

OCPF Reports



From the Director

Mike Sullivan

Outreach

About 20,000 campaign finance reports will be filed with OCPF this year, and we'd like to remind filers of their responsibilities.

Our major goals are education and accurate and timely disclosure of campaign activity. To that end, we have already initiated communication with every entity that will file reports with OCPF this fall. That includes candidates and their treasurers, PACs, and party committees. We have provided them with filing instruction information, as well as a list of report deadlines. Historically, more than 90% of entities file their reports on time.

Beyond written communication, the Office is hosting seven educational seminars across the commonwealth in July and early August. The seminars last about 75 minutes and include an e-filing presentation. A complete list of those dates and locations can be found elsewhere in this newsletter. Jason Tait, our education director, also hosts a weekly tutorial each Wednesday at 2 p.m. in our Boston office. If you can't get to a presentation, you can always call our office at 617-979-8300 or 1-800-462-OCPF with your questions.

Don't forget to occasionally check the front page of www.ocpf.us for updates.

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2014 State Election

On Ballot: 369 legislative candidates, more than 100 statewide and county

The ballot for the legislature is set for the 2014 state election with 369 people vying for 200 seats.

Historically, between 300 and 400 candidates run every two years for House or Senate seats—the high since 2000 was 433 candidates in 2010, and the low of 311 happened in 2006. The average is 361.

In 2014, a total of 294 are running for state representative and 75 for the Senate. Of the total number of legislative candidates, 233 are Democrats, 107 are Republicans and 29 are unenrolled.

The campaign finance law requires legislative candidates on the ballot to file a pre-primary, pre-election and year-end reports during a state election year, due Sept. 2, Oct. 27 and Jan. 20, 2015, respectively. All legislative candidates will receive notices from OCPF and will be offered educational opportunities.

Other committees that will file reports this year with OCPF include:

- 102 Depository Committees. These include statewide, county and Governor's Council candidates. These committees and their banks file disclosure reports every two weeks from July to December in an election year and monthly at all other times.
- 289 Political Action Committees and People's Committees. PACs file on the same schedule as legislative candidates.
- 20 Independent Expenditure "Super" PACs. They currently file on the PAC schedule and also file IE Reports.
- 1,257 Local Party Committees. They file on the same schedule as legislative candidates, if certain thresholds are reached.

Legislative Candidates on the State Ballot

	2002	2004	2006	2008	2010	2012	2014
Number of candidates	372	390	339	311	433	346	369
Receipts in Millions	\$11.56	\$17.3	\$12.4	\$12.5	\$14.99	\$11.5	N/A
Expenditures in Millions	\$11.96	\$17.6	\$11.9	\$12.6	\$16.9	\$11.9	N/A

Open invitation to state, county and municipal agencies and departments

Quick and easy public employee training

Our office provides an overview of the state’s campaign finance law for public employees. We specifically emphasize the rules on political fundraising by public employees, political activity in public buildings and the use



of public resources for campaign purposes. The seminar lasts less than an hour, with time for questions and answers.

We can conduct a single seminar or do back-to-back sessions on the same day, whatever is more convenient for you and your organization. The seminar can be restricted to department heads, or you can open it up to all employees.

Please contact Jason Tait at 617-979-8300 to schedule a public employee seminar at your office.

We look forward to hearing from you.

Former candidate agrees to \$8,000 payment for personal use and other issues

Disposition Agreement

Michael Mangan, a former Everett city councilor and candidate for state representative, agreed to a settlement with OCPF concerning prohibited personal expenditures, non-disclosure of campaign finance activity and failing to keep records, according to a disposition agreement between Mangan and OCPF.

To resolve the issues, Mangan agreed to personally pay \$8,000 to the state’s general fund in four installments.

The disposition agreement is the result of an OCPF review of Mangan Committee records from 2011 to early 2014, during which Mangan was an Everett city councilor (he left office in early 2014). In January 2013, Mangan transferred his committee account to OCPF to promote his candidacy for state representative, but was unsuccessful in the special primary held two months later.

