

HOUSE No. 3856

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act improving the laws relating to ethics and lobbying..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

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2 SECTION 1. Section 39 of chapter 3 of the General Laws, as appearing in the 2006
3 Official Edition, is hereby amended by striking out the definition of “Client” and inserting in
4 place thereof the following definition:-

5 “Client”, any person, corporation, partnership, association, or other entity that contracts
6 with another person, corporation, partnership, association, or other entity to receive lobbying
7 services.

8 SECTION 2. Said section 39 of said chapter 3 of the General Laws, as so appearing, is
9 hereby further amended by striking out the definition of “Executive agent” and inserting in place
10 thereof the following definitions:-

11 “Executive agent”, a person who for compensation or reward engages in executive
12 lobbying, which includes at least one lobbying communication with a government employee
13 made by said person. The term “executive agent” shall include a person who, as

14 part of his regular and usual business or professional activities and not simply incidental
15 thereto, engages in executive lobbying, whether or not any compensation in addition to the salary
16 for such activities is received for such services. For the purposes of this definition a person shall
17 be presumed to be engaged in executive lobbying that is simply incidental to his regular and
18 usual business or professional activities if he: (i) engages in executive lobbying for not more than
19 25 hours during any reporting period; and (ii) receives less than \$2,500 during any reporting
20 period for executive lobbying.

21 “Executive lobbying,” any act to influence or to attempt to influence the decision of any
22 officer or employee of the executive branch or an authority, including but not limited to,
23 statewide constitutional officers and employees thereof, where such decision concerns legislation
24 or the adoption, defeat or postponement of a standard, rate, rule or regulation promulgated
25 pursuant to any general or special law, or any act to communicate directly with a covered
26 executive official to influence a decision concerning policy or procurement; provided further,
27 that executive lobbying shall include acts to influence or attempt to influence the decision of any
28 officer or employee of a city or town when those acts are intended to carry out a common
29 purpose with executive lobbying at the state level; and provided further, that executive lobbying
30 shall include strategizing, planning, research, and other background work if performed in
31 connection with, or for use in, an actual communication with a government employee.

32 SECTION 3. Said section 39 of said chapter 3 of the General Laws, as so appearing, is
33 hereby further amended by striking out the definition of “Legislative agent” and inserting in
34 place thereof the following definitions:-

35 “Legislative agent”, a person who for compensation or reward engages in legislative
36 lobbying, which includes at least one lobbying communication with a government employee
37 made by said person. The term “legislative agent” shall include a person who, as part of his
38 regular and usual business or professional activities and not simply incidental thereto, engages in
39 legislative lobbying, whether or not any compensation in addition to the salary for such activities
40 is received for such services. For purposes of this definition a person shall be presumed to be
41 engaged legislative lobbying that is simply incidental to his regular and usual business or
42 professional activities if he: (i) engages in legislative lobbying for not more than 25 hours during
43 any reporting period; and (ii) receives less than \$2,500 during any reporting period for legislative
44 lobbying.

45 “Legislative lobbying,” any act to monitor, promote, oppose or influence legislation, or to
46 monitor, promote, oppose or influence the governor’s approval or veto thereof including, without
47 limitation, any action to influence the introduction, sponsorship, consideration, action or
48 nonaction with respect to any legislation; provided further, that legislative lobbying shall include
49 acts to influence or attempt to influence the decision of any officer or employee of a city or town
50 when those acts are intended to carry out a common purpose with legislative lobbying at the state
51 level; and provided further, that legislative lobbying shall include strategizing, planning,
52 research, and other background work if performed in connection with or for use in an actual
53 communication with a government employee.

54 SECTION 4. Section 41 of said chapter 3, as so appearing, is hereby amended by
55 inserting after the first paragraph the following paragraph:-

56 The state secretary shall offer educational seminars on the requirements of sections 39 to
57 50, inclusive, for all legislative agents and executive agents. The seminars shall be conducted in
58 person or offered online through the state secretary’s website. All legislative and executive
59 agents shall: (i) before registering with the state secretary and annually thereafter, complete an in
60 person or online seminar offered by the state secretary; and (ii) complete an in person or online
61 seminar offered by the state secretary upon any material change to sections 39 to 50, inclusive, or
62 any regulations promulgated pursuant thereto. The superintendent of the bureau of state office
63 buildings shall, upon request of the state secretary, provide at no cost to the state secretary
64 suitable facilities for such seminars. The state secretary shall adopt regulations for the
65 administration and enforcement of this section.

66 SECTION 5. Said section 41 of said chapter 3, as so appearing, is hereby amended by
67 striking out the last paragraph and inserting in place thereof the following 3 paragraphs:-

68 Upon registration, the state secretary shall issue to each legislative agent and executive
69 agent a license which shall entitle the holder to act as a legislative agent and executive agent for
70 a client that has filed a registration statement pursuant to this section. A nontransferable
71 identification card shall evidence this license and shall include the agent’s name and photograph.
72 Each license shall expire on December 31 of each year. Out-of-state legislative agents and
73 executive agents shall submit 3 passport-sized photographs to the state secretary upon
74 registration.

75 The state secretary shall promulgate regulations pursuant to chapter 30A for
76 administration and enforcement of sections 39 to 50, inclusive.

77 The state secretary shall, upon written request from a person who is or may be subject to
78 sections 39 to 50, inclusive, render advisory opinions on the requirements of those sections. An
79 opinion rendered by the state secretary, unless amended or revoked, shall be a defense in a
80 criminal action brought pursuant to sections 39 to 50, inclusive, and shall be binding on the state
81 secretary, the attorney general or the district attorney in any subsequent proceedings concerning
82 the person who requested the opinion and who acted in good faith, unless material facts were
83 omitted or misstated by the person in the request for an opinion. Such requests shall be
84 confidential; provided, however, that the state secretary may publish such opinions if the name of
85 the requesting person and any other identifying information is not included in such publication
86 unless the requesting person consents to such inclusion.

87 SECTION 6. Section 43 of said chapter 3, as so appearing, is hereby amended by
88 striking out, in line 4, the words “appearing on the docket”.

89 SECTION 7. Said section 43 of said chapter 3, as so appearing, is hereby further
90 amended by striking out the third paragraph and inserting in place thereof the following
91 paragraph:-

92 Every legislative agent and executive agent shall include in the statement required by this
93 section for the relevant reporting period: (1) the identification of each client for whom the
94 legislative or executive agent provided lobbying services; (2) a list of all bill numbers and names
95 of legislation and other governmental action that the executive or legislative agent acted to
96 monitor, promote, oppose or influence; (3) a list of all line-item numbers in any appropriation
97 bill that the executive or legislative agent acted to monitor, promote, oppose or influence; (4) a
98 statement of the executive or legislative agent’s position, if any, on each such bill, line-item or

99 other governmental action; (5) the identification of the client or clients on whose behalf the
100 executive or legislative agent was acting with respect to each such bill, line-item or
101 governmental action; (6) the amount of compensation received for executive or legislative
102 lobbying from each client with respect to such lobbying services; and (7) all direct business
103 associations with public officials. The disclosure shall be required regardless of whether the
104 legislative agent or executive agent specifically referenced the bill number or name, line-item
105 number or other governmental action while acting to promote, oppose or influence legislation,
106 and shall be as complete as practicable.

107 SECTION 8. The fourth paragraph of said section 43 of said chapter 3, as so appearing,
108 is hereby further amended by striking out the second sentence and inserting in place thereof the
109 following sentence:- Said penalty shall be in the amount of \$50 per day up to the twentieth day
110 and an additional \$100 per day for every day after the twentieth day until the statement is filed.
111 The state secretary may waive these penalties for good cause.

112 SECTION 9. Said chapter 3 is hereby further amended by striking out section 45, as so
113 appearing, and inserting in place thereof the following section:-

114 Section 45. (a) Upon receipt of a sworn complaint signed under pains and penalties of
115 perjury, or upon receipt of evidence which is deemed sufficient by the state secretary, the state
116 secretary shall initiate a preliminary inquiry into any alleged violation of sections 39 to 50,
117 inclusive. At the commencement of a preliminary inquiry into any such alleged violation, the
118 state secretary shall notify the attorney general. All proceedings and records relating to a
119 preliminary inquiry or initial staff review used to determine whether to initiate an inquiry shall
120 be confidential, except that the state secretary may provide to: (1) the attorney general, the

121 United States Attorney or a district attorney of competent jurisdiction evidence which may be
122 used in a criminal proceeding; (2) the inspector general information concerning fraud, waste, or
123 abuse in the expenditure of public funds; (3) the state ethics commission information concerning
124 violations of chapters 268A and 268B; and (4) the director of the office of campaign and political
125 finance information concerning violations of chapter 55. Any information provided by the state
126 secretary pursuant to this section shall be confidential pursuant to this section and section 4 of
127 chapter 268B, except that such information may be used by the officer or agency to whom it was
128 provided in any investigation or subsequent proceedings. The state secretary shall notify any
129 person who is the subject of the preliminary inquiry of the existence of such inquiry and the
130 general nature of the alleged violation within 30 days of the commencement of the inquiry.

