HOUSE DOCKET, NO. FILED ON: 1/12/2009

**HOUSE . . . . . . . . . . . . . . No.**

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The Commonwealth of Massachusetts

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PRESENTED BY:

**William M. Straus**

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General  
 Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to further regulate contributions and disclosure under campaign finance laws.

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PETITION OF:

|  |  |
| --- | --- |
| Name: | District/Address: |
| William M. Straus | 10th Bristol |

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 705 OF 2007-2008.]

The Commonwealth of Massachusetts

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**In the Year Two Thousand and Nine**

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An Act to further regulate contributions and disclosure under campaign finance laws.

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

SECTION 1.   Paragraph (2) of subsection (b) of section 18C of chapter 55 of the General Laws, as appearing in the 2000 official edition, is hereby amended by striking out, in line 15, the figure “$25,000” and inserting in place thereof the figure “$5,000”.

            SECTION 2.Chapter 55 is hereby amended by inserting after Section 6B the following:

            Section 6C.  (a) A ballot question committee, required by Section 18 to file reports with the director, that makes an expenditure in connection with any literature or advertisement to support or oppose a ballot question or questions shall disclose in such literature or advertisement the four largest of its contributors as of the time the literature or advertisement is printed, recorded or otherwise produced for dissemination.  If a ballot question committee has fewer than four contributors at such time, the committee shall disclose all contributors on such literature or advertisement.

            (b) If an out-of-state contributor or out-of-state group, organization, or other entity is one of the four largest contributors to a ballot question committee disclosed pursuant to subsection (a), the ballot question committee shall clearly identify such contributor as an out-of-state contributor on its literature or advertisement in support of or in opposition to a ballot question or questions.

            (c) Contributors that make contributions to more than one ballot question committee that support or oppose the same ballot question shall notify each ballot question committee to whom they contribute at the time of the contribution of the cumulative total of such contributions made to all ballot question committees.  Cumulative totals must be disclosed by each ballot question committee that receives contributions from the same contributor if the cumulative total is to be disclosed pursuant to subsection (a).

            (d)  Any disclosure statement required by this section shall be printed clearly and legibly in a conspicuous manner in type at least as large as the majority of the printed text.  If the communication is broadcast on radio, the information shall be spoken at the end of the communication.  If the communication is broadcast on a telecommunications system, the information shall be both written and spoken at the end of the communication, except that if the disclosure statement is written for at least five seconds of a thirty second advertisement broadcast or ten seconds of a sixty second advertisement broadcast, a spoken disclosure statement is not required.  If the communication is broadcast on a telecommunications system, the written disclosure statement shall be printed in letter equal to or larger than four percent of the vertical picture height.

            (e) Subsection (a) does not apply to bumper stickers, pins, buttons, pens and similar small items on which the statements required in subsection (a) cannot be conveniently printed or to a communication by a membership organization solely to its members and their families.

            (f) A ballot question committee shall change future literature and advertisements to reflect any change in funding sources that must be disclosed pursuant to subsection (a).

            (g) This section only applies to literature or advertisements the contents of which are more than fifty percent devoted to one or more ballot question or questions.

            (h) Any committee that violates this section is liable in a civil action for a civil penalty of three times the total cost of the literature or advertisement.  A contributor who does not notify the ballot question committeesto which the contributor has contributed in accordance with paragraph (c) of this section is liable for a civil penalty of three times the amount contributed.  Such civil actions may be brought by the attorney general, district attorney, as appropriate, or by any other person.

            (i) For purposes of this section “Advertisement” means general public advertisement through the print or electronic media, signs, billboards, direct mail, or computerized electronic mail.

            SECTION 3.(a) Section 1 of Chapter 55 is hereby amended by inserting the following definition:  “Late candidate contribution” is a contribution to those candidates and candidate committees who are required to disclose their contributions pursuant to section 18C of this chapter, including a loan, that (a) totals $500 or more from any contributor that is received by a candidateor candidate committee; and (b) is received by a candidate or candidate committee for state senator or state representativein the 17 days immediately preceding the election in which the candidate’s name appears on the ballot and ending on the day the election is held for such candidates; or (c) is received by a candidate or candidate committee for governor, lieutenant governor, state secretary, attorney general, state treasurer and receiver general, auditor, governor’s council, county office, or mayor required to designate a depository in accordance with section 19 beginning September 1 immediately preceding the primary or beginning October 16 immediately preceding the general election, through primary or election day respectively on which the candidate’s name appears on the ballot.

            (b) Section 1 of Chapter 55 is hereby amended by inserting the following definition:  “Late ballot question committee contribution” is a contribution to a ballot question committee which is required to disclose its contributions with the Director pursuant to section 18C of this chapter, including a loan, that (a) totals $1,000 or more from any contributor that is received by a ballot question committee; and (b) is received beginning October 16 through the day that the election is held in the year in which the question appears on the ballot.

            (c) Section 18C of Chapter 55 is hereby amended by inserting the following section:

            (j) (1) Each candidate, candidate’s committee or ballot question committee that receives a late candidate contribution or late ballot question committee contribution, as defined in Section 1 of this chapter, shall file a report with the director.  The recipient of the late contribution shall report the candidate’s or committee’s full name and address, the date received and the amount of the late contribution, and whether the contribution was made in the form of a loan.  The recipient shall also report the full name of the contributor, his or her residential address, occupation, and the name of his or her employer, or if self-employed, the name of the business.  In the case of a non-monetary contribution, the recipient shall disclose a description of the contribution.

