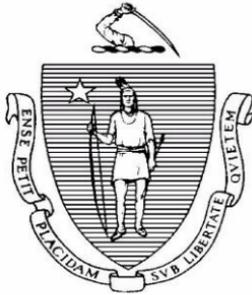


CAMPAIGN FINANCE GUIDE

“Depository” Candidates & Committees



Office of Campaign and Political Finance
Commonwealth of Massachusetts

This brochure is designed to introduce the following candidates and committees to the campaign finance law:

- Statewide Candidates
- County Candidates
- Governor's Council
- Certain Municipal Offices
- Political Action Committees
- People's Committees
- State Party Committees

The Office of Campaign and Political Finance (OCPF) is responsible for administering Massachusetts General Laws Chapter 55, the campaign finance law. The office is available to assist individuals in understanding and complying with the statute and encourages candidates, treasurers, committee members and interested parties to familiarize themselves with these laws and regulations.

This publication is meant only to be an introductory guide to the campaign finance law, not a substitute for it. It is the responsibility of all those participating in political campaign financing in Massachusetts to become knowledgeable with the provisions of the law and regulations. For additional information please contact:

Office of Campaign and Political Finance

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The Depository Candidate and Committee

If you're considering running for elective office or creating a political committee, you should contact OCPF before undertaking any activity. The statute has a very broad definition of "candidate" and "committee," and you may be considered a candidate or committee well before any formal announcement is made. For example, an individual who accepts contributions or makes expenditures in relation to a run for office may have qualified himself or herself as a candidate even before taking out nomination papers.

Certain candidates and committees are required by law to designate a bank as a depository for campaign funds. This brochure addresses issues concerning depository candidates and committees:

- o **Statewide Office:** Governor; Lieutenant Governor; Secretary of State; Attorney General; Treasurer and Receiver General; Auditor.
- o **Governor's Council** (also known as the Executive Council).
- o **County Office:** District Attorney; Clerk of Courts; Registrar of Probate; Registrar of Deeds; County Commissioner; County Treasurer; Sheriff.*
- o **Certain Municipal Offices:** Mayoral, city council and alderman candidates in cities with populations of at least 75,000 in the most recent federal census. Currently, the qualifying cities are **Boston, Brockton, Cambridge,**

* Candidates for some other elected regional offices, including elected regional boards that are successors to disbanded county commissions, are not considered depository candidates. They still have reporting obligations, however, and should contact OCPF for more information.

Fall River, Lawrence, Lowell, Lynn, New Bedford, Newton, Quincy, Somerville, Springfield and Worcester.

- o Political Action Committees that file with OCPF. Throughout this guide, “PAC” also refers to people’s committees, unless otherwise noted. It does not refer to Independent Expenditure PACs, which are not depository committees and are addressed in OCPF’s guide for IEPACs.

- o State Party Committees.

OCPF can assist individuals in setting up a depository account and by providing training on procedures and e-filing.

All receipts must be deposited into and expenditures must be made out of the designated depository bank account, including any of a candidate’s own funds.

Banks report all expenditures and a summary of receipts to OCPF based upon information furnished to the bank by the candidate or treasurer. These reports are filed by the bank twice monthly.

No candidate or individual holding elective public office on the state, county or municipal level may establish, finance, maintain, control or serve as a principal officer of a PAC. The only exceptions to this prohibition are the PACs that each political party in the state Senate and House of Representatives may organize and maintain. Candidates and elected officials may, however, serve as officers of people’s committees, political party committees, ballot question committees or candidate committees (though no candidate may serve as his or her own committee treasurer).

PACs and People's Committees

According to the campaign finance law, a political action committee, or PAC, is “any committee, association, organization or other group of persons which receives contributions or makes expenditures for the purpose of influencing the nomination or election of a candidate, or candidates” and “which is not a candidate’s committee, a political party committee nor a ballot question committee.”