131 (b) If a preliminary inquiry fails to indicate reasonable cause for belief that there has
132 been a violation of sections 39 to 50, inclusive, the state secretary shall immediately terminate
133 the inquiry and shall within 10 days so notify, in writing, the complainant, if any, and the person
134 who had been the subject of the inquiry.

135 (c) If a preliminary inquiry indicates reasonable cause for belief that there has been a
136 violation of sections 39 to 50, inclusive, the state secretary may initiate an adjudicatory
137 proceeding to determine whether there has been such a violation.

138 (d) The state secretary may require by summons the attendance and testimony of
139 witnesses and the production of books, papers and other records relating to any matter being
140 investigated pursuant to sections 39 to 50, inclusive. Such summons may be issued by the state
141 secretary and shall be served in the same manner as summonses for witnesses in criminal cases,
142 issued on behalf of the commonwealth and all the provisions of law relative to summonses

143 issued in such cases shall apply to summonses issued under this section so far as applicable. Any
144 justice of the supreme judicial court or the superior court may upon application by the state
145 secretary compel the attendance of witnesses summoned as aforesaid and the giving of testimony
146 under oath before said director in furtherance of any investigation in the same manner and to the
147 same extent as before said courts.

148 (e) The state secretary, or his designee, may administer oaths and may hear testimony or
149 receive other evidence in any proceeding.

150 (f) All testimony in an adjudicatory proceeding shall be under oath. All parties shall
151 have the right to call and examine witnesses, to introduce exhibits, to cross-examine witnesses
152 who testify, to submit evidence, and to be represented by counsel. Before testifying, all
153 witnesses shall be given a copy of the regulations governing adjudicatory proceedings.

154 (g) Any person whose name is mentioned during an adjudicatory proceeding of the state
155 secretary and who may be adversely affected thereby may appear personally before the state
156 secretary on his own behalf, with or without counsel, to give a statement in opposition to such
157 adverse mention or file a written statement of such opposition for incorporation into the record of
158 the proceeding.

159 (h) All adjudicatory proceedings of the state secretary pursuant to this section shall be
160 public and shall be subject to chapter 30A.

161 (i) Within 30 days after completion of deliberations, the state secretary shall publish a
162 written report of his findings and conclusions.

163 (j) Upon a finding pursuant to an adjudicatory proceeding that there has been a violation,
164 the state secretary may issue an order: (1) requiring the violator to cease and desist such
165 violation; (2) requiring the violator to file any report, statement or other information as required
166 by sections 39 to 50, inclusive; (3) suspending for a specified period or revoking the license and
167 registration of the violator; or (4) requiring the violator to pay a civil penalty of not more than
168 \$10,000 for each violation.

169 The state secretary may file a civil action in superior court to enforce this order.

170 (k) Final action by the state secretary under this section shall be subject to review in
171 superior court upon petition of any party in interest filed within 30 days after the action for
172 which review is sought. The court shall enter a judgment enforcing, modifying, or setting aside
173 the order of the state secretary, or it may remand the proceedings to the state secretary for such
174 further action as the court may direct. If the court modifies or sets aside the state secretary's
175 order or remands the proceedings to the state secretary, the court shall determine whether such
176 modification, set aside, or remand is substantial. If the court does find such modification, set
177 aside, or remand to be substantial, the petitioner shall be entitled to be reimbursed from the
178 treasury of the commonwealth for reasonable attorneys' fees and all court costs incurred by him
179 in the defense of the charges contained in the proceedings. The amount of such reimbursement
180 shall be awarded by the court but shall not exceed \$20,000 per person, per case.

181 (l) Any person who violates the confidentiality of an inquiry under this section shall be
182 punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both.

183 (m) The state secretary shall automatically disqualify any person convicted of a felony in
184 violation of chapter 3, chapter 55, or chapter 268A from acting or registering as an executive or
185 legislative agent for a period of 10 years from the date of conviction.

186 SECTION 10. Section 47 of said chapter 3, as so appearing, is hereby further amended
187 by striking out, in lines 4 and 5, the words “whose name appears upon the docket”.

188 SECTION 11. The second paragraph of said section 47 of said chapter 3, as so
189 appearing, is hereby amended by striking out the second sentence and inserting in place thereof
190 the following sentence:- Said penalty shall be in the amount of \$50 per day up to the twentieth
191 day and an additional \$100 per day for every day after the twentieth day until the statement is
192 filed. The state secretary may waive these penalties for good cause.

193 SECTION 12. Section 48 of chapter 3, as so appearing, is hereby amended by striking
194 out, in line 3, the words “five thousand dollars” and inserting in place thereof the following
195 words:- \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or
196 house of correction for not more than 2 1/2 years, or both.

197 SECTION 13. Section 49 of said chapter 3, as so appearing, is hereby amended by
198 inserting after the first sentence the following 2 sentences:- The supreme judicial court or
199 superior court may, upon application of the attorney general, grant equitable or mandamus relief
200 to enforce sections 41 to 43, inclusive, prohibiting the offering or giving of or paying for gifts,
201 meals, beverages, or other items. Relief under this section may include (a) an order to pay to the
202 commonwealth an amount equal to the value of any compensation or thing paid or received in
203 violation of section 42, or the value of any gift, meal, beverage, or other item given or received

204 in violation of section 43; and (b) a civil penalty of up to \$10,000 for each violation of sections
205 41 to 47, inclusive.

206 SECTION 13A. Section 9 of chapter 53 of the General Laws, as so appearing, is hereby
207 amended by striking out, in lines 21 and 22, the words “, as defined in section one of chapter
208 fifty-five A,”.

209 SECTION 14. Said section 9 of said chapter 53, as so appearing, is hereby further
210 amended by striking out, in line 25, the word “fifty-five A” and inserting in place thereof the
211 following figure:- 55C.

212 SECTION 15A.

213 Section 1. Section 1 of Chapter 55 of the General Laws is hereby amended by inserting
214 the following definitions:-

215 “Expense directly related to the campaign of a candidate,” an expense directly involved
216 in an election campaign including, without limitation, expenses such as postage, printing,
217 advertising, staffing, polling, and other such expenditures, as further regulated by the director,
218 but shall not include expenses which merely enhances a candidate’s political future.

219 Section 2. Section 6 of Chapter 55 of the General Laws is hereby amended by striking in
220 the first sentence the words “the office of governor, lieutenant governor, attorney general, state
221 secretary, treasurer and receiver general, or auditor” and inserting therefore:- public office in the
222 Commonwealth

223 Section 3. Section 6 of Chapter 55 of the General Laws is hereby amended by striking in
224 the first sentence the words “primarily for the candidate’s or any other person’s personal use”

225 and inserting therefore:- substantially for the candidate's or any other person's personal use,
226 provided, however, that the director shall establish reasonable rules and regulations concerning
227 such expenditures

228 Section 4. Section 6 of Chapter 55 of the General Laws is hereby further amended by
229 striking the second paragraph and inserting therefore:-

230 Any other political committee, except as hereafter provided, duly organized, may receive,
231 pay and expend money or other things of value for the reasonable and necessary expenses
232 directly related to the principle for which the committee was organized so long as such
233 expenditure is not substantially for any person's personal use, provided, however, that the
234 director shall establish reasonable rules and regulations concerning such expenditures; and
235 provided, further, that such committee may contribute to other political committees provided,
236 further, that the aggregate of all such contributions made by such a committee shall not exceed in
237 any one calendar year the sum of one hundred dollars to each committee; and provided further,
238 that the aggregate of all such contributions made by such a committee shall not exceed in any
239 one calendar year the sum of fifteen hundred dollars.

240 Section 5. Section 7A of Chapter 55 of the General Laws is hereby amended by striking
241 the words "calendar year" wherever it appears and inserting in place thereof:- "election"

242 Section 6. Chapter 55 of the General Laws is hereby amended by inserting after section
243 13 the following new sections:-

244 Section 13A. No legislative or executive agent, as defined by section 39 of chapter 3,
245 shall directly or indirectly solicit or receive any gift, payment, contribution, assessment,
246 subscription or promise of money or other thing of value for the political campaign purposes of

247 any candidate for the office of Governor, Lieutenant Governor, Attorney General, State Auditor,
248 State Treasurer, State Secretary, state senator or state representative, a political committee
249 established or controlled by any such candidate, a legislative caucus committee, a legislative
250 leadership committee or a party committee, but this section shall not prevent such persons from
251 being members of political organizations or committees. The soliciting or receiving of any gift,
252 payment, contribution, assessment, subscription or promise of money or other thing of value by a
253 non-elected political committee organized to promote the candidacy for public office of a
254 legislative or executive agent, shall not be deemed to be a direct or indirect solicitation or receipt
255 of such contribution by such person;

256 Violation of any provision of this section shall be punished by imprisonment for not more
257 than one year or by a fine of not more than one thousand dollars.