OCPF identified several issues during the review, including personal expenditures by the candidate, failing to keep records, commingling of personal and committee funds and failing to disclose campaign finance activity. The candidate also served as his own treasurer, which is prohibited.

The total amount of committee money used personally was approximately \$6,800. Most of the personal expenditures were \$3,400 in cash withdrawals and transfers totaling approximately \$2,300 from the committee account to the candidate’s personal account. On another occasion, the candidate paid his rent and cable bill directly out of the campaign account, totaling approximately \$1,100.

The disposition agreement, signed by Mangan and OCPF Director Michael J. Sullivan, is [available here](#). 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.

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 (below). 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. PRLs and disposition agreements are matters of public record once cases are concluded.

Public Resolution Letters

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.

CPF-13-86: Mayor Mark Hawke, Gardner. No further action (committee expenditure); 5/28/2014. Mayor Hawke agreed in a previous public resolution letter to make a personal payment of \$250 to the state’s general fund. However, the payment of \$250 that was actually made was from committee funds. To conclude the matter, the mayor reimbursed the committee \$250 from his personal funds.

CPF-14-27: Laura McCarthy, Chicopee. No further action (public buildings, public resources); 6/3/2014. McCarthy, who is the elected assessor for the City of Chicopee, sent a message from her work e-mail account to more than 200 recipients, many of whom work for or hold elected positions in Chicopee. Her e-mail included three attachments, which included solicitations for the mayor’s inaugural event. The campaign finance law prohibits political solicitations in buildings used for governmental purposes, and prohibits the use of public resources for political purposes. To resolve the matter, McCarthy made a charitable contribution of \$250.

CPF-14-25: West Boylston Council on Aging. Did not comply (public resources); 6/5/2014. The West Boylston Council on Aging published a Newsletter in April 2014, and the “Director’s Corner” portion of the publication included a statement that clearly identified a candidate for the town’s housing authority. No other candidates were mentioned in

the newsletter. The newsletter was distributed by US Mail, using the Council on Aging’s postal permit, and the publication of the newsletter was supported in part by money awarded to the Council by the Mass. Dept. of Elder Affairs, a public agency. The campaign finance law prohibits the use of public resources for campaign pur-



New Law

Municipal candidates can be blocked from ballot if reports are not filed

Municipal candidates who file with OCPF can be prohibited from appearing on a ballot if they don’t file their campaign finance reports, according to a new law recently signed by Gov. Deval Patrick.

Prior to the change, the section of the law applied to state and county candidates only, but did not address a municipal candidate who failed to file a campaign finance report. The new legislation added municipal candidates who file with OCPF.

A candidate can only be blocked from appearing on a ballot if OCPF has instituted civil proceedings to compel the filing of a campaign finance report.

Former Chelsea Housing Authority director sentenced in connection with unlawfully soliciting campaign contributions

Public employees solicited and received funds for campaigns

The former executive director of the Chelsea Housing Authority (CHA) has pleaded guilty and been sentenced in connection with unlawfully soliciting contributions from state employees and other individuals to support multiple campaigns.

Michael McLaughlin, 68, of Dracut, pleaded guilty on June 24 in Suffolk Superior Court to charges of Unlawful Solicitation by a Public Employee (4 counts), Solicitation in a Public Building (4 counts), and Conspiracy to Solicit in a Public Building (4 counts).

The [charges against McLaughlin](#) stem from an initial investigation by the Office of Campaign and Political Finance (OCPF), which referred the case to the AG's Office for further investigation. In 2012, the AG's Office began an investigation into allegations of campaign finance violations concerning McLaughlin. McLaughlin served as Executive Director of CHA from 2000 until the fall of 2011.

After the plea was entered, Superior Court Judge Carol Ball sentenced McLaughlin to one year in the House of Correction, with six months to serve and the balance suspended for a probationary period of three years. His sentence is retroactive to when he was [arraigned](#) in September 2013.