A people’s committee is a political committee that begins its existence as a PAC, but meets four important criteria:

1. It only receives contributions from individuals.
2. It only receives contributions up to the amount set biennially by OCPF.¹
3. It has been in existence for six months or more.
4. It has contributed to five or more candidates.

Once that six-month period has passed, if the PAC has met the above conditions, it may, if it chooses, request a change in its status to that of people’s committee.

There are several important differences between a PAC and a people’s committee. The first concerns a limit on what certain candidates for office may accept from PACs.

While both PACs and people’s committees are limited to making contributions of no more than \$500 per calendar year to a single candidate or that candidate’s political committee, many **candidates may only accept PAC contributions within aggregate limits based upon the offices they seek (those limits are listed elsewhere in this guide)**. There are no

¹ Under M.G.L. c.55 s.1, this amount is indexed biennially by Dec. 31 of each odd-numbered year. For more information, please see OCPF memorandum 97-05, which is available at www.ocpf.us. The amount was indexed at \$161 as of Jan. 1, 2014.

aggregate limits, however, on how much candidates may accept from people's committees.

Limits on aggregate PAC contributions do not apply to municipal office.

Finally, while agents of a PAC may be regulated in the practice of "bundling" contributions to candidates, agents of people's committees face no such bundling restrictions. For more information on bundling, contact OCPF.

Another type of political action committee is an **Independent Expenditure PAC**, which raises money for the purpose of making independent expenditures. **IEPACs are not depository committees and are not addressed in this guide.**

Organization and Disclosure Forms

The following is a summary of the appropriate forms required for depository candidates and their purpose. Contact OCPF for further details concerning these forms and the procedures for filing them, including electronic filing requirements under M.G.L. Chapter 55, Section 18C.

Form CPF 101: Statement Of Organization

Form CPF 101 should be filed with OCPF as soon as a committee is organized (A PAC files a CPF 101 PC). A committee should not accept any contributions or incur any expenses until it files an organizational form. (*Note: Although the law does not require a candidate to have a political committee organized on his or her behalf, most candidates have one. PACs must file an organizational form.*)

The CPF 101 form contains the names and addresses of the committee chairman and treasurer and, in the case of a candidate's committee, the name of the candidate for whom the committee is organized. Any change in information previously submitted should be reported to OCPF within 10 days of such change.

Political committees are prohibited from receiving or expending funds without a treasurer. Any change in treasurer should be reported by filing Form CPF T 101.

A **candidate** may have only one committee organized on his or her behalf, even if the candidate holds more than one elective office. If a candidate seeks state or county office and later wishes to seek office at the municipal level, or vice versa, such candidate must transfer his committee from the state to the municipality or vice versa. OCPF can assist you in accomplishing these transfers.

By law, a committee must name a chairman and a treasurer. The chairman and the treasurer may be the same person, unless that person is a public employee. A **candidate** may **not** be the treasurer of his or her own committee, but can be chairman.

A public employee may not serve as the treasurer of any political committee.

A public employee who runs for elective office and wishes to raise money must have a political committee organized on his or her behalf to handle all fundraising activities because public employees are prohibited from political fundraising, even for their own campaigns.

Treasurers are also required to complete **periodic on-line OCPF training classes**. Treasurers will be notified when training is required.

Form CPF D 102: Campaign Finance Report

D 102 Initial Report: This report, which must be filed within three business days after the candidate or committee designates a depository bank, discloses any activity which may have occurred prior to the designation of that bank, complete through the date of the bank's designation. The initial report should be e-filed using OCPF's website if the candidate or committee has an OCPF identification number or password (new candidates and committees are provided with identification numbers and passwords when they file an organizational form).

D 102 Year-end Report: This report is to be filed on or before January 20 each year, complete from the day following the ending date of the last Form CPF D 102 filed through December 31 of the previous year. This report *summarizes* all receipts and expenditures for that reporting period.

The candidate (or for PACs, the treasurer) is personally liable for a \$25 per day late fine imposed by OCPF for each day the year-end report is late.