258 Section 13B.

259 (1) Definitions used in this section:

260 (A) "Quasi-public agency" means any authority or entity established by the General
261 Court to serve a public purpose including Bay State Skills Corporation, Boston Metropolitan
262 District, Centers of Excellence Corporation, Community Economic Development Assistance
263 Corporation, Community Development Finance Corporation, Government Land Bank,
264 Massachusetts Bay Transportation Authority, Massachusetts Business Development Corporation,
265 Massachusetts Convention Center Authority, Massachusetts Corporations for Educational
266 Telecommunications, Massachusetts Educational Loan Authority, Massachusetts Health and
267 Educational Facilities Authority, Massachusetts Horse Racing Authority, Massachusetts Housing
268 Finance Agency, Massachusetts Industrial Finance Agency, Massachusetts Industrial Service

269 Program, Massachusetts Port Authority, Massachusetts Product Development Corporation,
270 Massachusetts Technology Development Corporation, Massachusetts Technology Park
271 Corporation, Massachusetts Turnpike Authority, Massachusetts Water Resources Authority,
272 Pension Reserves Investment Management Board, State College Building Authority,
273 Southeastern Massachusetts University Building Authority, Thrift Institutions Fund for
274 Economic Development, University of Lowell Building Authority, University of Massachusetts
275 Building Authority, and the Water Pollution Abatement Trust

276 (B) "State agency" means any office, department, board, council, commission, institution
277 or other agency in the executive, legislative or judicial branch of state government.

278 (C) "State contract" means an agreement or contract with the state or any state agency or
279 any quasi-public agency, having a value of fifty thousand dollars or more, or a combination or
280 series of such agreements or contracts having a value of one hundred thousand dollars or more in
281 a fiscal year, for (i) the rendition of personal services, (ii) the furnishing of any material, supplies
282 or equipment, (iii) the construction, alteration or repair of any public building or public work,
283 (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a
284 grant, loan or loan guarantee.

285 (D) "State contractor" means a person, business entity or nonprofit organization that
286 enters into a state contract. Such person, business entity or nonprofit organization shall be
287 deemed to be a state contractor until the termination of said contract. "State contractor" does not
288 include a municipality or any other political section of the state or an employee in the executive,
289 legislative or judicial branch of state government or a quasi-public agency, whether in the

290 classified or unclassified service and full or part-time, and only in such person's capacity as a
291 state or quasi-public agency employee.

292 (E) "Prospective state contractor" means a person, business entity or nonprofit
293 organization that (i) submits a bid in response to a bid solicitation by the state, a state agency or a
294 quasi-public agency, or a proposal in response to a request for proposals by the state, a state
295 agency or a quasi-public agency, until the contract has been entered into. "Prospective state
296 contractor" does not include a municipality or any other political section of the state or an
297 employee in the executive, legislative or judicial branch of state government or a quasi-public
298 agency, whether in the classified or unclassified service and full or part-time, and only in such
299 person's capacity as a state or quasi-public agency employee.

300 (F) "Principal of a state contractor or prospective state contractor" means (i) an
301 individual who is a member of the board of directors of, or has an ownership interest in, a state
302 contractor or prospective state contractor, which is a business entity, except for an individual
303 who (I) owns less than twenty-five per cent of the shares of any such state contractor or
304 prospective state contractor that is a publicly traded corporation, or (II) is a member of the board
305 of directors of a nonprofit organization qualified under Section 501(c)(3) of the Internal Revenue
306 Code of 1986, or any subsequent corresponding internal revenue code of the United States, as
307 from time to time amended, (ii) an individual who is employed by a state contractor or
308 prospective state contractor, which is a business entity, as president, treasurer or executive or
309 senior vice president, (iii) an individual who is the chief executive officer of a state contractor or
310 prospective state contractor, which is not a business entity, (iv) an employee of any state
311 contractor or prospective state contractor who has managerial or discretionary responsibilities
312 with respect to a state contract, (v) the spouse or a dependent child of an individual described in

313 this subparagraph, or (vi) a political committee established by or on behalf of an individual
314 described in this subparagraph.

315 (2) No principal of a state contractor or prospective state contractor, with regard to a
316 state contract, bid solicitation or request for proposals with or from a state agency in the
317 executive branch or a quasi-public agency, shall make a contribution to, or solicit contributions
318 on behalf of (i) an exploratory committee or candidate committee established by a candidate for
319 nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State
320 Auditor, State Secretary, or State Treasurer, (ii) a political committee authorized to make
321 contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

322 (3) No principal of a state contractor or prospective state contractor, with regard to a
323 state contract, bid solicitation or request for proposals with or from the General Assembly, shall
324 make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or
325 candidate committee established by a candidate for nomination or election to the office of state
326 senator or state representative, (ii) a political committee authorized to make contributions or
327 expenditures to or for the benefit of such candidates, or (iii) a party committee;

328 (4) If a principal of a state contractor makes or solicits a contribution prohibited under
329 subparagraph (A) or (B) of this section, the contracting state agency or quasi-public agency may,
330 void the existing contract with said contractor, and no state agency or quasi-public agency shall
331 award the state contractor a state contract or an extension or an amendment to a state contract for
332 one year after the election for which such contribution is made or solicited. Each state contract
333 shall include the provisions of subparagraph (2) or (3) of this section, whichever is applicable,
334 and this subparagraph as conditions of the contract; and

335 (4) If a principal of a prospective state contractor makes or solicits a contribution
336 prohibited under subparagraph (2) or (3) of this section, no state agency or quasi-public agency
337 shall award the prospective state contractor the contract described in the bid solicitation or
338 request for proposals, or any other state contract for one year after the election for which such
339 contribution is made or solicited. Each state agency and quasi-public agency shall include the
340 provisions of subparagraph (2) or (3) of this section, whichever is applicable, and this
341 subparagraph in each bid solicitation and request for proposals issued by the agency. The chief
342 executive officer of each prospective state contractor shall: (i) Inform each individual described
343 in subparagraph (F) of subsection (1) of this section with regard to said prospective state
344 contractor concerning the provisions of subparagraph (2) or (3) of this section, whichever is
345 applicable, and this subparagraph, (ii) certify in a sworn statement that no such individual will
346 make or solicit a contribution in violation of the provisions of subparagraph (2) or (3) of this
347 section, whichever is applicable, and this subparagraph, and (iii) acknowledge in writing that if
348 any such contribution is made or solicited, the prospective state contractor shall be disqualified
349 from being awarded the contract described in the bid solicitation or request for proposals or
350 being awarded any other state contract for one year after the election for which such contribution
351 is made or solicited.

352 (5) (A) Neither the Governor, Lieutenant Governor, Attorney General, State Auditor,
353 State Secretary, or State Treasurer, any candidate for any such office nor any agent of any such
354 official or candidate may solicit contributions on behalf of an exploratory committee or
355 candidate committee established by a candidate for nomination or election to any public office, a
356 political committee or a party committee, from a principal of a state contractor or prospective
357 state contractor with regard to a state contract, bid solicitation or request for proposals with or

358 from a state agency in the executive branch or a quasi-public agency or a holder of a valid
359 prequalification certificate.

360 (B) Neither a member of the General Assembly, any candidate for any such office nor
361 any agent of any such official or candidate may solicit contributions on behalf of an exploratory
362 committee or candidate committee established by a candidate for nomination or election to any
363 public office, a political committee or a party committee, from a principal of a state contractor or
364 prospective state contractor with regard to a state contract, bid solicitation or request for
365 proposals with or from the General Assembly or a holder of a valid prequalification certificate.

366 (6) The provisions of this section shall not restrict a principal of a state contractor or
367 prospective state contractor from establishing an exploratory or candidate committee for said
368 principal's own campaign or from soliciting contributions for such committees from persons not
369 prohibited from making contributions under this subsection.

370 (7) Each state agency and quasi-public agency shall prepare and forward to the Office of
371 Campaign and Political Finance, on a form prescribed by said director, a list of the state contracts
372 for which the agency is a party and a list of the principals of state contractors or prospective state
373 contractors for (A) such contracts, and (B) any bid solicitations or requests for proposals issued
374 by the agency. Each state agency and quasi-public agency shall forward to said Office, on a
375 form prescribed by the director, any changes additions or deletions to said lists.

376 (8) The Office of Campaign and Political Finance shall (A) compile a master list of
377 principals of state contractors and prospective state contractors for all state agencies and quasi-
378 public agencies, based on the information received under section (1) of this subsection, (B)
379 publish the master list on the Office's Internet web site, and (C) provide copies of the master list

380 to campaign treasurers upon request. The office shall update the master list every three months.
381 Any campaign treasurer who acts in reliance on such master list in good faith shall have a
382 complete defense in any action against the campaign treasurer for depositing a contribution in
383 violation of subsection (5) of this section.

384 (9) Violation of any provision of this section shall be punished by imprisonment for not
385 more than one year or by a fine of not more than one thousand dollars.

386 Notwithstanding any special or general law to the contrary, the provisions of this section
387 shall not take effect until such time as: (i) the Office of Campaign and Political Finance has
388 furnished a study of its impact and the revenue cost to the Commonwealth related to compliance
389 and enforcement, including, but not limited to, the constitutionality of the provisions, the current
390 practice of other states, any anticipated change in employment, and ancillary economic activity,
391 to the Joint Committee on Election Laws; and (ii) the General Court enacts legislation.

