



# OCPF Reports

## From the Director

Two important issues currently have our attention — proposed changes to the campaign finance law and the upcoming municipal elections.

We started working with the Legislature several years ago to change the campaign finance law, and many starts and stops later, a final version is emerging that goes a long way toward expanding the public disclosure of campaign finance activity.

The House passed a bill in March, influenced by a proposal from Governor Patrick's Commission on Ethics and Lobbying. The bill addresses many of the changes we've been looking for (a list of the potential changes are on this page). The Senate is in the process of reviewing its own proposed changes.

If the bill passes, OCPF will educate the public on the new rules via our Web site, seminars and publications.

### Mayoral Elections

Massachusetts will have 39 mayoral elections this year, many of which will see significant campaign finance activity.

There were 69 mayoral candidates in 38 cities in 2007, spending \$3.9 million (not including unsuccessful preliminary candidates).

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## Ex-Register indicted by grand jury for campaign account larceny

Former Middlesex County Register of Probate John Buonomo was indicted in March for allegedly using more than \$100,000 from his campaign account for personal purposes from 2004 to 2008.

Buonomo allegedly used two schemes, which involved postage reimbursements and falsifying printing jobs, to take money from his campaign account for personal use.

Buonomo was indicted by a Middlesex Grand Jury on two charges of larceny over \$250, two counts of personal use of campaign funds and one count of willfully misleading investigators.

Marc Piro, owner of the Somerville printing company used by Buonomo, was indicted on charges of larceny, personal use of campaign funds and willfully misleading investigators.

Both men have been ar-

raigned and entered not guilty pleas.

A joint investigation by OCPF and the Attorney General's office found that Buonomo allegedly stole money from his account by writing campaign checks to Piro Printing for services that were never rendered. Buonomo would pay the printing company with campaign funds and Piro would return the money to

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## Legislature takes up changes to campaign finance law

### Some revisions would affect towns, cities

The state Legislature is considering changes to the campaign finance law, proposals that will provide greater public disclosure of campaign finance activity on the state and local levels.

The following is a list of changes the House approved in late March. The Senate is in the process of reviewing its own potential changes.

**Off election year report:** Requires legislative candidates, who currently file three reports during an election year and one in an off year, to file an additional

report in July in non-election years. Political action committees would also file the July reports in non-election years.

**Electronic filing by mayoral candidates:** Requires mayoral candidates in cities with populations between 40,000 and 100,000 to file electronically with OCPF, making their reports more accessible to the public via the OCPF Web site. Mayoral candidates in cities with more than 100,000 already file electronically with OCPF.

**Sub-vendor reporting:** When candidates and political

committees make expenditures to vendors, such as consultants, the expenditure to the vendor is reported but no further reporting is currently required. The proposed change requires a supplemental report to show how vendors spend the money. Vendors who receive \$5,000 or more from a candidate would be required to provide detailed information to the campaign for any expenditures of \$500 or more in a calendar year to a specific sub-vendor. The campaign uses this information to file its supplemental

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## Senate, House candidates spend \$12.5 million in 2008

The 200 winners in last year's House and Senate elections outspent unsuccessful candidates two to one, according to an OCPF analysis of legislative campaign finance activity.

On the Senate side, the 40 winners spent \$88,827 each on average, while unsuccessful candidates each spent \$43,897.

The average House winner spent \$40,223 compared to \$19,029 for unsuccessful candidates.

The 2008 election consisted of 311 candidates for the House and Senate, 28 fewer than in 2006 and the lowest number of candidates ever recorded in an OCPF study.

Eleven of the candidates raised and spent no money and all were unsuccessful.

Total spending for all legislative candidates was more than \$12.5 million, \$673,267 more than the total expenditures in the 2006 election.

OCPF has completed an analysis of legislative campaign finance spending and fundraising for each election cycle since 1990, when 507 candidates sought seats in the Senate and House.

The 311 legislative candidates were comprised of 183 incumbents, 179 of whom were re-elected.