Form CPF D 102 is also used to disclose any outstanding liabilities, "in-kind contributions" (anything of value received other than cash or checks), and savings account information. This form, filed once each year, provides the only disclosure of a depository candidate's in-kind contributions, liabilities and savings account information.

Form CPF D 103: Appointment Of Depository Bank

Depository candidates and committees must designate a bank in Massachusetts as a depository for their campaign funds. Form CPF D 103 is used for this purpose. By appointing the bank as a depository for campaign funds, the candidate or committee authorizes the bank to report to OCPF

a record of receipts and expenditures based on information the candidate or committee furnished the bank.

The treasurer or cashier of the bank must sign this form acknowledging and accepting the reporting responsibilities of the candidate or committee account to OCPF.

Form CPF D 104: Statement of a Candidate Not Raising or Expending Campaign Funds

This form is an affidavit that must be filed when the candidate does not intend to spend or receive any money, even from his or her own funds.

PACs must open a bank account and, therefore, cannot file Form CPF D 104.

Receipts Report: All contributions must be deposited in the form received (e.g., cash, check) in the designated bank no later than the end of the seventh day after receipt.

In addition to making a deposit at the bank, a candidate or committee must also e-file contributor information with OCPF. This may be done by entering the information directly onto OCPF's database using an online reporting program. To e-file, go to the site *www.ocpf.us*, and click the "E-File" tab.

When entering contributor information for e-filing, include the name and residential address of the contributor for any receipt in excess of \$50. Contributions of \$50 or less may be combined in one total. However, any contributor of \$50 or less must be itemized if the aggregate of his or her contributions for the calendar year has exceeded \$50.

Many candidates and committees itemize all contributions, even those of \$50 or less. Extra disclosure is encouraged.

Most candidates e-file their contributor information on the same day they make a deposit or shortly afterward. Deposit reports must be submitted by the 5th and 20th of each month. The report due by the 20th of the month is for the period from the 1st to the 15th of that month. The report due by the 5th of the following month covers the period of the 16th through the last day of the previous month.

The bank will report the aggregate amount of each deposit to OCPF, but the details of a deposit are reported electronically by the candidate or committee.

Late Contributions: Candidate committees that receive and deposit contributions of \$500 or more after the 18th day but more than 72 hours before an election, must disclose those contributions electronically within 72 hours of deposit. Contact OCPF for details on how to report these contributions. *Late contribution reports are not required if a regular deposit report is filed within three days of deposit.*

PACs are not required to file late contribution reports.

Recordkeeping

Records of all receipts and expenditures must be maintained by the candidate or committee for all activities, regardless of amount. Candidates and treasurers of all political committees organized in Massachusetts are required by law to preserve detailed accounts, vouchers and receipts for six years from the date of the relevant election.

Depository Checks and Expenditure Reports

All campaign payments in excess of \$100 must be made to a named payee by a **check or debit card** drawn on the candidate's or committee's depository account. Committee checks must include the name of the candidate or committee and the CPF identification number issued by OCPF. The "memo" line of the check is used by the committee issuing the check to indicate the specific purpose of the expenditure (please be legible).

At the end of each reporting period, a depository bank e-files information on each expenditure that cleared the depository account during that interval. All information must be filed twice monthly – for the period covering the first of the month to the 15th, the bank's report is due by the 20th of the month; for the period covering from the 16th of the month to the last day of the month, the bank's report is due by the 5th of the following month.

Debit Cards: Expenditures made by debit card are disclosed on bank reports filed twice monthly. **Within seven days of a bank report filing deadline**, a candidate or committee must append the bank report to add missing information, such as purpose information. Debit cards cannot be used to withdrawal cash.

A check payable to a candidate or treasurer as reimbursement for expenditures may not exceed \$100. **A person, including a candidate, who is authorized to issue committee checks, may not write a check to himself or herself.** For example, the candidate must sign a check made out to the treasurer, or vice versa.

The expenditure information is then linked with the deposit information that has been sent directly to OCPF by the candidate to comprise the entire filing for that period.

The use of a committee credit card is also permitted. Credit card reports are filed monthly. Call OCPF for more information about credit card usage.