392 SECTION 16. The eighth paragraph of section 3 of said chapter 55, as so appearing, is
393 hereby amended by adding the following two sentences:- The name of a candidate who fails to
394 file any statement or report after receiving notice under this section of such failure and who
395 continues to fail to file such statement or report after the institution of civil proceedings under
396 this section to compel such filing shall not appear on a state ballot after the initiation of such civil
397 proceedings, until such time as the statement or report is filed, and the director shall inform the
398 state secretary of such failure prior to the deadline for filing nomination papers with the state
399 secretary for such candidate pursuant to chapter 53. Any candidate who files such statement or
400 report with the director after the deadline for filing nomination papers with the secretary shall not
401 be allowed on the state ballot.

402 SECTION 17. Said section 3 of said chapter 55, as so appearing, is hereby amended by
403 inserting, after the word “requested,” in line 111, the following words:- , by personal delivery,
404 by leaving a copy of the notice at the person’s last and usual place of residence or by delivering a
405 copy of the notice to an attorney who has appeared on behalf of the alleged violator.

406 SECTION 18. The eleventh paragraph of said section 3 of said chapter 55, as so
407 appearing, is hereby amended by striking the last sentence and inserting in place thereof the
408 following three sentences:- For a candidate who is holding elective office whose term of office
409 is 3 or more years, for the treasurer of the political committee organized on behalf of such
410 candidate, or for any person or entity supporting or opposing such candidate, evidence of any
411 violation of this chapter, if submitted to the attorney general prior to the next election for the
412 office held by the candidate that occurs after the violation, shall be submitted no later than 2
413 years prior to such election, and if submitted after the election, such evidence may not be
414 submitted more than 3 years after said election. For all other persons or entities under
415 investigation for violations relating to an identifiable election, evidence of any violation of this
416 chapter shall be presented by the director to the attorney general only after the next relevant
417 election, but within 3 years after said election. If the evidence does not relate to an identifiable
418 election, referral shall take place within 3 years of the violation.

419 SECTION 19. The twelfth paragraph of said section 3 of said chapter 55, as so
420 appearing, is hereby amended by striking out the second sentence and inserting in place thereof
421 the following sentence:- Said civil penalty shall be in the amount of \$25 per day; provided,
422 however, that the maximum penalty the director may assess shall be no greater than \$5,000 for
423 any one report, statement or affidavit which is filed later than the prescribed date.

424 SECTION 20. Section 8 of said chapter 55, as so appearing, is hereby amended by
425 inserting after the word “business”, in line 7, the following words:- or professional.

426 SECTION 21. Section 18 of said chapter 55, as so appearing, is hereby amended by
427 striking out the first paragraph and inserting in place thereof the following paragraph:-

428 Each candidate and each treasurer of a political committee shall, except as provided in
429 this section and section 24, file with the director. A candidate and a committee organized on
430 behalf of candidates seeking public office at a municipal election shall file with the director, if
431 the candidate is seeking the office of mayor in a municipality with a total population, as
432 determined by the most recent decennial federal census, of between 40,000 and 100,000 persons,
433 or if the committee is required to file with the director pursuant to section 19. All other
434 candidates seeking public office at a city or town election shall file reports with the city or town
435 clerk. A committee organized under section 5 to favor or oppose a question submitted to the
436 voters shall file its reports with the director if the question appears on ballots at a state election,
437 or with the city or town clerk if the question appears on ballots at a city or town election or for
438 use in a city or town at a state election. Reports of contributions received and expenditures made
439 shall be filed using forms prescribed by the director.

440 SECTION 22. The second paragraph of said section 18 of said chapter 55, as so
441 appearing, is hereby amended by striking out clause (a) and inserting in place thereof the
442 following clause:-

443 (a) by each candidate for nomination or election to the state senate or house of
444 representatives, and by the non-elected political committee organized on behalf of such
445 candidate, on or before: (i) the twentieth day of July complete as to the thirtieth day of June; (ii)

446 the eighth day preceding a primary, the eighth day preceding a biennial state election, and, as a
447 final report, the twentieth day of January in the following year complete as to the thirty-first day
448 of December of the prior year; and (iii) the eighth day preceding a special primary, including a
449 convention or a caucus, the eighth day preceding a special election, the thirtieth day following a
450 special election, and, as a final report, the twentieth day of January in the following year
451 complete as to the thirty-first day of December of the prior year.

452 SECTION 23. Said section 18 of said chapter 55, as so appearing, is hereby amended by
453 inserting after the word “January”, in line 102, the following words:- provided however, that
454 candidates for the state senate or house of representatives, the nonelected political committees
455 organized on behalf of such candidates, and political action committees, shall also file mid-year
456 reports on or before the twentieth day of July in each year.

457 SECTION 24. The third paragraph of said section 18 of said chapter 55, as so appearing,
458 is hereby amended by striking out the last sentence and inserting in place thereof the following
459 two sentences:- For all candidates and all political committees, if said report is not an initial
460 report, the reporting period of such reports required to be filed on or before the twentieth day of
461 July in each year shall commence on the first day of January of that year, or on the day following
462 the end of the reporting period of the last report filed, if any, whichever period is shorter, and
463 shall end as of the thirtieth day of June of said year. The reporting period for the report required
464 to be filed on or before the twentieth day of January in each year shall commence on the first day
465 of July of the prior year, or on the day following the end of the reporting period of the last report
466 filed, if any, whichever period is shorter, and shall end as of the thirty-first day of December of
467 said prior year.

468 SECTION 24A. Subsection (b) of said section 18C of said chapter 55, as appearing in
469 the 2006 Official Edition, is hereby amended by adding at the end thereof the following:-

470 (4) Every political committee organized on behalf of a candidate that files with the
471 director, and every ballot question committee that files with the director, which receives and
472 deposits a contribution in the amount of \$500 after the eighteenth day, but more than 72 hours,
473 before the date of a special, preliminary, primary or general election, shall file a report to
474 disclose the information required by this chapter, within 72 hours of depositing such
475 contribution.

476 SECTION 24B. Said section 18 of said chapter 55, as so appearing, is hereby further
477 amended by striking out, in line 253, the words “the Local Aid Fund” and inserting in place
478 thereof the words:- the General Fund.

479 SECTION 24C. Subsection (b) of said section 18C of said chapter 55, as so appearing, is
480 hereby amended by adding the following two clauses:-

481 (4) For any political committee required to file campaign finance reports electronically
482 with the director, any reports filed pursuant to section 18D made to disclose expenditures by
483 vendors of the committee to subvendors.

484 (5) Each candidate’s committee organized on behalf of a candidate for mayor in a
485 municipality with a total population, as determined by the most recent decennial federal census,
486 of between 40,000 and 100,000 persons, if the committee, during the election cycle, can
487 reasonably expect to raise or spend more than \$5,000.

488 SECTION 25. Said chapter 55 is hereby further amended by inserting after section 18C
489 the following two sections:-

490 Section 18D. (a) For the purpose of this section the following words shall, unless the
491 context clearly requires otherwise, have the following meanings:-

492 “Expenditure”, any payment made or liability incurred by a vendor on behalf of a
493 political committee.

494 “Person”, a natural person, corporation, association, partnership or other legal entity.

495 “Subvendor”, a person providing goods or services to a vendor or who contracts with a
496 vendor to provide goods or services to a committee.

497 “Vendor”, any person including, but not limited to, a consultant, who provides goods or
498 services to a political committee that files with the director and either receives or is promised
499 \$5,000 or more in the aggregate during a calendar year by the committee for such goods or
500 services, or contracts with another on behalf of the committee for such goods or services valued
501 at \$5,000 or more in the aggregate to be provided to the committee.

502 (b) A vendor that makes an expenditure on behalf of a political committee shall provide
503 the political committee with a detailed account of the expenditure including, but not limited to,
504 the date of the expenditure, the person who received payment, the full name and address of the
505 subvendor, the purpose of the expenditure, and the amount of the expenditure, within 5 days of
506 making such expenditure.

507 (c) A political committee that makes a payment to a vendor or incurs a liability to a
508 vendor shall file reports with the director disclosing the full name and address, listed

509 alphabetically, of each subvendor receiving payments of more than \$500 in the aggregate during
510 a calendar year from the vendor, and of each subvendor to whom a liability of more than \$500
511 was incurred. The contents of such report shall include the information required by section 18
512 and be disclosed on a form prescribed by the director. For committees required to designate a
513 depository account under section 19, the reports must be filed on or before the fifth day of each
514 month covering the preceding month; for other committees, the report must be filed in
515 accordance with the schedule established by section 18.

516 (d) Vendors shall keep detailed accounts of all expenditures made on behalf of political
517 committees.

518 Section 18E. (a) Legal defense funds may be created by a candidate or the candidate's
519 political committee to defend against a criminal prosecution, or to pay costs associated with a
520 civil matter that is not primarily personal in nature. Inauguration funds may be created by a
521 candidate or the candidate's political committee to pay for the costs associated with an inaugural
522 event. Recount funds may be created by a candidate or candidate's political committee to pay
523 for the legal or other costs associated with a recount. Legal defense, inauguration, or recount
524 funds shall be created separately from the candidate's campaign account or committee, and are
525 subject to the following conditions: (1) assets of a political committee may not be used by the
526 fund; (2) any donations received by the fund may not be deposited into the candidate's campaign
527 account or a committee account; and (3) donations to such fund may not be used to benefit a
528 political committee.

