

SENATE No. 2391

The Commonwealth of Massachusetts

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In the One Hundred and Ninety-First General Court
(2019-2020)
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SENATE, October 31, 2019

The committee on Ways and Means, to whom was referred the House Bill relative to campaign finance (House, No. 4087), reports recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 2391.

For the committee,

Michael J. Rodrigues.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

1 SECTION 1. The first paragraph of section 1 of chapter 55 of the General Laws, as
2 appearing in the 2018 Official Edition, is hereby amended by inserting after the definition of
3 “Contribution” the following definition:-

4 “County office”, the office of a district attorney, clerk of court, register of probate,
5 registrar of deeds, county commissioner, county treasurer or sheriff.

6 SECTION 2. Said first paragraph of said section 1 of said chapter 55, as so appearing, is
7 hereby further amended by inserting after the definition of “Political party committee” the
8 following definition:-

9 “State office”, the office of governor, lieutenant governor, state secretary, attorney
10 general, state treasurer, state auditor, state senate, house of representatives or governor’s council.

11 SECTION 3. Said chapter 55 is hereby further amended by striking out section 18, as so
12 appearing, and inserting in place thereof the following section:-

13 Section 18. (a) Each candidate and each treasurer of a political committee shall, except as
14 provided in this section and section 24, file with the director reports of contributions received
15 and expenditures made. A candidate and a committee organized on behalf of a candidate seeking

16 public office at a municipal election shall file such reports with the director, if the candidate is
17 seeking the office of mayor in a municipality or if the committee is required to file such reports
18 with the director pursuant to section 19. All other candidates seeking public office at a city or
19 town election shall file reports with the city or town clerk. A committee organized under section
20 5 to favor or oppose a question submitted to the voters shall file its reports with the director if the
21 question appears on ballots at a state election or with the city or town clerk if the question
22 appears on ballots at a city or town election or for use in a city or town at a state election.
23 Reports of contributions received and expenditures made shall be filed using forms prescribed by
24 the director. Reports required pursuant to this section shall be filed as follows:

25 (i) by each candidate for nomination or election to city or town office, and by the non-
26 elected political committee organized on behalf of the candidate, except a candidate required to
27 designate a depository by said section 19 or a candidate seeking election as a member of a
28 representative town meeting or of a town or city ward committee, and any non-elected political
29 committee organized on behalf of such candidate, not later than: (A) the eighth day preceding a
30 city or town preliminary or primary, including a caucus, the eighth day preceding a city or town
31 election and, if a city election, as a final report, January 20 in the following year complete as to
32 December 31 of the prior year and, if a town election, as a final report, the thirtieth day following
33 the election; (B) the eighth day preceding a special primary, including a caucus, the eighth day
34 preceding a special election and, as a final report, the thirtieth day following a special election;

35 (ii) by each candidate and each non-elected political committee required to designate a
36 depository by said section 19, not later than: (A) the third business day following the designation
37 of the depository; and (B) as a final report, January 20 of the year following the election,
38 complete as to December 31 of the prior year; provided, however, that the reporting period of the

39 initial report shall commence on the day following the preceding election for the office sought by
40 the candidate or on the day following the end of the reporting period of the last report filed, if
41 any, whichever period is shorter, and shall end as of the day the depository is designated;
42 provided further, that the reporting period of the second report shall commence on the day
43 following the designation of the depository and shall end as of December 31 of the year of the
44 election;

45 (iii) by the treasurer of each state committee referred to in section 1 of chapter 52 and
46 required to designate a depository by said section 19, not later than: (A) the third business day
47 following the designation of the depository; and (B) as a final report, January 20 of the year
48 following the election complete as to December 31 of the prior year; provided, however, that the
49 reporting period of the initial report shall commence on the day following the preceding biennial
50 state election or on the day following the end of the reporting period of the last report filed, if
51 any, whichever period is shorter, and shall end as of the day the depository is designated;
52 provided further, that the reporting period of the second report shall commence on the day
53 following the designation of the depository and shall end as of December 31 of the year of the
54 election;

