

OCPF Reports



From the Director

The Year Ahead

The state's electoral arena will have many moving parts next year —presidential politics, legislative races, state ballot question committees, local party elections and spring elections in towns.

In a busy election year, our goal is to help everyone through the campaign finance portion at all levels.

Much of our attention will go to legislative races gearing up for 2012. We invite all newcomers to attend one of our weekly seminars each Wednesday afternoon at 2 in our conference room. We'll also travel the state to conduct seminars for candidates.

We've also been working with ballot question committees, which are raising money and collecting signatures for the 2012 ballot, and hundreds of local party committees, which are preparing to re-organize this spring and will file disclosure reports with OCPF.

On the town level, spring elections are coming up and we will be visiting several

Continued on Page 2

Office of Campaign and Political Finance

One Ashburton Place, Rm. 411

Boston, MA 02108

Phone: 617-979-8300

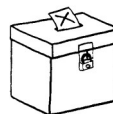
E-mail: ocpf@cpf.state.ma.us

Twitter: @OCPFReports

State Ballot Questions

Costs to collect signatures must be disclosed

State ballot question committees that have organized with OCPF for the 2012 election year are required to file several campaign finance reports with OCPF, starting with the year-end report due by Jan. 20, 2012.



Year-end reports should disclose expenditures for collecting signatures and advocating for or against ballot questions. Committees will also file disclosure reports twice a month beginning in September to disclose further receipts and expenditures.

The Attorney General's Office has certified 23 ballot question petitions covering 17 topics. Proponents of each certified initiative petition must gather and file 68,911 signatures of registered voters by Dec. 7, at which point

the proposal is sent to the state Legislature to enact. If a proposal is not enacted by the Legislature by May 2012, proponents must gather another 11,485 signatures by July to place the question on the November ballot, according to the Attorney General's office.

Eight committees have already organized with OCPF as of Nov. 10.

In addition to reports filed by ballot question committees, expenditures made by individuals, corporations and other groups are disclosed on paper forms ([CPF 22](#)) filed with OCPF and then posted by OCPF to its website.

See page 5 for a list of ballot question committees that organized with OCPF this year.

PACs break spending and contribution records during the 2009-10 election cycle

Massachusetts Political Action Committees broke several expenditure and contribution records during the 2009-10 state election cycle, which included statewide races and the largest number of legislative candidates since 1992, according to OCPF's biennial study of PAC activity.

PACs reported a total of \$6.8 million in expenditures for the 2009-10 election cycle, breaking the previous record of \$5.8 million set during the 2007-08

cycle. PACs make expenditures to donate to candidates, political parties and ballot question committees, and may pay for administrative and other costs.

During the 2009-10 cycle, \$2,744,437 was donated by

PACs to state and county candidates, a new high for that category. The previous contribution record was \$2,684,944, set during the 2007-08 cycle.

Continued on Page 2

Breakdown of PAC Contributions by Type of Recipient

<i>From PACs To:</i>	2009	2010	Cycle
State and county candidates	\$1,117,471	\$1,626,966	\$2,744,437
Local candidates	\$141,878	\$138,085	\$279,963
PACs, parties and BQs	\$130,925	\$160,592	\$291,517
TOTAL: Contributions to all candidates and committees	\$1,390,274	\$1,925,643	\$3,315,917

Continued: PAC study results

Continued from Page 1

PACs are political committees organized to receive and expend funds to support or oppose candidates, generally based on a unifying principle or purpose. PACs are limited to \$500 contributions to individual candidates annually, and disclose them on campaign finance reports filed with OCPF. The total number of PACs is a fluid number, but is generally around 300 at any one time. A total of 302 PACs were organized at the end of 2010.

The 2009-10 OCPF PAC study outlines how PACs made

contributions by office, party and other categories, and also identifies which PACs donated the most money to candidates.

Union and labor PACs were the top contributors in the 2009-10 cycle, accounting for 17 of the top 20 PACs in terms of contributions to state and county candidates. The Retired Public Employees PAC was the top contributor, donating \$134,900 to state and county candidates during the two-year cycle.

OCPF welcomes two new employees

The Office of Campaign and Political Finance has hired a website developer and an attorney to fill important needs at the agency, and to replace recent personnel losses.

Shali Avidzba of Newton was hired as our web developer to improve and maintain our public and internal web functions. Avidzba graduated from the New York City College of Technology and is attending Northeastern University. He served in the U.S. Marine Corps.

