SENATE No. 321

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

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 relative to the disclosure of political spending.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
James B. Eldridge	Middlesex and Worcester
Cory Atkins	14th Middlesex
William N. Brownsberger	Second Suffolk and Middlesex
Christopher G. Fallon	33rd Middlesex
Denise Andrews	2nd Franklin
Peter V. Kocot	1st Hampshire
Sal N. DiDomenico	Middlesex and Suffolk
Jonathan Hecht	29th Middlesex
Ruth B. Balser	12th Middlesex
Denise Provost	27th Middlesex
Thomas P. Conroy	13th Middlesex
Patricia D. Jehlen	Second Middlesex
Benjamin B. Downing	Berkshire, Hampshire, Franklin and
	Hampden
Kay Khan	11th Middlesex
Carolyn C. Dykema	8th Middlesex
James Arciero	2nd Middlesex
Michael Barrett	Third Middlesex

Michael O. Moore	Second Worcester
Katherine M. Clark	Fifth Middlesex
Thomas M. McGee	Third Essex
Carl M. Sciortino, Jr.	34th Middlesex
Bruce E. Tarr	First Essex and Middlesex
Jennifer E. Benson	37th Middlesex
Cynthia S. Creem	First Middlesex and Norfolk

FILED ON: 1/17/2013

SENATE No. 321

By Mr. Eldridge, a petition (accompanied by bill, Senate, No. 321) of James B. Eldridge, Cory Atkins, William N. Brownsberger, Christopher G. Fallon and other members of the General Court for legislation to disclose political spending. Election Laws.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to the disclosure of political spending.

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. This Act may be cited as the "Massachusetts Disclosure Act of 2013".
- 2 SECTION 2. The definition of "Electioneering communication" in section 1 of chapter
- 3 55 of the General Laws, as appearing in the 2010 official edition, is hereby amended by striking
- 4 out, in line 89, the words "and (7) internet or email communications" and inserting in place
- 5 thereof the following words:- (7) email communications; and (8) internet communications which
- 6 are not paid advertisements.
- 7 SECTION 3. Said section 1 of said chapter 55, as so appearing, is hereby further
- 8 amended by inserting after the definition of "Electioneering communication" the following
- 9 definition:-
- 10 "Electioneering communication expenditure", any expenditure made or liability incurred
 - by an individual, group, association, corporation, labor union or other entity as payment for an
- 12 electioneering communication including any transfer of money or anything of value to another
- 13 individual, group, association, corporation, labor union or other entity for the purpose of making
- 14 an electioneering communication by the recipient or some other individual, group, association,
- 15 corporation, labor union or other entity.
- SECTION 4. Said section 1 of said chapter 55, as so appearing, is hereby further
- 17 amended by striking out the definition of "Independent expenditure" and inserting in place
- 18 thereof the following definition:-

19 "Independent expenditure", an expenditure made or liability incurred by an individual, 20 group, association, corporation, labor union or other entity as payment for goods or services including any transfer of money or anything of value to another individual, group, association, 22 corporation, labor union or other entity expressly advocating the election or defeat of a clearly 23 identified candidate, which is made or incurred without cooperation or consultation with a 24 candidate, a nonelected political committee organized on behalf of a candidate or an agent of a candidate and which is not made or incurred in concert with, or at the request or suggestion of, a candidate, a nonelected political committee organized on behalf of a candidate or agent of such 27 candidate

28 SECTION 5. Section 3 of said chapter 55, as so appearing, is hereby amended by adding 29 the following paragraph:-

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The director shall adopt regulations regarding electioneering communication 31 expenditures and independent expenditure that involves the transfer of money or anything of value from 1 individual, group, association, corporation, labor union or other entity to another individual, group, association, corporation, labor union or other entity for the purpose of making an electioneering expenditure or independent expenditure to ensure that the true origin of that 34 expenditure is disclosed in the manner and on the schedule for reports of such expenditures provided for by this chapter.

37 SECTION 6. Section 8 of said chapter 55, as so appearing, is hereby amended by striking out, in line 22, the words "Any corporation violating any provision of this section" and inserting 38 in place thereof the following words:- Any such corporation violating this chapter.