55 (iv) by all other non-elected and elected political committees that are not required to file
56 reports under clauses (i) to (iii), inclusive, other than political action committees and people's
57 committees as defined in section 1, independent expenditure PACs organized pursuant to section
58 18A and political committees organized under section 5 to favor or oppose a question submitted
59 to the voters, if the question appears on the ballot at the state election, not later than: (A) the
60 same days and in accordance with the same schedule as set forth in clause (i), if the political
61 committee is aiding or promoting the success or defeat of 1 or more candidates in a state

62 primary, special or general election; or (B) the same days and in accordance with the same
63 schedule as set forth in clause (i), if the political committee is aiding or promoting the success or
64 defeat of 1 or more candidates or is favoring or opposing a question submitted to the voters in a
65 city or town preliminary, primary, general or special election or for use on ballots in a city or
66 town at a state election;

67 (v) by each political committee organized under said section 5 to favor or oppose a
68 question submitted to the voters, if the question appears on the ballot at the state election, on: (A)
69 the day of the organization; and (B) the sixtieth day before the election complete as of the
70 preceding fifth day; on or before (C) the fifth and twentieth day of each month complete as of the
71 preceding first and fifteenth day of the month, until the election, and thereafter; (D) November
72 20 following such election complete as of November 15; and (E) January 20 of each year
73 complete as of December 31 of the prior year until all declared liabilities of the committee have
74 been discharged; provided, however, that the reporting period of the initial report shall
75 commence on the day following the preceding biennial state election or on the day following the
76 end of the reporting period of the last report filed, if any, whichever period is shorter, and shall
77 end as of the day of organization; provided further, that the reporting period of the second report
78 shall commence on the day following the day of organization and shall end as of the sixtieth day
79 before the election; provided further that the reporting period of all subsequent reports shall
80 commence on the day following the end of the reporting period of the last report filed and shall
81 end as of the first or fifteenth day of each month, as the case may be;

82 (vi) by all candidates and all political committees, except those candidates seeking
83 election as members of a representative town meeting or of a city ward or town committee, and

84 non-elected political committees organized on behalf of such candidates, not later than January
85 20 in each year in which they are not otherwise required to file a report not later than January 20.

86 (b) For candidates and non-elected political committees organized on behalf of such
87 candidates for whom the report required pursuant to clause (vi) of subsection (a) would be an
88 initial report, the reporting period shall commence on the day following the preceding election
89 for the office sought by the candidate and shall end as of December 31 of the year before the last
90 day for filing. For all other political committees for which the report required pursuant to said
91 clause (vi) of said subsection (a) report would be an initial report, the reporting period shall
92 commence on the day following the preceding state, city or town election, as the case may be,
93 and in accordance with the provisions of this section governing the initial report of such
94 committees and shall end as of December 31 of the year before the last day for filing the report.
95 The reporting period for the report required to be filed not later than January 20 in each odd-
96 numbered year shall commence on the day following the end of the reporting period of the last
97 report filed and shall end as of December 31 of the prior year.

98 The reports required to be filed in accordance with clause (i) of said subsection (a),
99 except for the report to be filed in accordance with said clause (i) of said subsection (a) not later
100 than January 20 of the year following the election, shall not be required of a candidate, or of the
101 non-elected political committee organized on behalf of the candidate, if the candidate is not a
102 candidate as defined in clause (2) of the definition of candidate in section 1.

103 Notwithstanding clauses (i), (ii) and (iii) of said subsection (a) for contributions received
104 subsequent to the end of the reporting period of the last report filed, which was identified in said
105 clauses (i), (ii) and (iii) of said subsection (a) as a final report, by a candidate or political

106 committee and intended for application to the preceding election of the candidate or reporting
107 political committee, an additional report, which shall be the final report for such candidates and
108 committees shall be required. This report shall be filed not later than January 20 following the
109 last day for filing of the final report of said clauses (i), (ii) and (iii) of said subsection (a) and
110 shall be complete as of December 31 of the prior year. The reporting period of the report shall
111 commence on the day following the end of the reporting period of the last report or final report
112 required to be filed by said clauses (i), (ii) and (iii) of said subsection (a).