Avidzba is assisting OCPF's technology team as the agency moves many of its paper-based functions to the Internet. OCPF plans to launch a new website next year to improve public ac-

cess to campaign finance disclosure data.



Maura Cronin of Lynn was also hired as legal counsel to assist with case reviews and to

answer requests for legal opinions. She graduated from Brandeis University and Boston College Law School.

OCPF is an independent agency that administers the state's campaign finance law. The agency has 16 employees, including the director.

More than 2,600 candidates and political committees are organized with OCPF for state, county and local office, or as political action committees, ballot question committees and local and state party committees.

Continued: From the Director

Continued from Page 1

towns to talk about the disclosure process.

If you're involved in these elections, please call us if you have questions about the campaign finance law, and attend one of our seminars.

City Elections

Mayoral candidates in cities with populations between 40,000 and 100,000 filed pre-preliminary and pre-election reports with OCPF for the first time this year.

We started preparing for these electronic mayoral filings last year, and with help from local election officials, 55 candidates from 21 cities organized with OCPF.

We also held municipal candidate seminars in 17 different locations, where we reviewed basic campaign finance rules and introduced attendees to OCPF's electronic filing system.

Candidates filed pre-preliminary reports, if required, and pre-election reports were due eight days before the Nov. 8 election.

To complete the cycle, all candidates will also file a year-end report due Jan. 20.

OCPF thanks the city clerks and election officials who helped us implement this new reporting requirement.

Year-end Reports

A reminder: all candidates and committees will file year-end reports for 2011, due Jan. 20 next year. We'll send out notices to remind filers of the year-end report. Also, municipal committees that don't file with OCPF will file year end reports locally.

Please call us with questions and have a great holiday season.

Mike Sullivan, director

OCPF is on Twitter. Our messages focus on announcements, decisions and campaign finance tips.



@OCPFReports

Recent Cases and 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 such as public resolution letters, disposition agreements or referral to the Office of the Attorney General for further action.

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.

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.

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. Public resolution letters and disposition agreements are matters of public record once cases are concluded.

An **advisory opinion** is a response from OCPF to a specific question asked by an individual, political committee, group, company or organization concerning the campaign finance law.

Public Resolution Letters

CPF-10-127: Kenneth O'Brien, Holden. Did not comply (corporate contributions); 6/3/2011. An incorporated real estate company provided office space to the O'Brien campaign for less than the fair market value, resulting in the receipt of a prohibited in-kind corporate contribution. To resolve the matter, the O'Brien Commit-

tee paid the company \$1,000 for the value of the in-kind contribution.

CPF-11-21: Russell Ferreira, N. Falmouth. Did not comply (solicitation by a public employee, government building); 6/13/2011. A firefighter, Russell Ferreira, sent e-mail invitations for a political fundraiser to other public employees at their places of work. The campaign finance law prohibits public employees from soliciting campaign contributions and soliciting in buildings used for governmental purposes.

CPF-11-38: Superintendent Allen Himmelberger, Oxford. Did not comply (public resources); 7/27/2011. A flyer concerning a pending ballot question was created and paid for by several Oxford PTOs and was distributed to students by teachers in two elementary schools at the end of the day, and a school employee photocopied the flyer during the workday. Public resources, namely the paid time of the school staff, were used for a campaign purpose. The campaign finance law prohibits the use of public resources for campaign purposes.

CPF-11-58: Egobudike Ezedi, Dorchester. Did not comply (reporting); 7/27/2011. The Ezedi Committee (Boston City Council) did not file deposit reports for \$2,166 in contributions, and did not provide complete occupation and employer information for indi-

vidual donors in July and September of 2009.

CPF-11-41: Superintendent Mary Ellen Johnson, East Sandwich. Did not comply (public resources); 7/27/2011. The school department's automated telephone system was used to ask voters to support a ballot question regarding a school-related override. The campaign finance law prohibits the use of public resources for campaign purposes.

CPF-11-18: Joseph Connolly, S. Weymouth. Did not comply (reporting); 7/28/2011. The Connolly Committee (County Treasurer) made expenditures using the candidate's personal credit card that were not disclosed as required by the campaign finance law. The committee also made more than 25 reimbursements for more than the \$50 limit that applies to depository committees.

CPF-11-31: Gerald Kashuk, Paxton. Did not comply (check to self); 8/10/2011. The treasurer for the Committee to Elect Harriette L. Chandler, Gerald Kashuk, signed reimbursement checks to himself from the campaign account for a total of \$71,066. The campaign finance law prohibits a person from signing a committee check to himself or herself. To resolve the matter, Kashuk made a \$1,000 payment to the state's general fund, and the committee changed its internal process for making expenditures.

