

SENATE NO. 438

AN ACT RELATIVE TO THE ADMINISTRATION OF POLITICAL ACTION COMMITTEES ORGANIZED BY NOT-FOR-PROFIT CORPORATIONS, TRADE UNIONS, TRADE ASSOCIATIONS OR CHAMBERS OF COMMERCE

*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 amended by
2 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

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

30 SECTION 2. Section 8 of Chapter 55 of the Massachusetts General Laws is hereby amended by
31 inserting after the word "party" in line 14 the following:

32 ; except for costs to solicit, administer or maintain a political action committee organized by a
33 not-for-profit corporation, trade union, trade association or chamber of commerce provided that
34 such costs shall not exceed thirty percent of the political action committee's annual
35 expenditures.