113 (c) Except as otherwise provided, each candidate and the non-elected political committee
114 organized on behalf of the candidate, shall, within the filing of the initial report, include all
115 contributions received and expenditures made since the day of the preceding election for the
116 office sought by the candidate or since the end of the reporting period of the last report filed, if
117 any, whichever reporting period is shorter. All other political committees shall, within the filing
118 of their initial report, include all contributions received and expenditures made since: (i) the day
119 of the preceding biennial state election or the end of the reporting period of the last report filed,
120 if any, whichever period is shorter, if the political committee is either aiding or promoting the
121 success or defeat of 1 or more candidates or is favoring or opposing the adoption or rejection of a
122 question submitted to the voters at a state primary or election; or (ii) the day of the preceding city
123 or town election or the end of the reporting period of the last report filed, if any, whichever
124 period is shorter, if the political committee is either aiding or promoting the success or defeat of
125 1 or more candidates or is favoring or opposing the adoption or rejection of a question submitted
126 to the voters at a city or town preliminary, primary or election.

127 (d) Except as otherwise provided, the end of the reporting period of each report required
128 to be filed under this section shall be as of the tenth day preceding the last day for filing. The

129 beginning of the reporting period for each report subsequent to the initial report shall be the day
130 following the end of the reporting period of the last report filed.

131 The reports required to be filed under this section shall be cumulative during the calendar
132 year to which they relate.

133 Where there has been no change in an item included in a previous report, only the amount
134 of the item need be carried forward.

135 Whether or not a contribution has been received or an expenditure has been made during
136 any reporting period as described in this section, a candidate or political committee shall file the
137 required report for said reporting period.

138 (e) Each report required to be filed pursuant to this section by a candidate or political
139 committee shall disclose:

140 (i) the amount of money on hand at the beginning of the reporting period;

141 (ii) the full name and residential address, listed alphabetically, of each person who has
142 made a contribution, except for those contributions identified in clauses (iv), (v) and (vi) and
143 which shall be reported therein, in an amount or value in excess of \$50 in the reporting period
144 and such information for each contribution of less than or equal to the sum of \$50, if the
145 aggregate of all contributions received from the same contributor within the reporting period is in
146 excess of \$50, as the case may be, and the amount or value and date of the contribution and the
147 total of all contributions listed;

148 (iii) the total amount or value of contributions made in the reporting period and not
149 otherwise reported under clause (ii);

150 (iv) the name and address, listed alphabetically, of each candidate or political committee
151 from which was received any money or anything of value in a reporting period, together with the
152 amount or value thereof and the date received;

153 (v) the name and address of the principal officers of any trust, foundation and association
154 from which was received a contribution, as provided in section 10;

155 (vi) the amount or value and date of each loan to or from any person, in the reporting
156 period, together with the name and residential address of the lender and endorser, if any, listed
157 alphabetically;

158 (vii) the total sum of all contributions received in the reporting period, which shall be the
159 sum of clauses (ii), (iii), (iv), (v) and (vi);

160 (viii) the full name and address, listed alphabetically, of each person to whom an
161 expenditure is made in the reporting period, except for those identified in clause (x), and, for
162 each amount or value in excess of \$50, the amount and value, date and purpose of each
163 expenditure and the total of all expenditures listed; provided, however, that for a political party
164 committee organized in accordance with chapter 52 or a political committee supporting more
165 than 1 candidate, the name and address, the elective office held, if any, and office sought by each
166 candidate on whose behalf the expenditure was made shall also be disclosed;

167 (ix) the total amount or value of expenditures made in the reporting period and not
168 otherwise reported under clause (viii);

169 (x) for a candidate or political committee, the name and address, listed alphabetically, of
170 each candidate or political committee to which was transferred any money or anything of value
171 in the reporting period, together with the amount or value thereof and the date of the transfer;

172 (xi) the total sum of expenditures made in the reporting period, which shall be the sum of
173 clauses (viii), (ix) and (x);

