

**Acts****1998****CHAPTER 394** AN ACT MAKING CERTAIN CHANGES IN THE CAMPAIGN FINANCE LAWS.

*Whereas* , The deferred operation of this act would tend to defeat its purpose, which is to amend the campaign finance laws forthwith before the effective date of the initiative law enacting amendments to chapters 55 and 55A of the General Laws, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

*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.** The definition of "Contribution" in section 1 of chapter 55 of the General Laws, as appearing in the 1996 Official Edition, is hereby amended by striking out, in lines 63 to 68, inclusive, the words "; provided, further, that any transfer, payment or advance or any other thing of value from the national committee of a political party to the state committee of a political party, to be used for administrative, overhead, or party building activities, but not including any direct contributions or services to candidates shall not be considered to be a contribution".

**SECTION 2.** Section 7 of said chapter 55, as so appearing, is hereby amended by inserting after the first paragraph the following paragraph:-

No candidate or candidate's committee shall receive a transfer of funds or assets from any federal political committee. No candidate or candidate's committee shall make an expenditure of, or transfer, funds or assets that were transferred on or after November 25, 1998 from a federal political committee. A candidate's committee may, however, coordinate arrangements, with a federal committee that refunds contributions pursuant to federal law, for a solicitation of the same contributors by the candidate's committee. The candidate's committee shall pay the full cost of any such solicitation.

**SECTION 3.** Section 7 of said chapter 55, as so appearing, is hereby amended by striking out, in line 27, the word "A" and inserting in place thereof the following words:- Except as provided in subsection (c) of section 19, a.

**SECTION 4.** Section 18 of said chapter 55, as so appearing, is hereby amended by inserting after the word "election", in line 10, the following words:- or for use in a city or town at a state election.

**SECTION 5.** Said section 18 of said chapter 55, as so appearing, is hereby further amended by inserting after the word "election", in line 75, the following words:- or for use on ballots in a city or town at a state election.

**SECTION 6.** Said section 18 of said chapter 55, as so appearing, is hereby further amended by striking out, in lines 82 and 83, the words "(4) the fifth day of each month until all declared liabilities of such committee have been discharged" and inserting in place thereof the following words:- (4) the twentieth day of November following such election complete as of the fifteenth day of the month; and (5) the twentieth day of January of each year complete as of the thirty-first day of December of the prior year until all declared liabilities of such committee have been discharged.

**SECTION 7.** Section 19 of said chapter 55, as so appearing, is hereby amended by striking out, in line 55, the word "All" and inserting in place thereof the following words:- Except as otherwise provided in this section, all.

**SECTION 8.** Subsection (c) of said section 19 of said chapter 55, as so appearing, is hereby amended by adding the following paragraph:-

A candidate or treasurer of a political committee required to designate a depository may make expenditures by wire transfer or other electronic means for broadcast, cablecast or other media services and for payroll services made in connection with employee deductions and withholdings. A candidate or treasurer making an expenditure by wire or other electronic transfer shall file a report with the director within three business days of any such expenditure. Such report shall include a statement of the reason the expenditure was made by wire transfer or other electronic means and the other information required by this section. In addition, for any expenditure made for media services, such report shall contain thereon for signature by the person providing such media services, a certificate prepared by the director similar to the certificate required by section 7.

**SECTION 9.** Said section 19 of said chapter 55, as so appearing, is hereby further amended by striking out, in lines 96 to 99, inclusive, the words "and has received deposits greater than two hundred and fifty dollars or made withdrawals greater than two hundred and fifty dollars during the preceding month but in any case no less than semiannually on the fifth day of January and July while such account is in existence".

**SECTION 10.** Said chapter 55 is hereby further amended by striking out section 22, as so appearing, and inserting in place thereof the following section:-

Section 22. The treasurer of a corporation, association, organization or other group of persons, other than a political committee organized under section 5, which has given, paid, expended or contributed, or promised to give, pay, expend or contribute, any money or other thing of value in order to influence or affect the vote on any question submitted to the voters shall file reports setting forth the amount or value of every gift, payment, expenditure or contribution or promise to give, pay,

expend or contribute, together with the date, purpose and full name and address of the person to whom it was made.

If the question appears on ballots at a state election, such report shall be filed with the director as follows: (1) the sixtieth day prior to the election; (2) on or before the fifth and twentieth day of each month complete as of the preceding first and fifteenth day of the month, until the election; (3) the twentieth day of November following such election, complete as of the fifteenth day of the month; and (4) the twentieth day of January of each year, complete as of the thirty-first day of December of the prior year, until all declared liabilities of such corporation, association, organization or other group of persons have been discharged.

If the question appears on ballots at a city or town election or appears on ballots for use in a city or town at a state election, such report shall be filed with the city or town clerk as follows: (1) the eighth day preceding a preliminary or primary, including a caucus, the eighth day preceding a city or town election and, if a city election, as a final report, the twentieth day of January in the following year, complete as of the thirty-first day of December of the prior year and, if a town election, as a final report, the thirtieth day following such election; (2) the eighth day preceding a special primary, including a caucus, the eighth day preceding a special election and, as a final report, the thirtieth day following a special election; and (3) the twentieth day of January of each year, complete as of the thirty-first day of December of the prior year, until all declared liabilities of such corporation, association, organization or other group of persons have been discharged.

Except as otherwise provided, the end of the reporting period of each report required to be filed under the provisions of this section shall be as of the tenth day preceding the last day for filing. The beginning of the reporting period for each report subsequent to the initial report shall be the day following the end of the reporting period of the last report filed.

Any corporation, association, organization or other group of persons, other than a political committee organized under said section 5, violating any provision of this section shall be punished by a fine of not more than \$50,000 and any officer, director or agent of any such corporation, association, organization or other group of persons violating any provision hereof or authorizing any such violation or any person who violates or in any way knowingly aids or abets the violation of any provision hereof shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than one year or by both such fine and imprisonment.

**SECTION 11.** Section 25 of said chapter 55, as so appearing, is hereby amended by striking out, in line 9, the word "tenth" and inserting in place thereof the following word:- twentieth.

Approved November 25, 1998.