From approximately 2008 through 2010, McLaughlin directed a CHA employee to seek contributions from fellow CHA employees, and others associated with the CHA, to benefit the Citizens Committee to Elect Tim Murray (Murray Committee). McLaughlin would identify specific CHA employees to be asked to contribute and employees understood that the contribution request was ultimately coming from McLaughlin to support a candidate favored by him.

McLaughlin organized and solicited CHA employees, and others associated with the CHA, to attend three Murray Committee fundraisers held in Methuen between 2008 and 2010. The CHA employee, directed by McLaughlin, collected political contributions for the benefit of the Murray Committee be-

fore each of the fundraisers, and distributed Murray Committee invitations to employees upon receiving their contributions. Employees were typically asked for \$100 contributions, and cash was often the preferred method of contributing. In addition to CHA employees, McLaughlin also solicited contributions for each of the fundraisers from numerous other individuals among his personal and professional networks.

All monies collected from CHA employees were then delivered to McLaughlin, with a list of those who contributed.

McLaughlin also solicited CHA employees to contribute to Israel Reyes' campaign, a 2009 Lawrence mayoral candidate.

Further, McLaughlin regularly asked CHA employees, and others associated with the CHA, to perform political work for the Murray Committee and Reyes, including holding signs, working at the polls, and other organizational tasks.

On Aug. 29 last year, McLaughlin was [indicted](#) by a Suffolk County Grand Jury. He was [arraigned](#) on Sept. 5 last year in Suffolk Superior Court. On June 23, he pleaded guilty and was sentenced.

On June 20, McLaughlin pleaded guilty to federal charges that he and two other men conspired to rig inspections of federally-funded housing units run by the CHA. He was sentenced to one year in federal prison, to be served after he completes a three year sentence he is currently serving after pleading guilty in [February 2013](#) to federal charges related to underreporting his income. He was also ordered to pay a \$3,000 fine.

This report was taken from a June 23 press release by the Office of the Attorney General.

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You can also follow OCPF on Twitter at @OCPFreports.

Public Financing

Twelve of 23 party-affiliated candidates seeking statewide office decided to participate in the state’s program for the limited public financing of campaigns. Unenrolled candidates have until August 26 to inform us of their decision.

But not everyone will receive money.

There’s only about \$1.25 million in the fund, and because gubernatorial candidates are funded first, public funds will likely be available only to candidates for governor in the primary election.

Candidates can apply for funds in mid-July when their campaigns submit qualifying matching contributions to OCPF. To qualify for the program, gubernatorial candidates in the primary must reach a minimum threshold of \$75,000 in qualifying matching contributions. For more information about the program, please [click here](#).

IT Team Addition

OCPF welcomes a new employee, Sam Tsoi of Braintree. Sam has joined our technology team and will help maintain and develop the web-based reporting systems used by candidates and committees. He is a Wentworth Institute of Technology graduate.

Have a great summer and please call if you have questions.

Mike Sullivan, Director

\$5,000 aggregate limit to party committees will still be enforced

Campaign Finance Supreme Court Decision

The Supreme Court’s decision in McCutcheon vs. FEC will not affect the state’s \$5,000 aggregate limit that an individual may contribute to political party committees during a calendar year, according to the Office of Campaign and Political Finance.

When the court’s decision was issued in early April, OCPF issued a statement that the \$12,500 aggregate limit on the amount an individual can contribute to all candidates would no longer be enforced. For example, prior to the court’s decision, a person could make \$500 contributions to 25 candidates, but he or she was prohibited from making a \$500 contribution to a 26th candidate. That 26th contribution is now permitted — and then some.

More recently, and after a further review of the court’s decision, OCPF has also decided not to enforce the \$1,500 aggregate limit on non-statewide candidate contributions to other candidate committees. Also, the \$1,500 aggregate limit on contributions that may be made by statewide candidate committees to political party committees will not be enforced.