While candidate totals were down, several records were reached in 2008.

In the House, candidates raised and spent more money on average than in any election year since 1990, and former House Speaker Salvatore DiMasi broke the spending record for a single candidate, making \$475,984 in expenditures. He resigned his seat in early 2009 after winning re-election (he was unopposed).

The Senate races had 27 unopposed candidates, the highest ever recorded in an OCPF study.

The full report will be available on-line at [www.mass.gov/ocpf](http://www.mass.gov/ocpf).



### Did you know?

Individuals under the age of 18 can contribute only \$25 a year to all candidates. Adults can contribute \$500 per candidate annually.

#### AGGREGATE FUNDRAISING AND SPENDING BY LEGISLATIVE CANDIDATES

	2000	2002	2004	2006	2008
<b>Number of candidates</b>	330	372	390	339	311
<b>Receipts</b>	\$12,223,071	\$11,561,938	\$17,275,537	\$12,398,381	\$12,462,676
<b>Expenditures</b>	\$11,013,392	\$11,968,889	\$17,640,644	\$11,877,068	\$12,550,335

## Buonomo indicted for campaign money theft

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Buonomo for his personal use, often totaling several thousand dollars. Piro would keep approximately \$500.

The printing company also allegedly provided Buonomo with false invoices for services that were never rendered.

The joint review also found that Buonomo allegedly wrote checks from his campaign account to himself,

falsely reporting that his campaign committee was reimbursing him for postage he paid for using his personal funds. The review found that he improperly took about \$35,000 in postage reimbursements.

OCPF began an initial review of Buonomo's campaign finances in April 2008, and referred the case to the Attorney General's office in November last year for further investigation.

During the OCPF review of

Buonomo's campaign finances, he allegedly submitted forged and altered bank records and printing invoices to investigators.

The case is being prosecuted by Assistant Attorney General Marc Jones. Sarah Hartry, legal counsel for OCPF, assisted in the investigation.

Buonomo resigned from elected office last year after being arrested on separate charges unrelated to the campaign finance law.

We're on the Web @ [www.mass.gov/ocpf](http://www.mass.gov/ocpf)

# 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.

## Disposition Agreements

### The Campaign for Our Children's Future Ballot Question Committee.

The committee failed to accurately and publicly disclose its 2006 and 2007 campaign finance activity in a timely manner. The committee, organized to support Question 3 on the 2006 state ballot, did not file a 2007 year-end report by the due date, Jan. 22, 2008. Question 3 sought collective bargaining powers for child care providers who provide state-subsidized child care. The committee ultimately filed the late report on Dec. 15, 2008, which showed a substantial amount of financial activity in 2007, including \$32,815 in expenditures. The committee agreed to pay a \$5,000 civil forfeiture and amend its 2006 campaign finance reports to disclose its liabilities and dissolved as a committee.

### The Springfield Democratic City Committee. The

committee repeatedly failed to file timely campaign finance reports from 2004 to 2008. The committee's year-end campaign finance reports were months late each year, and its pre-primary and pre-election reports were also consistently filed late.

The 2007 year-end report also disclosed that the committee received eight contributions from business corporations. The committee paid a civil forfeiture of \$1,800 to the state's general treasury, and to ensure future compliance, has agreed to file one additional campaign finance report in 2009 and two in 2010. The committee also agreed to submit all bank statements to OCPF to accompany its campaign finance reports and will make available, within 10 days, any supporting documentation requested by OCPF.

## Public Resolution Letters

**CPF-08-92: Nicholas Boldyga, Southwick.** No further action. (Disclosure

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## It's on the books

### Government E-Mail

Candidates, their committees and other political committees are prohibited from sending campaign solicitations to individuals at government e-mail addresses.

If a candidate sends a campaign solicitation e-mail to a government



address, and a state, county or municipal employee opens

it at his or her desk, the solicitation is deemed to have taken place in a public building. We advise committees to scrub their e-mail lists of all government addresses.