174 (xii) the amount and date of each then existing liability remaining unfulfilled and in force
175 when the report is made, the name and address of the person to whom the liability exists and a
176 clear statement of the purpose for which it was incurred;

177 (xiii) a listing of all banks or other financial institutions used;

178 (xiv) if a political committee dissolves, a statement of the dissolution detailing the
179 intended or actual disposition of any residual funds; and

180 (xv) if a political action committee dissolves, a statement that the political action
181 committee has not received contributions pursuant to section 9A or, if it has received such
182 contributions, a statement that the political action committee has given 60 days written notice of
183 its intended dissolution to any contributor and the contributor's bank or other financial institution
184 currently making contributions pursuant to said section 9A.

185 (f) Each report required to be filed under this section shall include the name, residential
186 address and amount contributed in the reporting period of each person whose contributions in the
187 aggregate exceed more than \$50 in the calendar year and for those contributions where such
188 information does not otherwise appear on the report.

189 (g) Each report required to be filed under this section shall include the occupation and
190 name of the employer for each person whose contributions in the aggregate equal or exceed the
191 sum of \$200 within any calendar year; provided, however, that no candidate or political
192 committee shall be required to include a person's occupation and employer if, upon compliance
193 with the requirements of section 2 concerning the inclusion of such occupation and employer, the
194 candidate or political committee has not been able to obtain such information.

195 (h) Each year-end campaign finance report filed by a candidate or non-elected political
196 committee that is required to designate a depository by section 19 and maintains or has
197 maintained a savings account or money market account shall disclose, for each reporting period,
198 all activity in any such account. Nothing in this section shall authorize a transfer made from any
199 such savings or money market account to an account other than the depository account
200 established by a candidate or committee in accordance with said section 19.

201 (i) Every political committee organized on behalf of a candidate that files with the
202 director, and every ballot question committee that files with the director, that receives and
203 deposits a contribution in the amount of \$500 or more after the eighteenth day, but more than 72
204 hours, before the date of a special, preliminary, primary or general election, shall file a report to
205 disclose the information required by this section within 72 hours of depositing such contribution.

206 (j) The report required to be filed not later than January 20 shall contain a statement
207 detailing the intended or actual disposition of any residual funds. The residual funds shall not be
208 converted to the personal use of the candidate or any other person except as provided in this
209 subsection. The residual funds shall be donated to:

210 (i) the General Fund;

211 (ii) an entity subject to chapter 67 or section 8 of chapter 12; provided, however, that the
212 candidate, treasurer or any official of the political committee shall not be related by
213 consanguinity or affinity to any trustee, officer, principal or beneficiary of the entity at the time
214 of the gift or within 10 years from the date of the gift; provided further, that no entity may
215 employ as a trustee, officer, principal or beneficiary any person related by consanguinity or
216 affinity to the candidate, treasurer or any official of the political committee either at the time of
217 the gift or within 10 years from the date of the gift;

218 (iii) a scholarship fund; provided, however, that the candidate, treasurer or any official of
219 the political committee shall not participate in the selection of the beneficiary of any scholarship
220 awarded from the fund; provided further, the beneficiary of any scholarship awarded from such
221 fund shall not be related by consanguinity or affinity to the candidate, treasurer or any official of
222 the political committee; or

223 (iv) the General Fund of any city or town in the commonwealth.

224 (k) The director may petition the supreme judicial court for the dissolution of a political
225 committee if: (i) the political committee fails to comply for 2 consecutive years with the
226 provisions of this section that require the filing of reports of contributions received and
227 expenditures made; (ii) the candidate on whose behalf the political committee has been
228 organized has died; or (iii) the political committee was organized for the purpose of favoring or
229 opposing the adoption or rejection of a question submitted to the voters and there has been a final
230 determination made as to the adoption or rejection of such question.

231 By such petition, the director may request the court to authorize the administration of any
232 funds held by the political committee in accordance with the provisions of this section regarding

233 residual funds. The court, after notice by mail or otherwise as it may order, may dissolve the
234 political committee. The director may include more than 1 political committee in a single
235 application.