529 (b) Donations to a legal defense, recount, or inauguration fund, if not contributions, shall
530 be disclosed to the director or, if made by a candidate or committee that does not file with the

531 director, the city or town clerk, on or before the fifth day of the month following the month in
532 which the donations are received, complete as of the last day of the preceding month, on forms to
533 be prescribed by the director. The report shall disclose the name and address of all persons
534 donating more than \$50 during the reporting period, listed alphabetically, the amount of each
535 such donation, and the total amount of donations received in the reporting period not otherwise
536 reported.

537 (c) For purposes of this section, the term “donations” shall include donations in money
538 or in-kind, and loans provided to legal defense, recount, or inauguration fund.

539 SECTION 26. Section 22 of said chapter 55, as so appearing, is hereby amended by
540 striking out, in line 1, the word “The” and inserting in place thereof the following words:- Any
541 person or the.

542 SECTION 27. Said section 22 of said chapter 55, as so appearing, is hereby further
543 amended by inserting after the word “such”, in lines 17, 31 and 41, the following words:- person
544 or.

545 SECTION 28. Said section 22 of said chapter 55, as so appearing, is hereby further
546 amended by inserting after the word “Any”, in line 38, the following words:- person or.

547 SECTION 29. Section 24 of said chapter 55, as so appearing, is hereby amended by
548 inserting after the word “office”, in line 3, the following words:- , other than a municipal office
549 for which a candidate is required to file with the director in accordance with section 18C or
550 section 19,.

551 SECTION 30. Said section 24 of said chapter 55, as so appearing, is hereby further
552 amended by inserting after the word “statement”, in lines 1, 4, 5, 8, 9, and 12, the following
553 words:- or report.

554 SECTION 31. Said section 24 of said chapter 55, as so appearing, is hereby further
555 amended by inserting after the word “statements”, in lines 13 and 14, the following words:- and
556 reports.

557 SECTION 31A. Section 26 of Chapter 55 is hereby amended by striking the first two
558 sentences of said section and inserting in place thereof the following:-

559 The city or town clerk shall retain all statements and reports required to be filed with him
560 until December 31st of the sixth year following the relevant election. In the case of committees
561 other than those authorized by a candidate, the city or town clerk shall retain all required
562 statements and reports filed with him until December 31st of the sixth year following the date
563 that the statement or report was filed.

564 SECTION 31B. Section 26 of Chapter 55 is hereby amended by inserting a new sentence
565 at the end of the section as follows:-

566 Upon the filing deadline, all campaign finance reports required to be filed with the city or
567 town clerk under Section 18 shall be made available for viewing on the World Wide Web via the
568 website of the municipality, if such municipality has a website.

569 SECTION 32. Said chapter 55 is hereby further amended by striking out section 29, as
570 so appearing, and inserting in place thereof the following section:-

571 Section 29. Upon failure to file a statement, report or affidavit within 10 days after
572 receiving notice under section 28, the city or town clerk, as the case may be, shall notify the
573 director thereof and shall furnish him with copies of all papers related thereto and the director, if
574 satisfied there is cause, shall assess a penalty and may refer the person or committee to the
575 attorney general pursuant to section 3. If any statement filed with the city or town clerk, as the
576 case may be, discloses any violation of this chapter, such city or town clerk shall notify the
577 director thereof and shall furnish him with copies of all papers relating thereto. The director
578 shall examine every such case referred to him by such clerk and may refer such cases to the
579 attorney general in accordance with section 3. If satisfied that there is cause, the attorney general
580 shall, in the name of the commonwealth, institute appropriate criminal or civil proceedings or
581 refer the case to the proper district attorney for such actions as may be appropriate. Any city or
582 town clerk shall at any time upon the request of the attorney general or the director forward any
583 evidence or information received by such clerk to the attorney general or director for whatever
584 action the attorney general or director deems appropriate pursuant to law.

585 SECTION 33. The last paragraph of section 4 of chapter 55C of the General Laws, as so
586 appearing, is hereby amended by striking out the last sentence and inserting in place thereof the
587 following two sentences:- Determination and certification of the eligibility of candidates shall be
588 made by the director on the eighth Tuesday before the primary and shall be based solely upon
589 information contained in such statements as have been filed by candidates. Candidates for
590 governor seeking public financing shall file the statement on or before the Friday that is 11 days
591 preceding said eighth Tuesday and other candidates seeking public financing shall file said
592 statements on or before the Friday next preceding said eighth Tuesday.

593 SECTION 34. The second paragraph of section 6 of said chapter 55C of the General
594 Laws, as so appearing, is hereby amended by striking out the last sentence and inserting in place
595 thereof the following two sentences:- Determination and certification of the eligibility of
596 candidates shall be made by the director on the fourth Tuesday before the state election and shall
597 be based solely upon information contained in such statements as have been filed by candidates.
598 Candidates for governor and lieutenant governor seeking public financing shall file the statement
599 on or before the Friday that is 11 days preceding said fourth Tuesday and other candidates
600 seeking public financing shall file said statements on or before the Friday next preceding said
601 fourth Tuesday.

602 SECTION 34A. Subsection (b) of section 2 of chapter 62 of the General Laws, as
603 appearing in the 2006 Official Edition, is hereby amended, in line 229, by striking out the words
604 “gross income.” and inserting in place thereof the following words:- gross income, provided that
605 Part B gross income shall include bribes, corrupt gifts and any income gained through illegal
606 activities.”

607 SECTION 35. Chapter 268 of the General Laws is hereby amended by inserting after
608 section 13D the following section:-

609 Section 13E. (a) As used in this section the following word shall, unless the context
610 clearly requires otherwise, have the following meaning:-

611 “Official proceeding”, a proceeding before a court or grand jury, or a proceeding before a
612 state agency or commission, which proceeding is authorized by law and relates to an alleged
613 violation of a criminal statute or the laws and regulations enforced by the state ethics

614 commission, the state secretary, the office of the inspector general, or the office of campaign and
615 political finance, for which the attorney general may issue a civil investigative demand.

616 (b) Whoever alters, destroys, mutilates, or conceals a record, document, or other object,
617 or attempts to do so, with the intent to impair the record, document or object's integrity or
618 availability for use in an official proceeding, whether or not the proceeding is pending at that
619 time, shall be punished, by (i) a fine of not more than \$10,000, or by imprisonment in the state
620 prison for not more than 5 years, or in a jail or house of correction for not more than 2 1/2 years,
621 or both, or (ii) if the official proceeding involves a violation of a criminal statute, by a fine of not
622 more than \$25,000, or by imprisonment in the state prison for not more than 10 years, or in a jail
623 or house of correction for not more than 2 1/2 years, or both.

624 (c) The record, document, or other object need not be admissible in evidence or free of a
625 claim of privilege.

626 (d) A prosecution under this section may be brought in the county where the official
627 proceeding was or would have been convened or where the alleged conduct constituting an
628 offense occurred.

629 SECTION 36. Section 2 of chapter 268A of the General Laws, as appearing in the 2006
630 Official Edition, is hereby amended by striking out, in lines 46 to 49, inclusive, the words "five
631 thousand dollars or by imprisonment in the state prison for not more than three years or in a jail
632 or house of correction for not more than two and one half years, or by both such fine and
633 imprisonment in a jail or house of correction" and inserting in place thereof the following
634 words:- \$100,000, or by imprisonment in the state prison for not more than 10 years, or in a jail
635 or house of correction for not more than 2 1/2 years, or both.

636 SECTION 37. Chapter 268A of the General Laws, as so appearing, is hereby amended
637 by striking out section 3 and inserting in place thereof the following section:-

638 Section 3. (a) Whoever knowingly, otherwise than as provided by law for the proper
639 discharge of official duty, directly or indirectly, gives, offers or promises anything of substantial
640 value to any present or former state, county or municipal employee or to any member of the
641 judiciary, or to any person selected to be such an employee or member of the judiciary: (i) for or
642 because of any official act performed or to be performed by such an employee or member of the
643 judiciary or person selected to be such an employee or member of the judiciary; or (ii) to
644 influence, or attempt to influence, an official action of the state, county or municipal employee or
645 to any member of the judiciary; or

646 (b) Whoever knowingly, being a present or former state, county or municipal employee
647 or member of the judiciary, or person selected to be such an employee or member of the
648 judiciary, otherwise than as provided by law for the proper discharge of official duty, directly or
649 indirectly, asks, demands, exacts, solicits, seeks, accepts, receives or agrees to receive anything
650 of substantial value: (i) for himself for or because of any official act or act within his official
651 responsibility performed or to be performed by him; or (ii) to influence, or attempt to influence,
652 him in an official act taken; or

653 (c) Whoever knowingly, directly or indirectly, gives, offers or promises anything of
654 substantial value to any person, for or because of testimony under oath or affirmation given or to
655 be given by such person or any other person as a witness upon a trial, hearing or other
656 proceeding, before any court, any committee of either house or both houses of the general court,

657 or any agency, commission or officer authorized by the laws of the commonwealth to hear
658 evidence or take testimony or for or because of his absence therefrom; or

659 (d) Whoever knowingly, directly or indirectly, asks, demands, exacts, solicits, seeks,
660 accepts, receives or agrees to receive anything of substantial value for himself for or because of
661 the testimony under oath or affirmation given or to be given by him or any other person as a
662 witness upon any such trial, hearing or other proceeding, or for or because of his absence
663 therefrom; shall be punished by a fine of not more than \$100,000, or by imprisonment in the
664 state prison for not more than 10 years, or in a jail or house of correction for not more than 2 1/2
665 years, or both.