Subvendor Reports: A depository committee that makes a payment to or incurs a liability to a vendor for \$5,000 or more in a calendar year must disclose the full name and address of each **subvendor** receiving payments of more than \$500 in total during a calendar year from the vendor. A vendor is any person, including a consultant, who provides goods or services to a political committee and either receives or is promised \$5,000 or more during a calendar year by the committee for goods or services. Vendors are required to report to candidates or committees any subsequent expenditures by the vendor of \$500 or more that are made to sub-vendors. Depository committees are then required to report that expenditure information to OCPF by the fifth of each month covering the previous month.

Contribution Limits

All contributions must be deposited into the designated depository bank account. The following is a summary of limitations on contributions made to a depository candidate or committee:

- o An *individual* may contribute up to an aggregate of \$1,000 to a candidate and that candidate's committee in a calendar year.
- o An individual may contribute up to an aggregate of \$500 to a PAC in a calendar year.

- o A *PAC* may contribute up to an aggregate of \$500 per year to a candidate and that candidate’s committee.
- o An individual may contribute up to an aggregate of \$161 to a people’s committee in a calendar year (the \$161 figure is adjusted biennially by OCPF).
- o A candidate may **contribute** without limit to his or her own campaign.
- o Registered *lobbyists* may only contribute up to an aggregate of \$200 per year to a candidate, PAC or party committee.
- o *Local party committees* may contribute up to \$1,000 per year to a candidate and that candidate’s committee. There is no limit on in-kind contributions from a ward or town party committee.
- o A *state party committee* may contribute up to \$3,000 per year to a candidate and that candidate’s committee. There is no limit on in-kind contributions from a state party committee.
- o Candidates for statewide office, governor’s council and county office are subject to an aggregate limit on what they may accept from all PACs in a calendar year. It is the responsibility of the candidate to know when he or she has exceeded his or her aggregate annual PAC limit. Those limits are:

Governor	\$150,000
Lieutenant Governor	\$31,250
Attorney General	\$62,500
Secretary of State	\$37,500

Treasurer	\$37,500
Auditor	\$37,500
Governor’s Council	\$18,750
County Office	\$18,750
Municipal	No Limit

There are no limits on what a candidate may accept in the aggregate from people’s committees during a calendar year.

- o A candidate, candidate’s committee or PAC may not accept any contribution, including an in-kind contribution of goods, services, equipment, personnel, facilities or the like, from *business or professional corporations, partnerships, limited liability companies and limited liability partnerships*, or from any association or organization comprised in whole or in part of such businesses.

The 2010 Supreme Court decision, **Citizens United v. FEC**, allows business entities to make *independent expenditures* to support or oppose candidates. Such activity must comply with the definition of “independent expenditure” in section 1 of Chapter 55 and must be disclosed as required by Section 18A of Chapter 55.

- o An individual may use his or her *unincorporated sole proprietorship* to make an individual campaign contribution. The contribution must be attributed to the individual in that business and is applied to his or her \$1,000 individual contribution limit.

The reporting of all contributions received by a candidate or committee is required under M.G.L. Chapter 55. Some of the requirements for disclosure are outlined below.

- o Each contributor must furnish the candidate or committee with his/her true name and address at the time the contribution is made, regardless of the amount.
- o The candidate or committee must ask once at the time of solicitation and in one written follow-up request for the occupation and employer for any contributor who has given \$200 or more in a calendar year. A copy of the written request must be kept as part of the candidate's records. If a contributor still does not provide the information after the two requests, the committee has complied with the law and may keep the contribution.
- o Contributions from the same person which in the aggregate in a calendar year exceed \$50 must be made by a personal check or a check drawn on an account for which the contributor is personally liable. Cash contributions are prohibited in any amount greater than \$50 in the aggregate per contributor per calendar year. Money orders are prohibited in any amounts greater than \$100 in the aggregate per contributor per calendar year.
- o A contributor's name and address must be collected by the committee for **all contributions**, even small cash contributions. For example, anonymous cash contributions should not be deposited into a fish bowl or into a hat that is passed around at an event. A committee is not required to disclose the names and address of small cash contributors on deposit reports, but the records must be kept by the committee.
- o Contributions may be made by debit or credit card. Candidates and committees should contact OCPF for its regulations concerning the process.
- o Contributions of anything of value other than cash or checks are "in-kind" contributions. In-kind contributions

