

SENATE No. 331

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act relative to the administration of political action committees organized by not-for-profit corporations..

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

1 SECTION 1. Section 1 of Chapter 55 of the Massachusetts General Laws is hereby
2 amended by deleting in its entirety paragraph four and by inserting the following:

3 "Contribution", a contribution of money or anything of value to an individual, candidate,
4 political committee, or person acting on behalf of said individual, candidate or political
5 committee, for the purpose of influencing the nomination or election of said individual or
6 candidate, or for the purpose of supporting or opposing a political party committee, or for the
7 purpose of promoting or opposing a charter change, referendum question, constitutional
8 amendment, or other question submitted to the voters, and shall include any: (1) gift,
9 subscription, loan, advance, deposit of money, or thing of value, except a loan of money to a
10 candidate by a national or state bank made in accordance with the applicable banking laws and
11 regulations and in the ordinary course of business; (2) transfer of money or anything of value
12 between political committees; (3) payment, by any person other than a candidate or political
13 committee, or compensation for the personal services of another person which are rendered to

14 such candidate or committee; (4) purchase from an individual, candidate, or political committee,
15 or person acting on behalf of said individual, candidate, or political committee, whether through
16 the device of tickets, advertisements, or otherwise, for fund-raising activities, including
17 testimonials, held on behalf of said individual, candidate or political committee, to the extent that
18 the purchase price exceeds the actual cost of the goods sold or services rendered; (5) discount or
19 rebate not available to other candidates for the same office and to the general public; and (6)
20 forgiveness of indebtedness or payment of indebtedness by another person; but shall not include
21 the rendering of services by speakers, editors, writers, poll watchers, poll checkers or others; nor
22 the payment by those rendering such services of such personal expenses as may be incidental
23 thereto; nor the exercise of ordinary hospitality; nor any costs to solicit, administer or maintain a
24 political action committee organized by a not-for-profit corporation, trade union, trade
25 association or chamber of commerce provided that such costs shall not exceed thirty percent of
26 the political action committee's annual expenditures; provided, further, that a transfer of funds or
27 payments by a depository candidate or his committee to the political committee of a party, for
28 goods or services provided to a candidate or his committee by such political party shall not be
29 considered to be a contribution.

30 SECTION 2. Section 8 of Chapter 55 of the Massachusetts General Laws is hereby
31 amended by inserting after the word "party" in line 14 the following:- ; except for costs to solicit,
32 administer or maintain a political action committee organized by a not-for-profit corporation,
33 trade union, trade association or chamber of commerce provided that such costs shall not exceed
34 thirty percent of the political action committee's annual expenditures.