666 (e) Clauses (c) and (d) shall not prohibit the payment or receipt of witness fees provided
667 by law or the payment by the party upon whose behalf a witness is called and receipt by a
668 witness of the reasonable cost of travel and subsistence incurred and the reasonable value of time
669 lost in attendance at any such trial, hearing or proceeding, or, in the case of expert witnesses,
670 involving a technical or professional opinion, a reasonable fee for time spent in the preparation
671 of such opinion, in appearing or testifying.

672 SECTION 38. Said section 3 of said chapter 268A, as so appearing, is hereby further
673 amended by adding the following paragraph:-

674 The state ethics commission shall adopt regulations: (i) defining “substantial value,”
675 provided however that “substantial value” shall not be less than \$50; (ii) establishing exclusions
676 for ceremonial gifts; (iii) establishing exclusions for gifts given solely because of family or
677 friendship; and (iv) establishing additional exclusions for other situations that do not present a
678 genuine risk of a conflict or the appearance of a conflict of interest.

679 SECTION 39. Section 4 of said chapter 268A, as so appearing, is hereby amended by
680 striking out, in lines 17 and 18, inclusive, or section 23 the words “three thousand dollars or by
681 imprisonment for not more than two years, or both” and inserting in place thereof the following
682 words:- \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or
683 house of correction for not more than 2 1/2 years, or both.

684 SECTION 40. Section 5 of said chapter 268A, as so appearing, is hereby amended by
685 inserting after the word “legislative”, in line 26, the following words:- or executive.

686 SECTION 41. Said section 5 of said chapter 268A, as so appearing, is hereby further
687 amended by inserting after the word “body”, in line 28, the following words:- , as determined by
688 the state ethics commission.

689 SECTION 42. Said section 5 of said chapter 268A, as so appearing, is hereby further
690 amended by striking out, in lines 41 and 42, inclusive, the words “three thousand dollars or by
691 imprisonment for not more than two years, or both” and inserting in place thereof the following
692 words:- \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or
693 house of correction for not more than 2 1/2 years, or both.

694 SECTION 43. Section 6 of said chapter 268A, as so appearing, is hereby amended by
695 striking out, in lines 7 and 8, inclusive, the words “three thousand dollars or by imprisonment for
696 not more than two years, or both” and inserting in place thereof the following words:- \$10,000,
697 or by imprisonment in the state prison for not more than 5 years, or in a jail or house of
698 correction for not more than 2 1/2 years, or both.

699 SECTION 44. Section 7 of said chapter 268A, as so appearing, is hereby amended by
700 striking out, in lines 5 and 6, inclusive, the words “three thousand dollars or by imprisonment for

701 not more than two years, or both” and inserting in place thereof the following words:- \$10,000,
702 or by imprisonment in the state prison for not more than 5 years, or in a jail or house of
703 correction for not more than 2 1/2 years, or both.

704 SECTION 45. Section 8 of said chapter 268A, as so appearing, is hereby amended by
705 striking out, in lines 17 and 18, inclusive, the words “five thousand dollars or by imprisonment
706 for not more than two years, or both” and inserting in place thereof the following words:-

707 \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or house
708 of correction for not more than 2 1/2 years, or both.

709 SECTION 46. Said chapter 268A is hereby further amended by striking out section 9, as
710 so appearing, and inserting in place thereof the following section:-

711 Section 9. (a) In addition to any other remedies provided by law, any violation of
712 sections 2 to 8, inclusive, or section 23 which has substantially influenced the action taken by
713 any state agency in any particular matter, shall be grounds for avoiding, rescinding or canceling
714 the action on such terms as the interests of the commonwealth and innocent third persons require.

715 (b) In addition to the remedies set forth in subsection (a), the state ethics commission
716 upon a finding pursuant to an adjudicatory proceeding that a person has acted to his economic
717 advantage in violation of sections 2 to 8, inclusive, or section 23, may issue an order: (1)
718 requiring the violator to pay the commission on behalf of the commonwealth damages in the
719 amount of the economic advantage or \$500, whichever is greater; and (2) requiring the violator
720 to make restitution to an injured third party. If there has been no final criminal judgment of
721 conviction or acquittal of the same violation, upon receipt of the written approval of the attorney
722 general, the commission may order payment of additional damages in an amount not exceeding

723 twice the amount of the economic advantage or \$500, and payment of such additional damages
724 shall bar any criminal prosecution for the same violation.

725 The maximum damages that the commission may order a violator to pay under this
726 section shall be \$25,000. If the commission determines that the damages authorized by this
727 section exceed \$25,000, it may bring a civil action against the violator to recover such damages.

728 (c) The remedies authorized by this section shall be in addition to any civil penalty
729 imposed by the state ethics commission in accordance with clause (3) of subsection (j) of section
730 4 of chapter 268B.

731 SECTION 47. Section 11 of said chapter 268A, as so appearing, is hereby amended by
732 striking out, in lines 16 and 17, the words “three thousand dollars or by imprisonment for not
733 more than two years, or both” and inserting in place thereof the following words:- \$10,000, or
734 by imprisonment in the state prison for not more than 5 years, or in a jail or house of correction
735 for not more than 2 1/2 years, or both.

736 SECTION 48. Section 12 of said chapter 268A, as so appearing, is hereby amended by
737 striking out, in lines 24 and 25, inclusive, the words “three thousand dollars or by imprisonment
738 for not more than two years, or both” and inserting in place thereof the following words:-
739 \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or house
740 of correction for not more than 2 1/2 years, or both.

741 SECTION 49. Section 13 of said chapter 268A, as so appearing, is hereby amended by
742 striking out, in lines 7 and 8, the words “three thousand dollars or by imprisonment for not more
743 than two years, or both” and inserting in place thereof the following words:- \$10,000, or by

744 imprisonment in the state prison for not more than 5 years, or in a jail or house of correction for
745 not more than 2 1/2 years, or both.

746 SECTION 50. Section 14 of said chapter 268A, as so appearing, is hereby amended by
747 striking out, in lines 5 and 6, inclusive, the words “three thousand dollars or by imprisonment for
748 not more than two years, or both” and inserting in place thereof the following words:- \$10,000,
749 or by imprisonment in the state prison for not more than 5 years, or in a jail or house of
750 correction for not more than 2 1/2 years, or both.

751 SECTION 51. Said chapter 268A is hereby further amended by striking out section 15,
752 as so appearing, and inserting in place thereof the following section:-

753 Section 15. (a) In addition to any other remedies provided by law, a violation of section
754 2, 3, 8, or sections 11 to 14, inclusive, or section 23 which has substantially influenced the action
755 taken by any county agency in any particular matter, shall be grounds for avoiding, rescinding, or
756 canceling the action on such terms as the interests of the county and innocent third persons
757 require.

758 (b) In addition to the remedies set forth in subsection (a), the commission may, upon a
759 finding pursuant to an adjudicatory proceeding that a person has acted to his economic advantage
760 in violation of section 2, 3, 8, sections 11 to 14, inclusive, or section 23 issue an order (1)
761 requiring the violator to pay the commission on behalf of the county damages in the amount of
762 the economic advantage or \$500, whichever is greater; and (2) requiring the violator to make
763 restitution to an injured third party. If there has been no final criminal judgment of conviction or
764 acquittal of the same violation, upon receipt of the written approval of the attorney general and
765 the district attorney, the commission may order payment of additional damages in an amount not

766 exceeding twice the amount of the economic advantage or \$500, and payment of such additional
767 damages shall bar any criminal prosecution for the same violation.

768 The maximum damages that the commission may order a violator to pay under this
769 section shall be \$25,000. If the commission determines that the damages authorized by this
770 section exceed \$25,000, it may bring a civil action against the violator to recover such damages.

771 (c) The remedies authorized by this section shall be in addition to any civil penalty
772 imposed by the commission in accordance with clause (3) of subsection (j) of section 4 of
773 chapter 268B.

774 SECTION 52. Section 17 of said chapter 268A, as so appearing, is hereby amended by
775 striking out, in lines 16 and 17, the words “three thousand dollars or by imprisonment for not
776 more than two years, or both” and inserting in place thereof the following words:- \$10,000, or
777 by imprisonment in the state prison for not more than 5 years, or in a jail or house of correction
778 for not more than 2 1/2 years, or both.

779 SECTION 53. Section 18 of said chapter 268A, as so appearing, is hereby amended by
780 striking out, in lines 22 and 23, inclusive, the words “three thousand dollars or by imprisonment
781 for not more than two years, or both” and inserting in place thereof the following words:-
782 \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or house
783 of correction for not more than 2 1/2 years, or both.