are reported on the year-end report and are subject to the same contribution limits previously mentioned. Monetary and in-kind contributions are counted in combination toward an individual's annual contribution limit. Examples of in-kind contributions include, but are not limited to, rental space, furniture, office equipment, printing, postage and advertisements.

- o A candidate may contribute his or her personal funds without limitation to his or her own campaign. Such contributions, however, must be deposited into the candidate's designated depository bank account.
- o Loans are defined as contributions and are subject to the same restrictions previously mentioned. Candidates for statewide office are subject to the following limits on what they may loan their political committees per election (primary or general):

Governor	\$ 200,000
Lieutenant Governor	\$ 200,000
Attorney General	\$ 150,000
Secretary of State	\$ 150,000
Treasurer	\$ 150,000
Auditor	\$ 150,000
Governor's Council, county or municipal offices	No limit

Expenditures

The following is a summary of limitations placed on expenditures by candidates and candidate committees:

- o Depository **candidates** may make expenditures for the enhancement of the political future of the candidate. No candidate or committee may make expenditures which are primarily for the candidate's or any person's personal use.
- o Expenditures by a **PAC** or **people's committee** may be made for the enhancement of the principle for which the committee was organized, so long as such expenditure is not for any person's personal use.
- o Expenditures may be made to reimburse an agent of a committee for individual expenses of \$100 or less paid out of pocket for the benefit of, and with the authorization of, the committee. However, any expenditure in an amount exceeding \$100 must be made only by a check or debit card drawn on the committee's depository account.
- o *A business or professional corporation, partnership, limited liability partnership or limited liability company* may not provide goods, services, equipment, personnel, facilities, etc. unless paid fair market value for such items by the candidate or committee.
- o Depository candidate committees may contribute up to \$100 to any other candidate or political committee, including statewide candidates. However, statewide candidates are prohibited from contributing to other candidates and other political committees in a calendar year in which the committee receives public financing. Statewide candidates, even if they receive public financing, can make expenditures to a political party committee for goods or services.
- o A PAC or people's committee may contribute up to an aggregate of \$500 to a candidate or that candidate's committee in a calendar year. The CPF ID number of the candidate should be listed on the "memo" section of the

check. A list of identification numbers is available on OCPF website.

- o Surplus money may be placed in an interest bearing money market, CD or savings account. No other type of investment is allowed by law. Expenditures may not be made directly out of any savings account; the funds must first be transferred back into the committee's designated depository account before an expenditure is made. **All savings account activity is disclosed on year-end reports.**

Dissolution of a Committee

Committees that have no cash balance, assets or outstanding liabilities and wish to dissolve may do so. Candidates and committees that do not dissolve must continue to report on a regular basis. Contact OCPF prior to preparing your application for dissolution. Committees should not close their depository bank accounts before contacting OCPF.

All residual funds from committee or candidate accounts must be donated to any of the following: (1) the Commonwealth of Massachusetts General Fund; (2) the general fund of a city or town; (3) a scholarship fund; or (4) a charitable or religious organization. Donations to scholarship funds and charities are subject to certain restrictions. Contact OCPF for more information.

Treasurers of committees are required by law to preserve detailed accounts, vouchers and receipts for six years from the date of the relevant election. This statutory provision applies to all political committees organized in Massachusetts.

Public Employees, Buildings and Resources

OCPF administers Sections 13-17 of M.G.L. Chapter 55, which concern political activity involving public employees, buildings and other resources that are publicly funded. These laws were designed to: protect public employees from being coerced into providing political contributions or services as a condition of their employment; protect individuals doing business with the public sector from being coerced into providing political contributions or services; and separate governmental activity from political campaign activity.