CPF-11-25: James A. Barry and Kenneth E. Elstein, both of Belchertown. Did not comply (public employees); 8/24/2011. James

Barry and Kenneth Elstein signed and sent a joint fundraising letter on behalf of their candidacies for selectmen for the May 16, 2011, town election. Both candidates were public employees and prohibited by the campaign finance law from soliciting or receiving campaign contributions. After OCPF notified the candidates of the issues, they returned the contributions to the donors.

CPF-11-63: Sheriff Joseph McDonald, Duxbury. No reason to believe (expenditures); 10/12/2011. Sheriff McDonald's campaign committee is permitted to purchase an antique car. The expenditure was permitted because the car could not be readily leased, and it was used in a number of limited contexts to promote the sheriff's political future, such as parades.

Advisory Opinions

AO-11-04: The Essex County District Attorney may use campaign funds to pay for enhanced security. The expenditure would meet the standard for committee expenditures and would not constitute the personal use of campaign funds.

AO-11-05: An elected official subject to a recall election may not sign fundraising letters or sell tickets for a political action committee organized to oppose the recall. Additionally, a candidate's committee may not contribute more than \$500 to the PAC. An elected official

Continued on Page 4

Former Rep. Wallace, treasurer indicted

Recently Organized PACs

Political Action Committees regularly organize with OCPF. A PAC is an organization or other group of people who raise or spend money for the primary purpose of influencing the election of candidates. Following is a list of recently organized PACs:

[Republicans for Massachusetts PAC](#), Stoughton.

[Stand for Children MA Independent Expenditure PAC](#), Portland, OR.

[Massachusetts Conservative Council PAC](#), Worcester.

[Massachusetts Self Storage Association PAC](#), Marlborough, CT.

[Democrats for Education Reform MA PAC](#), Boston.

[Massachusetts Pirate Party PAC](#), Wakefield.

[Recall Mayor Lantigua It's Your Right PAC](#), Lawrence.

[Holbrook Fire Fighters PAC](#), Holbrook.

[Catholic Citizenship PAC](#), Melrose.

[Universal African American Women's PAC](#), Brockton.

[Uniting Lawrence PAC](#), Lawrence.

The following is a press release distributed on July 21, 2011, by Massachusetts Attorney General Martha Coakley concerning campaign finance issues.

A former State Representative and his campaign treasurer have been indicted for failing to report thousands of dollars worth of campaign contributions and failing to preserve receipts for thousands of dollars in purported campaign expenditures, Attorney General Martha Coakley announced.

Brian Wallace, age 61, former State Representative from the Fourth Suffolk District in Boston, was indicted by a Suffolk Grand Jury on charges of Failing to Report Campaign Contributions and Failing to Preserve Expense Records. Timothy Duross, age 50, of Boston, was his campaign treasurer at the time of the al-

leged violations and was also indicted on similar charges. The violations are alleged to have occurred in 2008. The case is being prosecuted by the Attorney General's Public Integrity Division.

"Candidates and their treasurers are required by law to accurately record campaign contributions and preserve all records of expenses," Attorney General Coakley said. "These laws are critical to the integrity of our campaign finance system, ensuring greater transparency and protecting against the misuse of campaign funds. We allege that Mr. Wallace and his treasurer failed to properly record thousands of dollars in contributions and expenses in direct violation of those laws."

Wallace was elected as State Representative for the Fourth

Suffolk District in Boston in 2003 and served until January 4, 2011. He did not seek re-election in 2010. Duross was appointed treasurer for the Committee to Elect Brian Wallace in 2001. The campaign finance laws of Massachusetts mandate that every candidate for political office and the treasurer for a political campaign committee maintain and keep detailed accounts of all the committee's financial activity on behalf of the candidate, including all contributions and expenditures received or made on behalf of the candidate and their political campaign committee. During each calendar year, the committee files periodic reports with the Office of Campaign and Political Finance (OCPF) and must file additional reports during election years. These reports are made available to the public on OCPF's website.

The indictments stem from an investigation by the Office of Campaign and Political Finance in 2009, which referred the case to the Attorney General's Office for further investigation. Based on that investigation, it is alleged that Wallace and Duross failed to report \$6,345 worth of campaign contributions in 2008 (17 percent of his total contributions). When confronted by OCPF and asked to provide backup documentation to support reported campaign donations and expenditures, neither Wallace nor Duross were able to do so. Both candidates and committee treasurers are required under the law to maintain receipts for the campaign's expenditures for six years after the relevant election.