### PAC Contributions

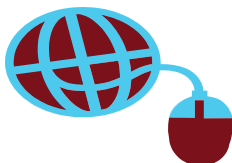
Political action committees that are not organized in Massachusetts are prohibited from making contributions to Bay State candidates.

Federal PACs are prohibited from making contributions. To contribute to Massachusetts candidates, a PAC must be set up in the state and raise money separate from any other funds, including any other political fund. This fund must register and disclose its financial activity on the Massachusetts reporting schedule.

# Enforcement documents now on-line

OCPF has begun posting enforcement action documents on-line.

The documents include **public resolution letters**, which are issued to



close a case, and **disposition agreements**, in which OCPF and the subject of a review agree to take certain actions.

In disposition agreements, OCPF generally

agrees not to refer the case to the Attorney General's office for possible criminal or civil charges.

The documents are available at [www.mass.gov/ocpf](http://www.mass.gov/ocpf) under the "agency actions" tab.

## Campaign finance advice now sorted by topic for reference

OCPF answers questions from candidates, political committees and members of the public. The advice is often provided in the form of advisory opinion letters, which are now sorted by topic at



"www.mass.gov/ocpf" under "legal resources." The opinions help campaigns and other political committees navigate the campaign finance law. The documents are organized by these topics:

- Public employees
- Political Contributions and Fundraising
- Political Action and People's Committees
- Business Corporations
- Public Financing
- Dissolution
- Political Expenditures
- Ballot Question Committees
- Legislative Agents and Lobbying
- Public Resources
- Referral
- Candidates & Candidate Committees
- All Political Committees in Massachusetts
- Internet & Electronic Filing
- Public Buildings
- Federal Issues
- State & Local Political Party Committees
- Groups Other Than Political Committees
- Reporting & Disclosure

# Recent cases and rulings

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of contributions, expenditures); 2/11/2009. The committee disclosed an expenditure for \$500 for office space rent on the year-end report. The expenditure was for rent from Oct. 17 to Nov. 5. There was no disclosure for rent for the period prior to October 17. The committee indicated that the office was not rented prior to that date.

**CPF-09-03: Rep. Frank Smizik, Brookline.** No reason to believe (Disclosure); 2/11/2009. The committee inaccurately disclosed its financial activity between 2006 and 2008. The committee's primary issue was the duplicate disclosure of a \$7,200 printing expenditure which caused the committee's reported ending balance to differ from the checkbook balance. The committee has amended its disclosure reports and has made a \$750 payment to the state's general fund for costs incurred during the OCPF review. The committee has also agreed to an enhanced re-

porting schedule until Dec. 31, 2011.

**CPF-08-98: Rep. Brian Ashe, Longmeadow.** Did not comply (Fundraising in a government building); 2/26/2009. Ashe's campaign committee held a fundraiser on June 25, 2008, at the Longmeadow Community House, a building used for municipal purposes. Campaigns are prohibited from political fundraising in buildings used for governmental purposes.

**CPF-08-98: Longmeadow Republican Town Committee.** Did not comply (fundraising in government building); 2/26/2009. The committee held a fundraiser on May 17, 2008, at the Longmeadow Community House, a building used for municipal purposes. Political committees are prohibited from fundraising in government buildings.

## Advisory Opinions

**AO-09-01:** A candidate can post endorsements from public employees on a campaign Web site support-

ers page if contributions are not solicited on the page.

**AO-09-02:** A candidate may create a separate legal defense fund to solicit donations and make expenditures for his or her legal defense. The money raised and spent, if used solely for financial activities relating to a candidate's defense, would not be "contributions" or "expenditures" as defined by the campaign finance law, and the donations received into the fund would not be subject to the limits of the campaign finance law regarding source or amount of funds received. The office strongly recommends, however, that a candidate disclose the source and the amount of all funds received.

**AO-09-03:** SEIU may join together with other unions, thereby creating an organization called Victory Boston, and share information to communicate with their own members relative to the 2009 Boston municipal election, without forming a

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## Boston's 3rd Suffolk District Special Election

All candidates seeking this seat, to fill the vacancy by the resignation of Rep. Salvatore DiMasi, must file three campaign finance reports with OCPF.