The following is a summary of the limitations on the political finance activities of public employees and the use of public buildings and resources in campaigns. For further information see OCPF's *Campaign Finance Guide: Public Employees, Public Resources and Political Activity*, which is available from the office upon request.

- o No state, county, city or town employee employed for compensation, other than an elected official, may directly or indirectly solicit or receive any contribution or anything of value for *any* political purpose. **No such employee may serve as treasurer of any political committee.**
- o If a person is both a public employee and an elected official, the prohibitions against soliciting or receiving political contributions would still apply to him or her.
- o No person may solicit or receive campaign contributions in a building occupied for any state, county or municipal purpose.
- o No person in the public service may be compelled to make a political contribution or to render any political service, and no public official or employee may be prejudiced in his

or her employment for failure to make a political contribution or be rewarded for making a political contribution.

- o A political committee may not solicit or receive a contribution on behalf of a candidate who is public employee if the contributor has an interest in any particular matter in which the employee participates or which is the subject of his official responsibility.
- o No public resource may be expended or utilized in order to promote or oppose the nomination or election of any candidate to public office or to promote or oppose any ballot question placed before the voters. Examples of public resources include: paid staff time of public employees, office equipment, vehicles, buildings and supplies.

In some cases, agency policy or the conflict-of-interest law, M.G.L. Chapter 268A, may establish additional standards for political activity by public employees. Public employees should consult the State Ethics Commission (617-371-9500) as well as their supervisors or agency heads.

Seeking Guidance from OCPF

OCPF welcomes inquiries regarding campaign finance activities. The office issues written advice, including advisory opinions and guidance letters, to individuals based on written requests describing specific facts and circumstances. OCPF can issue opinions only on prospective activities. If you have any questions concerning advisory opinions, please contact the office. You may also obtain informal, oral advice by calling the office at the numbers listed in the front of this brochure.

In addition to issuing specific written advice, OCPF occasionally issues interpretive bulletins and memoranda setting guidelines on a variety of subjects. These documents are available from OCPF and may be helpful in assisting candidates, committees and other organizations.

Filing a Complaint

Individuals with information concerning possible violations of the campaign finance laws may call or write OCPF. If you have reason to believe that a violation has occurred, you may file a complaint. The office reviews all matters brought to its attention, regardless of the source of the complaint. The identity of complainants is kept confidential.

OCPF cannot comment on any matter that is under review or investigation. Consequently, an individual making a complaint will not receive periodic information on the status of the complaint. The complainant will receive notice, however, of any public disposition of a case.

Frequently Asked Questions

Q: *May a candidate be the treasurer or chairman of his/her own political committee?*

A: A candidate may not be treasurer of his or her own committee, but may serve as chair.

Q: *May the treasurer and chairman of the committee be the same person?*

A: Yes, unless that person is the candidate or a public employee. A public employee may not be a treasurer of any political committee and may even encounter difficulties serving as the chairman of a political committee because of the fundraising restriction. If you

are a public employee contemplating serving as a committee chairman, contact OCPF.

Q: *May a business make a campaign contribution to a candidate or PAC?*

A: *Business or professional corporations, partnerships, limited liability partnerships and limited liability companies* may not make contributions to candidates or PACs.

Q: *What number should I give the bank for the committee tax identification number?*

A: Candidates and committees should consult the Internal Revenue Service for information on how to obtain a federal tax identification number. In addition, you should contact the Massachusetts Department of Revenue for information on any state tax requirements that may apply.

Q: *How much may I contribute to my own campaign?*

A: While individual contributions to candidates are limited to \$1,000 in a calendar year, a candidate may contribute without limit from his/her personal funds to his/her own campaign. However, you may not loan your committee more than the amounts outlined in the section on candidate loans.

Q: *Do I have to open a depository account if I only plan on spending my own money?*

A: Yes. The law requires that all expenditures be made out of the depository account, even if the only contributions are from the candidate himself or herself.