Regarding the \$5,000 aggregate limit that an individual may contribute to political party committees during a calendar year, OCPF has determined that, because the federal statutory provisions that were analyzed in the McCutcheon decision differ substantially from the law in Massachusetts, this office will continue to enforce the \$5,000 aggregate limit.

The April 2 court decision determined that the federal aggregate caps on contributions to candidates, parties and political action committees by an individual are unconstitutional.

Upcoming Campaign Finance Seminars

OCPF will conduct campaign finance seminars in various regions of the state for candidates appearing on the 2014 state ballot. All candidates, treasurers, political committees and the public are invited to attend. The seminars will address reporting standards and dates, electronic filing instruction and rules for public employees, public buildings and public resources.

July 8	7 p.m.	Wayland	Public Library, 5 Concord Road
July 14	7 p.m.	Plymouth	Public Library, 132 South Street
July 17	7 p.m.	Peabody	West Branch Library, 603 Lowell St.
July 22	7 p.m.	Andover	Public Library, 2 N. Main St.
July 24	7 p.m.	Shrewsbury	Public Library, 609 Main St.
July 28	6:30	Westfield	Athenaeum, 6 Elm St.
Aug. 5	7 p.m.	Sturbridge	Public Library, 306 Main St.

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Announcements



News

Reporting Tips

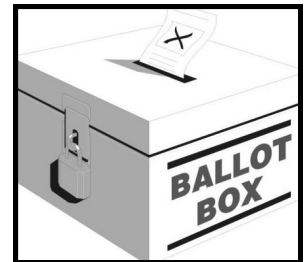
Filing Notices

Seminar Sched.

Reporting Requirements for Ballot Question Committees and Groups Participating in the 2014 State Election

In 2014, ballot question committees will electronically file regular reports with OCPF on a two-week cycle starting Sept. 5, disclosing receipts, expenditures, in-kind contributions and liabilities. The schedule:

Report Type	Begin Reporting Period	End Reporting Period	Due Date
Initial Report	Nov. 7, 2012	Organization date	Organization date
60-Day	Jan. 1	Aug. 31	Sept. 5
20 th of the Month	Sept. 1	Sept. 15	Sept. 22
5 th of the Month	Sept. 16	Oct. 1	Oct. 6
20 th of the Month	Oct. 2	Oct. 15	Oct. 20
5 th of the Month	Oct. 16	Nov. 1	Nov. 5
Nov. 20 th	Nov. 2	Nov. 15	Nov. 20
Year End	Nov. 16	Dec. 31	Jan. 20



72-Hour Reporting: Ballot question committees that *receive and deposit* contributions of \$500 or more after the 18th day, but more than 72 hours before the date of the election, must file a disclosure report within 72 hours of depositing the contributions received (called a Late Contribution Report). **In 2014, the late contribution reporting period is Oct. 18 to Oct. 31.**

Expenditures Made by Corporations, Organizations and Individuals to Support or Oppose Ballot Questions

Organizations, groups, businesses and individuals that make expenditures to support or oppose ballot questions – and the expenditures are done independent of a ballot question committee – file CPF 22 forms electronically with OCPF. The forms are filed on the same schedule as above. A CPF 22 form is **not filed** if an organization, group or business makes a direct **contribution** to a ballot question committee (monetary or in-kind). The contribution will be disclosed by the ballot question committee.

2014 Reporting Requirements for legislative candidates, PACs and local party committees



Pre-Primary Report: Due Sept. 2 covering the period of Jan. 1 to Aug. 22.*

Pre-Election Report: Due Oct. 27 covering the period of Aug. 23 to Oct. 17.*

Year-End Report: Due Jan. 20, 2015, covering the period of Oct. 18 to Dec. 31.*

*This report discloses all receipts, expenditures (including those previously reported as described above), in-kind contributions and liabilities incurred during the reporting period.

Committees that need assistance with electronic filing can contact OCPF at 617-979-8300.