candidates may jointly host a reception at a party convention, if each pays for an equal share of the expenses.

AO-86-06: Delegate fees paid by delegates to the party’s state committee are contributions to the party committee subject to disclosure requirements.

AO-85-05: City, ward and town committees may pay reasonable travel and related expenditures for convention delegates. The expenses must be reasonable, and may include fees, transportation, and room and board expenses.

OCPF will answer your questions about convention-related activities. Please e-mail OCPF@cpf.state.ma.us for further guidance.

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