Q: *I would like to change some information on the previously filed Form CPF 101 (Statement of Organization). How would I do that?*

A: Any changes to the originally-filed Form CPF 101 must be made within 10 days of the actual change. For most

changes, a letter of amendment clearly stating the change from the previously-filed Form CPF 101 may be filed with OCPF. The only exception to this is in the case of a change of treasurer, for which the candidate or committee and the new treasurer must file Form CPF T 101 (Change of Treasurer) with OCPF. No money may be raised or spent by the committee until Form CPF T 101 is filed.

Q: *I am thinking of running for a local office in my community. Can I keep the same committee I had for my campaign for statewide or county office?*

A: Yes. In fact, since the law allows a candidate to have only one political committee organized on his or her behalf, a candidate for a municipal office who currently has a political committee organized with OCPF would have to transfer the existing political committee to the municipal election official. The organization of a second political committee for the candidate would be a violation of state law. Please contact OCPF to obtain Memorandum M-95-08 for more information on the transfer process.

Q: *I am an appointed, compensated public employee. May I ask a friend or relative to purchase a ticket to a fundraiser for a candidate or PAC?*

A: No. Section 13 prohibits this activity at any time.

Q: *I am an appointed public employee. May I run for public office?*

A: Yes. While M.G.L. Chapter 55 does not prevent a public employee from running for public office, it does prohibit fundraising by a public employee for any candidate. You should also check with your agency, the State Ethics Commission and/or your city or town for further guidance or restrictions.

Q: *May a committee use a public building as an address to send a contribution to a candidate's political committee?*

A: No. Such action is prohibited by Section 14.

Q: *I am an appointed public employee as well as a candidate for county office. May I use the printing machine in the office I work in to prepare a flyer or letter about my candidacy?*

A: No. The campaign finance law prohibits any person from using a public resource such as office space or equipment for political purposes. The law also prohibits an appointed public employee from engaging in campaign activities while being paid by his or her public agency during work hours.

Q: *I am a candidate for statewide office. May I serve as the treasurer of a PAC? What about another candidate's committee?*

A: A candidate or elected official on the state, county or municipal level is prohibited by law from serving as the principal officer of, or organizing, financing, maintaining or controlling a PAC. Candidates and elected officials may, however, serve as officers of as many people's committees or other candidate, party or ballot question committees as they wish

Q: *Can a Massachusetts PAC be established by an out-of-state organization, union or corporation?*

A: Yes. The law requires an out-of-state organization soliciting money to influence a Massachusetts election to establish a committee and bank account for its Massachusetts activity. The organization would maintain separate records and raise its funds according to Massachusetts law.

Q: *May a business or professional corporation provide goods or services to help administer a PAC?*

A: No, not without appropriate compensation. Business or professional corporations, partnerships and LLCs are prohibited from contributing anything of value to a PAC.

Office of Campaign and Political Finance

Chapter 1173 of the Acts of 1973 strengthened the state campaign finance law and established the Office of Campaign and Political Finance.

While the 1970s saw a push for reforms in campaign finance disclosure laws all across the country, portions of the campaign finance law were on the books in Massachusetts as early as 1884.

Some of those original laws provide for restrictions on and protections for public employees and will be discussed later in this brochure.

Significant changes to the law were later made in 1994, 2009 and 2014.

The campaign finance law, Chapter 55 of the Massachusetts General Laws, is a comprehensive statute concerning the financing of political campaigns in the Commonwealth.

OCPF has also promulgated regulations (970 CMR) on contributions and expenditures, which should be consulted for more specific guidelines on these requirements.

Campaign Finance Guides available from OCPF:

“Depository” Candidates and Committees
Candidates for The General Court
Candidates for Municipal Office
State Ballot Question Committees
Municipal Ballot Question Committees
Political Action Committees and People’s Committees
Ward, Town and City Political Party Committees
Public Employees, Public Resources and Political Activity
Committee Treasurers

All OCPF guides are available online at *www.ocpf.us*

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