784 SECTION 54. Section 19 of said chapter 268A, as so appearing, is hereby amended by
785 striking out, in lines 7 and 8, the words “three thousand dollars or by imprisonment for not more
786 than two years, or both” and inserting in place thereof the following words:- \$10,000, or by

787 imprisonment in the state prison for not more than 5 years, or in a jail or house of correction for
788 not more than 2 1/2 years, or both.

789 SECTION 55. Section 20 of said chapter 268A, as so appearing, is hereby amended by
790 striking out, in lines 5 and 6, inclusive, the words “three thousand dollars or by imprisonment for
791 not more than two years, or both” and inserting in place thereof the following words:- \$10,000,
792 or by imprisonment in the state prison for not more than 5 years, or in a jail or house of
793 correction for not more than 2 1/2 years, or both.

794 SECTION 56. Said chapter 268A is hereby further amended by striking out section 21,
795 as so appearing, and inserting in place thereof the following section:-

796 Section 21. (a) In addition to any other remedies provided by law, a finding by the
797 commission pursuant to an adjudicatory proceeding that there has been any violation of section
798 2, 3, 8, or sections 17 to 20, inclusive, which has substantially influenced the action taken by any
799 municipal agency in any particular matter, shall be grounds for avoiding, rescinding, or canceling
800 the action of said municipal agency upon request by said municipal agency on such terms as the
801 interests of the municipality and innocent third persons require.

802 (b) In addition to the remedies set forth in subsection (a) , the commission may, upon a
803 finding pursuant to an adjudicatory proceeding that a person has acted to his economic advantage
804 in violation of section 2, 3, 8, sections 17 to 20, inclusive, or section 23, may issue an order (1)
805 requiring the violator to pay the commission on behalf of the municipality damages in the
806 amount of the economic advantage or \$500, whichever is greater; and (2) requiring the violator
807 to make restitution to an injured third party. If there has been no final criminal judgment of
808 conviction or acquittal of the same violation, upon receipt of the written approval of the district

809 attorney, the commission may order payment of additional damages in an amount not exceeding
810 twice the amount of the economic advantage or \$500, and payment of such additional damages
811 shall bar any criminal prosecution for the same violation. The maximum damages that the
812 commission may order a violator to pay under this section shall be \$25,000. If the commission
813 determines that the damages authorized by this section exceed \$25,000, it may bring a civil
814 action against the violator to recover such damages.

815 (c) The remedies authorized by this section shall be in addition to any civil penalty
816 imposed by the commission in accordance with clause (3) of subsection (j) of section 4 of
817 chapter 268B.

818 SECTION 57. Section 23 of said chapter 268A, as so appearing, is hereby amended by
819 striking out, in line 21, the word “conclusion.” and inserting in place thereof the following
820 words:- conclusion; or.

821 (4) present a false or fraudulent claim to his employer for any payment or benefit of
822 substantial value.

823 SECTION 58. Said section 23 of said chapter 268A, as so appearing, is hereby further
824 amended by striking out paragraph (f).

825 SECTION 59. Said chapter 268A is hereby further amended by adding the following 4
826 sections:-

827 Section 26. Any person who, with fraudulent intent, violates clauses (1), (2) or (4) of
828 paragraph (b) or paragraph (c) of section 23, and any person who, with fraudulent intent, causes
829 any other person to violate said clauses (1), (2) or (4) of said paragraph (b) or paragraph (c) shall

830 be punished by a fine of not more than \$10,000, or by imprisonment in the state prison for not
831 more than 5 years, or in a jail or house of correction for not more than 2 1/2 years, or both.

832 Section 27. The commission shall prepare, and update as necessary, summaries of this
833 chapter for state, county, and municipal employees, respectively, which the commission shall
834 publish on its official website. Every state, county, and municipal employee shall, within 30 days
835 of becoming such an employee, and on an annual basis thereafter, be furnished with a summary
836 of this chapter prepared by the commission and sign a written acknowledgment that he has been
837 provided with such a summary. Municipal employees shall be furnished with the summary by,
838 and file an acknowledgment with, the city or town clerk. Appointed state and county employees
839 shall be furnished with the summary by, and file an acknowledgment with, the employee's
840 appointing authority or his designee. Elected state and county employees shall be furnished with
841 the summary by, and file an acknowledgment with, the commission. The commission shall
842 establish procedures for implementing this section and ensuring compliance.

843 Section 28. The state ethics commission shall prepare and update from time to time the
844 following online training programs, which the commission shall publish on its official website:

845 (1) a program which shall provide a general introduction to the requirements of this
846 chapter. Every state, county, and municipal employee shall, within 30 days after becoming such
847 an employee, and every 2 years thereafter, complete the online training program. Upon
848 completion of the online training program, the commission shall log and maintain an electronic
849 record of completion for 6 years.

850 (2) a program which shall provide information on the requirements of this chapter
851 applicable to former state, county, and municipal employees.

852 The commission shall establish procedures for implementing this section and ensuring
853 compliance.

854 Section 29. Each municipality, acting through its city council, board of selectmen, or
855 board of aldermen, shall designate a senior level employee of the municipality as its liaison to
856 the state ethics commission. The municipality shall notify the commission in writing of any
857 change to such designation within 30 days of such change. The commission shall disseminate
858 information to the designated liaisons and conduct educational seminars for designated liaisons
859 on a regular basis on a schedule to be determined by the commission in consultation with the
860 municipalities.

861 SECTION 60. Section 1 of chapter 268B of the General Laws, as appearing in the 2006
862 Official Edition, is hereby amended by inserting after clause (f) the following clause:-

863 (f 1/2) “executive agent”, a person who for compensation or reward engages in executive
864 lobbying, which includes at least 1 communication with a government employee. The term
865 “executive agent” shall include a person who, as part of his regular and usual business or
866 professional activities and not simply incidental thereto, engages in executive lobbying, whether
867 or not any compensation in addition to the salary for such activities is received for such services.
868 For the purposes of this definition a person shall be presumed to engage in activity covered by
869 this definition in a manner that is simply incidental to his regular and usual business or
870 professional activities if he: (i) engages in any activity or activities covered by this definition for
871 not more than 10 hours during any reporting period; and (ii) receives less than \$2,500 during any
872 reporting period, for any activity or activities covered by this definition;

873 SECTION 61. Said section 1 of said chapter 268B, as so appearing, is hereby further
874 amended by striking out clause (k) and inserting in place thereof the following clause:-

875 (k) “legislative agent”, a person who for compensation or reward engages in legislative
876 lobbying, which includes at least 1 communication with a government employee. The term
877 “legislative agent” shall include a person who, as part of his regular and usual business or
878 professional activities and not simply incidental thereto, engages in legislative lobbying, whether
879 or not any compensation in addition to the salary for such activities is received for such services.
880 For purposes of this definition a person shall be presumed to engage in activity covered by this
881 definition in a manner that is simply incidental to his regular and usual business or professional
882 activities if he: (i) engages in any activity or activities covered by this definition for not more
883 than 10 hours during any reporting period; and (ii) receives less than \$2,500 during any reporting
884 period, for any activity or activities covered by this definition.

885 SECTION 62. Section 2 of said chapter 268B, as so appearing, is hereby amended by
886 inserting after the word “general”, in line 61, the following words:- , inspector general, state
887 secretary.

888 SECTION 63. Section 3 of said chapter 268B, as so appearing, is hereby amended by
889 striking out, in lines 4 and 5, the words “; provided, however, that the rules and regulations shall
890 be limited to providing” and inserting in place thereof the following words:- , including but not
891 to providing.

892 SECTION 64. Paragraph (a) of section 4 of said chapter 268B, as so appearing, is hereby
893 amended by striking out the third sentence and inserting in place thereof the following 2
894 sentences:- All commission proceedings and records relating to a preliminary inquiry or initial

895 staff review to determine whether to initiate an inquiry shall be confidential, except that the
896 commission may provide to: (1) the attorney general, the United States Attorney or a district
897 attorney of competent jurisdiction information which may be used in a criminal proceeding; (2)
898 the inspector general information concerning fraud, waste, or abuse in the expenditure of public
899 funds; (3) the state secretary information concerning violations of sections 39 to 50, inclusive, of
900 chapter 3; and (4) the director of the office of campaign and political finance information
901 concerning violations of chapter 55. Any information provided by the commission pursuant to
902 this section shall be confidential in accordance with this section, except that such information
903 may be used by the officer or agency to whom it was provided in any investigation or subsequent
904 proceedings.

905 SECTION 65. Said section 4 of said chapter 268B, as so appearing, is hereby further
906 amended by inserting after the word “and”, in line 18, the following words:- within 10 days of
907 such termination

908 SECTION 66. Paragraph (c) of said section 4 of said chapter 268B, as so appearing, is
909 hereby amended by adding the following sentence:- The commission shall initiate such an
910 adjudicatory proceeding within 5 years from the date the commission learns of the alleged
911 violation, but not more than 6 years from the date of the last conduct relating to the alleged
912 violation.