Continued: Recent Cases and Rulings

Continued from Page 3

may serve on a sub-committee of a PAC.

AO-11-06: A candidate committee may use Groupon to promote a fundraising event. The services provided by Groupon would be provided on the same terms and conditions to any other user, and every dollar paid by Groupon to the committee will be attributed to an individual donor, or disgorge if not attributed.

AO-11-07: A student at a state university, who is running for city council, would

be able to use her dorm room for campaign purposes, if the university allows other students to use their dorm rooms in the same manner. She would also be allowed to receive campaign mail through her campus mail box. In addition, as a work-study student who works six to eight hours per week, she would not be considered a "person employed for compensation" by the Commonwealth and would not be subject to Section 13, which prohibits public employees from soliciting or receiving campaign contributions.

Contacting OCPF

OCPF staffers will answer your questions about the campaign finance law, technical issues and filing requirements. You can call 617-979-8300 or e-mail.

Legal

Gregory Birne, general counsel,
gbirne@cpf.state.ma.us

Sarah Hartry, attorney,
shartry@cpf.state.ma.us

Maura Cronin, attorney,
mcronin@cpf.state.ma.us

Information Technology

Al Grimes, director of communications and technology,
agrimes@cpf.state.ma.us

Tracey Dano, computer systems,
tdano@cpf.state.ma.us

Jason Tait, communications,
jtait@cpf.state.ma.us

Audit

Patricia Jacobson, director of auditing, pjacobson@cpf.state.ma.us

Anne Bourque, senior auditor,
abourque@cpf.state.ma.us

Michael Joyce, auditor/investigator,
mjoyce@cpf.state.ma.us

Leslie Dano, auditor,
ldano@cpf.state.ma.us

Special Election Spending

House candidates average \$17,730 in expenditures

Five House candidates for the 12th Bristol District special election reported spending a total of \$88,654, an average of \$17,730 each.

Roger Philip Brunelle of Middleboro reported expenditures of \$39,727, leading all other candidates. The winner, Keiko Orrall of Lakeville, was second in reported expenditures with \$26,179.

Spending levels for the special election were similar to those during the 2010 general election — successful House candidates averaged \$39,621 in spending last year.

Special election activity for the 12th Bristol seat covered from Jan. 1 until Oct. 10, and the election was Sept. 20. The vacancy was caused by the resignation of former Rep. Stephen Canessa.

In other spending for the special election, independent expenditures were made to support one candidate in the race, Brunelle. The Massachusetts Teachers Association reported \$11,475 in independent expenditures, and the 1199 SEIU union reported spending \$6,301. Independent expenditure reports are file electronically on OCPF's [Electronic Filing System](#).

Orrall was the only candidate to report receiving in-kind contributions, totaling \$12,215. Of that total, \$8,635 came from the Marlborough Republican City Committee, and \$3,241 came from the Republican State Committee.

Another special House election was decided in October for the 3rd Berkshire House District. Those figures are not included in this newsletter because the final campaign finance reports were not due until after the deadline for this newsletter.

12th Bristol District

	Total Receipts*	Total Expenditures*
Roger Philip Brunelle	\$45,523	\$39,727
Keiko Orrall (winner)	\$39,070	\$26,179
Derek A. Maksy	\$1,850	\$16,412
Allin J. Frawley	\$4,925	\$4,906
Nancy Yeatts	\$1,428	\$1,428
Totals:	\$92,797	\$88,654

*The activity covered from Jan. 1 until Oct. 10

New Ballot Question Committees Organized with OCPF in 2011

(As of Nov. 10)

Committee for Excellence in Education, 50 Congress Street, Suite 500, Boston, MA, 02109

Committee for Compassionate Medicine, 175 Federal Street, Boston, MA, 02110

Dignity 2012, 2 Hancock St., #302, Quincy, MA, 02170

Campaign for the Updated Bottle Bill, 44 Winter St., 4th Floor, Boston, MA, 02108

The Bottle Bill Update Committee, 14 Beacon St., Suite 714, Boston, MA, 02108

MA Committee for a Citizens 9/11 Investigation Commission, 16 Craig St., Milton, MA, 02186

Consumers for Choice, Convenience and Savings in Automobile Repairs, 9 Park St., Suite 500, Boston, MA, 02108

Massachusetts Against the individual Mandate, 325A Washington St., Wellesley, MA, 02481

We're on the Web @
www.mass.gov/ocpf

Twitter: @OCPFReports