**Pre-primary report:** Due Monday, May 11. This report covers all activity from Wednesday, Nov. 5, (or the day following the date of the last report previously filed) through Friday, May 1, 2009.

**Pre-election report:** Due Monday, June 8. The report covers activity from May 2 - 29.

**Post-election report:** Due July 16. This report covers all activity from May 30 - July 6.

Please contact OCPF at 617-979-8300 for any questions regarding this reporting schedule.

The **primary election** will be held May 19. The **election** is June 16.

Electronic campaign finance reports will be available for public inspection on OCPF's Web site as soon as they are filed by the campaigns.

**Commonwealth of  
Massachusetts**



**Office of Campaign  
and Political Finance**

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**OCPF Seminars Available**



Campaign finance seminars are held Wednesdays at 2 p.m. at One Ashburton Place, Room 411, Boston.

**Campaign finance law changes considered**

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report.

**Ballot question expenditures:** There is no current requirement for individuals to disclose expenditures they make concerning ballot questions. The proposed bill requires such reporting.

**Referral timing:** Currently, OCPF cannot refer cases to the Attorney General for further action until after an election. The House bill allows OCPF to refer cases to the Attorney General up to two years before an election if the term of office is three or more years. The statutory restrictions currently in place can delay the resolution of a case for several years. For instance, a campaign finance violation may take place in the first year of a six-year term, but OCPF currently could not refer the case to the Attorney General for another five years.

**Enforcement window:** Currently, OCPF has only two years after an election to refer a case to the Attorney General. The House proposal extends the window to three years.

**Late contributions:** Currently, candidates and other political committees, prior to an election, report contributions received up to 18 days

before an election. The House bill requires campaigns to report \$500 contributions within three days, if they are received and deposited between 18 and three days prior to the election.

**Campaign finance report late fines:** The fine for filing late reports would increase from \$10 a day to \$25 a day up to \$5,000. The current maximum is \$2,500. Fines would also apply to local candidates.

**Ballot ineligibility:** A candidate who fails to file a campaign finance report, after the initiation of a lawsuit to compel filing, would not be permitted to appear on a ballot until the report is filed.

**Municipal reporting:** Town and city clerks would be required to post campaign finance reports on their municipal Web sites.

**Non-campaign fund reporting:** Candidates would be required to disclose contributions to legal defense, inauguration and recount funds. Local candidates would report the activity to municipal election officials.

**City reports:** District city councilors from Boston, Worcester and Springfield would file campaign finance reports with OCPF. Currently they file paper reports at their respective city halls.

**From the Director**

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Boston's four-year mayoral election cycle is included this year, meaning 2007's dollar figure is likely to be surpassed.

Most mayoral candidates file with their respective local elections officials, but campaigns are encouraged to contact our office for help on completing and filing the reports this year.

To make the reporting process easier, campaigns can also visit our Web site, [www.mass.gov/ocpf](http://www.mass.gov/ocpf), and download Reporter 4, our reporting software. It records receipts and expenditures and allows candidates to print out clean, alphabetized copies for filing with your local election officials.

Most candidates find the software easier to use than completing paper reports by hand, especially for campaigns with significant activity. Printed reports are also easier for the public to view.

If you have questions about the software, or if you have any other questions regarding campaign finance issues, please call.

Mike Sullivan, Director

**Recent cases and rulings**

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separate political committee. Section 1 of M.G.L. c. 55, the campaign finance law, provides a specific exemption from the definition of "contribution" and "expenditure" for expenditures made by membership

organizations for the costs incurred to communicate with members and their families, even if such communication encourages support for or opposition to candidates or ballot questions.

**AO-09-04:** A compensated appointed public employee should not be involved in soliciting contributions for an organization that raises money in part to support the election of women candidates, as this would involve fundraising for a "political purpose."