913 SECTION 67. Paragraph (d) of said section 4 of said chapter 268B of the General Laws,
914 as so appearing, is hereby amended by striking out the last sentence and inserting in place thereof
915 the following sentence:- Such summonses shall have the same force, and be obeyed in the same
916 manner, and under the same penalties in case of default, as if issued by order of a justice of the

917 superior court and may be quashed only upon motion of the summonsed party and by order of a
918 justice of the superior court.

919 SECTION 68. Said section 4 of said chapter 268B, as so appearing, is hereby further
920 amended by striking out, in lines 73 and 74, the words “two thousand dollars for each violation
921 of this chapter or said chapter two hundred and sixty-eight A” and inserting in place thereof the
922 following words:- \$10,000 for each violation of this chapter or chapter 268A, with the exception
923 of a violation of section 2 of chapter 268A, which shall be subject to a civil penalty of not more
924 than \$25,000.

925 SECTION 69. Said section 4 of said chapter 268B, as so appearing, is hereby further
926 amended by inserting after the word “order”, in line 76, the following words:- and any order
927 issued by the commission in accordance with chapter 268A.

928 SECTION 70. Said section 4 of said chapter 268B, as so appearing, is hereby further
929 amended by inserting after the word “chapter”, in line 77, the following words:- or chapter
930 268A.

931 SECTION 71. Said section 4 of said chapter 268B, as so appearing, is hereby further
932 amended by adding the following paragraph:-

933 (l) The superior court shall have concurrent jurisdiction to issue orders under paragraph
934 (j) in a civil action brought by the attorney general. In any such action, an advisory opinion of the
935 commission under clause (g) of section 3 shall be binding to the same extent as it is against the
936 commission under that clause.

937 SECTION 72. Said section 4 said chapter 268B, as so appearing, is hereby further
938 amended by striking out, in line 91, the words “twenty thousand dollars” and inserting in place
939 thereof the following figure:- \$30,000.

940 SECTION 73. Section 5 of said chapter 268B, as so appearing, is hereby amended by
941 inserting after the word “legislative”, in line 68, the following words:- or executive

942 SECTION 74. Said chapter 268B is hereby further amended by striking out section 6, as
943 so appearing, and inserting in place thereof the following section:-

944 Section 6. No executive or legislative agent shall knowingly and willfully offer or give to
945 any public official or public employee or a member of such person’s immediate family, and no
946 public official or public employee or member of such person’s immediate family shall
947 knowingly and willfully solicit or accept from any executive or legislative agent, any gift of any
948 kind or nature; provided, however, that these prohibitions shall not apply to gifts given by an
949 executive or legislative agent to a public official or public employee who is a member of his
950 immediate family or a relative within the third degree of consanguinity or of such agent’s spouse
951 or the spouse of any such relative.

952 SECTION 75. Section 7 of said chapter 268B, as so appearing, is hereby amended by
953 striking out, in line 7, the words “files a false” and inserting in place thereof the following
954 words:- willfully files a materially false.

955 SECTION 76. Said section 7 of said chapter 268B, as so appearing, is hereby further
956 amended by striking out, in lines 9 and 10, the words “one thousand dollars or by imprisonment
957 in the state prison for not more than three years” and inserting in place thereof the following

958 words:- \$10,000, or by imprisonment in the state prison for not more than 5 years, or in a jail or
959 house of correction for not more than 2 1/2 years, or both.

960 SECTION 77. The General Laws are hereby further amended by inserting after chapter
961 277 the following chapter:-

962 CHAPTER 277A

963 Statewide Grand Jury

964 Section 1. Upon written application of the attorney general to the chief justice of the
965 superior court department, with good cause stated therein, the chief justice may authorize the
966 convening of a statewide grand jury with jurisdiction extending throughout the commonwealth.

967 Section 2. The chief justice of the superior court department shall, upon granting an
968 application, receive recommendations from the attorney general as to the county in which the
969 statewide grand jury shall sit. Upon receiving the attorney general's recommendations, the chief
970 justice shall choose 1 of those recommended locations as the site where the grand jury shall sit.
971 Once a county has been selected, the chief justice shall direct the regional administrative judge
972 from the county selected to appoint, and reappoint as necessary, a superior court judge to preside
973 over the statewide grand jury.

974 Section 3. The superior court judge presiding over the grand jury shall consult with the
975 attorney general and district attorney for the relevant district about the nature and scope of the
976 investigation and shall thereafter designate and authorize an existing county grand jury to serve
977 as a statewide grand jury for purposes of the investigation specified in the written application, or,
978 alternatively, convene and preside over a specially empaneled statewide grand jury.

979 Section 4. A specially empaneled statewide grand jury shall be drawn and selected in the
980 same manner as the county grand jury in the county in which the specially empaneled statewide
981 grand jury sits. A specially empaneled statewide grand jury may, at the discretion of the
982 presiding superior court judge, draw jurors from counties adjoining the one in which the
983 statewide grand jury is to sit.

984 Section 5. A specially empaneled statewide grand jury convened pursuant to this chapter
985 shall sit for a period not to exceed 18 months. The superior court judge presiding over the grand
986 jury may extend this period if, in accordance with section 1A of chapter 277 and section 41 of
987 chapter 234A, public necessity requires further time by the grand jury to complete an
988 investigation then in progress.

989 Section 6. The attorney general or an assistant attorney general shall attend each session
990 of a statewide grand jury and may prosecute any indictment returned by it. The attorney general
991 or assistant attorney general shall have the same powers and duties in relation to a statewide
992 grand jury that she has in relation to a county grand jury, except as otherwise provided by law.

993 Section 7. Indictments shall be returned in the county where the statewide grand jury sits
994 and shall thereafter be transferred to the county specified by the grand jury on the indictment.
995 Venue for purposes of trial of offenses indicted by a statewide grand jury shall be in any county
996 where venue would otherwise be proper.

997 Section 8. No provision of this chapter shall be construed as limiting the jurisdiction of
998 county grand juries or district attorneys in the commonwealth. Except as otherwise provided by
999 law, an investigation by a statewide grand jury shall not preempt an investigation by any other
1000 grand jury or agency having jurisdiction over the same subject matter.

1001 SECTION 78. Chapter 277A of the General Laws is hereby repealed.

1002 SECTION 79. Notwithstanding any general or special law to the contrary, every
1003 legislative agent or executive agent as defined by section 39 of chapter 3 of the General Laws
1004 shall, within 90 days after the effective date of this act, and every year thereafter, complete an in-
1005 person or online seminar offered by the state secretary in accordance with section 41 of said
1006 chapter 3.

1007 SECTION 80. Notwithstanding any general or special law to the contrary, in accordance
1008 with section 26 of chapter 268A of the General Laws within 90 days after the effective date of
1009 this act every state, county, and municipal employee shall be provided a summary of chapter
1010 268A prepared by the state ethics commission and shall file a written acknowledgment as
1011 required by that section.

1012 SECTION 81. Notwithstanding any general or special law to the contrary, within 120
1013 days after the effective date of this act, each municipality shall provide written notification to the
1014 state ethics commission of the liaison designated under section 28 of chapter 268A of the
1015 General Laws.

1016 SECTION 82. There shall be there shall be a special commission to study the creation of
1017 new independent office of public accountability which would function as the single state entity
1018 for the administration and enforcement of the provisions of law currently administered and
1019 enforced by the state ethics commission, the office of campaign and political finance and the
1020 lobbyist division of the office of the secretary of state. Said commission shall consider, without
1021 limitation, the cost of establishing such an office and the potential cost savings from efficiencies.

1022 The special commission shall consist of: the secretary of the commonwealth, or his
1023 designee; the secretary of the executive of office administration and finance, or his designee; the
1024 director of the office of campaign and political finance, or his designee; the executive director of
1025 the state ethics commission, or his designee, 2 members of the senate to be appointed by the
1026 senate president; 2 members of the house to be appointed by the speaker of the house of
1027 representatives; 1 member of the senate appointed by the minority leader of the senate; 1
1028 member of the house appointed by the minority leader of the house of representatives; and 3
1029 members to be appointed by the governor. The special commission shall report to the general
1030 court the results of its investigation and study, together with recommendations and drafts of
1031 legislation necessary to carry out any recommendations, if any, by filing a report with the clerks
1032 of the senate and the house of representatives on or before July 31, 2010.

1033 SECTION 83. Sections 14 to 34, inclusive, shall take effect on January 1, 2010.

1034 SECTION 84. Section 78 shall take effect on December 31, 2012.

1035 SECTION 85. Section 5 of said chapter 55, as so appearing is hereby amended by adding
1036 at the end the following paragraph:- fines for violations of this section shall not be paid from the
1037 candidates campaign account.

1038 SECTION 86. Any person nominated by the governor for a position that requires
1039 confirmation by the executive council shall, upon the date of confirmation, make any political or
1040 candidate committee and related campaign bank account or depository bank account inactive
1041 with the office of campaign and political finance.”

1042 SECTION 87. Section 19 of chapter 55, as so appearing, is hereby amended by deleting,
1043 from lines 5 and 6, the words “or other citywide office, except for the office of school
1044 committee,” and by inserting, in place thereof, the words:- or city council or alderman.