236 (l) Any person nominated by the governor for a position that requires confirmation by the
237 executive council shall, within 6 months of the date of confirmation, dissolve any political
238 committee organized on behalf of the person and disperse all funds remaining in such
239 committee's account in accordance with this section.

240 (m) Violation of this section shall be punishable by imprisonment for not more than 1
241 year, by a fine of not more than \$1,000 or both such fine and imprisonment.

242 (n) The provisions of this section requiring candidates to file reports shall not apply to
243 candidates who, during any reporting period, have not received contributions, incurred any
244 liabilities or made expenditures on their own behalf independent of the political committee
245 organized on their behalf. Such candidates shall sign an affidavit under the pains and penalties of
246 perjury that they have not received any contributions, incurred any liabilities or made any
247 expenditures on their own behalf during the reporting period. The affidavit shall be included on
248 the report filed by the candidate's political committee for the reporting period.

249 (o) Candidates who do not have a political committee organized on their behalf and who
250 have not received any campaign contributions, incurred any liabilities or expended money on
251 their behalf during any reporting period shall sign an affidavit on a form provided by the director
252 stating that they have not received a campaign contribution, incurred any liabilities or made any
253 expenditures on their own behalf. This statement shall be signed under the pains and penalties of
254 perjury.

255 (p) The provisions of this section requiring city, town and ward committees established
256 under the provisions of chapter 52 to file reports shall not apply to a city, town or ward
257 committee that has not received contributions or made expenditures in excess of \$100 during any
258 reporting period or incurred liabilities or acquired or disposed of assets in excess of \$100 during
259 any reporting period.

260 SECTION 4. Section 19 of said chapter 55, as so appearing, is hereby amended by
261 striking out, in lines 1 to 6, inclusive, the words “Candidates for nomination or election to the
262 offices of governor, lieutenant governor, state secretary, attorney general, state treasurer and
263 receiver general, state auditor, governor’s council, district attorney, clerk of court, register of
264 probate, registrar of deeds, county commissioner, county treasurer and sheriff” and inserting in
265 place thereof the following words:- Candidates for state office or for county office.

266 SECTION 5. Said section 19 of said chapter 55, as so appearing, is hereby further
267 amended by striking out, in lines 38 and 39, the words: “and twentieth days” and inserting in
268 place thereof the following word:- day.

269 SECTION 6. Said section 19 of said chapter 55, as so appearing, is hereby further
270 amended by striking out, in lines 40 and 41, the words “first and fifteenth days of the month” and
271 inserting in place thereof the following words:- last day of the preceding month.

272 SECTION 7. Said section 19 of said chapter 55, as so appearing, is hereby further
273 amended by striking out, in line 75, the words “and twentieth day”.

274 SECTION 8. Said section 19 of said chapter 55, as so appearing, is hereby further
275 amended by striking out, in lines 76 and 77, the words “preceding first day or fifteenth day of the
276 month” and inserting in place thereof the following words:- last day of the preceding month.

277 SECTION 9. Notwithstanding any general or special law to the contrary, the office of
278 campaign and political finance shall, pursuant to section 3 of chapter 55 of the General Laws, in
279 consultation with the state ethics commission, promulgate regulations relative to the appropriate
280 use of websites and social media for campaign purposes. The regulations may provide for
281 exemptions to the prohibition on indirect solicitation in section 13 of said chapter 55. The office
282 of campaign and political finance shall promulgate the regulations not later than July 1, 2020.

283 SECTION 10. Notwithstanding any general or special law to the contrary, the office of
284 campaign and political finance shall promulgate regulations relative to the filing of reports
285 required to be filed by candidates not subject to section 19 of chapter 55 of General Laws as of
286 July 1, 2019 who will be subject to said section 19 of said chapter 55 after the effective date of
287 this act. The regulations may provide that such candidates may continue to file in the non-
288 depository system after the effective date of this act.

289 SECTION 11. Section 10 is hereby repealed.

290 SECTION 12. Section 11 shall take effect on April 30, 2020.