            (2) A late candidate contribution or late ballot question committee contribution shall be reported electronically by the recipient by midnight of the day following its receipt.  A late candidate contribution or late ballot question committee contribution shall be reported on subsequent campaign disclosure reports without regard to reports filed pursuant to this section.

            (3) A late candidate contribution or late ballot question committee contribution need not be reported nor shall it be deemed accepted if it is not cashed, negotiated, or deposited and is returned to the contributor in its original form within 24 hours of receipt.

            (4) A report filed pursuant to this section shall be in addition to any other campaign disclosure reports required to be filed by this chapter.

            SECTION 4.  (a) Section 1 of Chapter 55 is hereby amended by inserting the following definition: “Independent expenditure” is an expenditure that expressly advocates the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or a nonelected political committee organized on behalf of a candidate, or any agent of a candidate and which is not made in concert with, or at the request or suggestion of, any candidate, or any nonelected political committee organized on behalf of a candidate or agent of such candidate.

            (b) Section 1 of Chapter 55 is hereby amended by inserting the following definition:

“Late independent expenditure” is an independent expenditure or expenditures in an aggregate amount exceeding $1000 that is made after the 8th day, but more than 24 hours before the date of the election.

            (c) Section 18A of Chapter 55 is hereby amended by striking in line 7 the word “business.”

            (d) Section 18A of Chapter 55 is hereby amended by striking lines 15 to 23.

            (e) Section 18A of Chapter 55 is hereby amended by inserting in line 5 after the word director the following, “of the Office of Campaign and Political Finance, in accordance with Section 18C.”  Section 18A is also amended by inserting after line 14the following:

            Any individual, group or association not defined as a political committee who makes a late independent expenditure or expenditures, as defined in Section 1, shall file with the Director in accordance with Section 18C, on a form prescribed by the Director, a report stating the name and address of the individual, group or association making the expenditure or expenditures; the name of the candidate or candidates whose election or defeat the expenditure promoted; the name and address of the person or persons to whom the expenditure or expenditures were made; and the total amount or value; the purpose and the date of the expenditure or expenditures.   Such reports shall be filed by midnight of the day following the date that such expenditure or expenditures are made.  After this initial report is filed, an additional report or reports shall be filed with the Director in the same manner by midnight of the day following the date that any additional independent expenditures in an aggregate amount exceeding $1,000 are made by any individual, group or association not defined as a political committee with respect to the same election as that to which the initial report relates.

            Violation of any provision of this section or section 18C shall be punished by imprisonment for not more than one year or by a fine of not more than five thousand dollars, or both.

            (f) Section 18C of Chapter 55 is hereby amended by striking in subsection (b) the words “individuals and political committees” and inserting in place thereof the words “individuals, political committees, groups and associations”.  Section 18C is further amended by inserting after section (b)(3) the following:

(4)    Every individual, group, or association not defined as a political committee required by Section 18A to file disclosure reports with the Director.

            (g) Section 39 of Chapter 56 is amended by striking out lines one to fourteen and inserting in place thereof:  No person, group, organization or association shall publish or broadcast or cause to be published or broadcast in a newspaper, periodical, radio broadcast, television broadcast, including cable or other means of electronic dissemination, any paid advertisement designed or tending to aid, injure, or defeat any candidate for public office or any question submitted to the voters, unless the name of the chairman or secretary or the names of two officers of the political or other organization advertising the same, or the name of one or more persons eighteen years of age or older who are responsible therefor, with the residence and the street and number thereof, of each such person eighteen years of age or older appears therein in the case of any of the aforementioned visual media in a clearly visible and prominent typeface and in the case of a radio broadcast clearly audible statement; provided, however, that each such person eighteen years of age or older has signed his name in the presence of a witness to the following statement authorizing the insertion or broadcast of such advertisement. The statement shall be retained by the newspaper, periodical, radio broadcast, television broadcast, including cable, for not less than one year, shall be available to any person upon request, and shall be in substantially the following form:

            (h) If any of section 39 of Chapter 56 shall be deemed unconstitutional, it shall be struck without rendering the remaining sections unconstitutional.

            SECTION 5.Section 7A(a)(1) of Chapter 55 of the General Laws of the 2000 Official Edition is hereby amended in line 4, by striking the word “five hundred” and inserting in place thereof, the words “one thousand”.  Section 7A(b) of Chapter 55 is amended in line 26, by striking the word “two” and inserting in place thereof, the word “one”. Section 7A of Chapter 55 is further amended in line 29 by striking the word “two” and inserting in place thereof, the word, “one”.

            SECTION 6.  Section 18A of Chapter 55 is hereby amended by adding in line 5 after the word “director” the following, “of Office of Campaign and Political Finance, as outline in 55:18C”.  Section 18A is also amended by inserting after line 23 the following:  
            Any person, group or association that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.  
            After a person files a report as outline in (a), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

            SECTION 7.  Section 18C of Chapter 55 is amended by inserting after section (b)(3) the following:  
            (4) Every individual, group, or association who makes an independent expenditure or expenditures in an aggregate amount exceeding two hundred and fifty dollars during any calendar year for the purpose of promoting the election or defeat of any candidate or candidates.  
            (5) Any person, group, or association that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.  
            (6) After a person files a report as outline in (a), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

            SECTION 8. Section 39 of Chapter 56 is amended by inserting after the word “periodical” the words “,or broadcast or pay to broadcast”.  Section 39 is further amended in line 13 by inserting after the word “periodical” the word, “broadcast station”.  Section 39 is further amended in line 28 by inserting after the word “periodical” the words “or broadcast station”

            SECTION 9. If any of section shall be deemed unconstitutional, it shall be struck without rendering the remaining sections unconstitutional.