40 SECTION 7. Chapter 55 of the General Laws is hereby amended by inserting after section 8A the following section:-41

42 Section 8B. Nothing in this chapter shall be construed as authorizing an electioneering communication, electioneering communication expenditure or an independent expenditure by a corporation, including any requirement to report such communication or expenditure, unless 44 45 such communication or expenditure is protected by the Constitution of the United States or the commonwealth. 46

47 SECTION 8. Subsection (a) of section 18A of said chapter 55, as appearing in the 2010 48 Official Edition, is hereby amended by striking out, in lines 1 and 9, the words "or association" 49 and inserting in place thereof, in each instance, the following words:- association, corporation, labor union or other entity. 50

51 SECTION 9. Said section 18A of said chapter 55, as so appearing, is hereby amended by inserting after the word "association", in lines 16, 20 and 21 and 25, each time it appears, the 52 following words:-, corporation, labor union, other entity.

54 SECTION 10. Paragraph (7) of subsection (b) of section 18C of said chapter 55, 55 as so appearing, is hereby amended by inserting after the word "association", in line 36, the following words:-, corporation, labor union, other entity. 56

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SECTION 11. Paragraph (9) of said subsection (b) of said section 18C of said chapter 55, as so appearing, is hereby amended by striking out, in line 44, the words "or association" and inserting in place thereof the following words:- association, corporation, labor union or other 60 entity.

61 SECTION 12. Said chapter 55 of the General Laws is hereby further amended by striking 62 out section 18F, as so appearing, and inserting in place thereof the following section:-

63 Section 18F. Every individual, group, association, corporation, labor union or other entity 64 not defined as a political committee who makes an electioneering communication expenditure, in an aggregate amount exceeding \$250 during a calendar year, shall electronically file with the 66 director, within 7 days after making that expenditure, a report stating the name and address of the 67 individual, group, association, corporation, labor union or other entity making the electioneering 68 communication, the name of any candidate clearly identified in the communication, the total 69 amount or value of the communication, the name and address of the vendor to whom the 70 payments were made and the purpose and date of any such expenditure. In addition, any 71 individual, group, association, corporation, labor union or other entity not defined as a political 72 committee who makes electioneering communication expenditures, in an aggregate amount 73 exceeding \$250 during a calendar year, who receives funds for the purpose of making such 74 electioneering communications shall include in the electronic filing the date the funds were 75 received and the name and address of the provider of any such funds in excess of \$250, if any, and the value of the funds received. Reports required under this section shall be filed with the 77 director, as provided in section 18C, if electioneering communications refer to any candidate 78 who files with the director. Reports required under this section shall be filed with the city or town clerk if the electioneering communications refer to any candidate seeking public office in a 80 city or town election who does not otherwise file with the director.

Any person, group, association, corporation, labor union or other entity that makes or 82 contracts to make electioneering communications aggregating \$1,000 or more within 7 days before the date of an election shall file a report containing the information required under this section within 48 hours after making such expenditure.

85 A violation of this section shall be punished by a fine of not more than \$5,000 or by imprisonment in the house of correction for not more than 1 year. 86

87 SECTION 13. Section 18G of said chapter 55, as so appearing, is hereby amended by inserting after the first paragraph the following paragraphs: -

If the independent expenditure or electioneering communication is paid for by an entity 90 that is not an individual, the advertisement or communication shall contain the words "Top Contributors" and a written statement listing the 5 persons or entities, or if less than 5 persons or entities then the total of all such persons or entities, making the largest contributions to that entity for the purpose of making an independent expenditure or electioneering communication; provided, that such contributions shall be in excess of \$5,000 reportable under this chapter during the 12-month period before the date of the advertisement or communication. If no such contribution is received by the entity making an independent expenditure or electioneering communication, then the advertisement or communication may exclude such a statement.

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An individual, corporation, group, association or other entity that makes an independent expenditure or electioneering communication shall not engage or retain an advertising firm, campaign staff member or consultant that has also been engaged or retained within the prior 6 months by the candidate or candidate's committee that is benefited by the independent expenditure or electioneering communication.