

THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CAMPAIGN & POLITICAL FINANCE

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August 25, 2008
AO-08-05

Christopher N. Souris
Krakow & Souris, LLC
225 Friend Street
Boston, MA 02114

Re: Employer Payroll Deductions

Dear Mr. Souris:

This letter is in response to your July 11, 2008, request for an opinion regarding contributions to a local union PAC via employer payroll deductions.

You have stated that individual employees will have signed an appropriate authorization for the employer to make a payroll deduction for their PAC contributions, and the amounts authorized will total over \$50 per year. Additionally, on a monthly basis, the employer will mail the PAC a report detailing the deductions for each employee together with a check in an amount representing the total of the amounts deducted from the wages of each employee for the period for the PAC contribution. The amount transferred by this check will then be deposited into the PAC's account.

QUESTION

Are these contributions to the PAC (described above) by way of payroll deductions permissible under Sections 9 and 9A of the Massachusetts campaign finance law when the employer transmits the total wage deductions for employees for the period by check?

ANSWER

Yes. Such contributions are consistent with the campaign finance law and regulations.

DISCUSSION

M.G.L. c. 55, § 9 states that "[n]o individual, candidate, or political committee . . . shall accept a contribution of money from any one person or political committee if the aggregate amount contributed in a calendar year exceeds \$50 except by a written instrument or by direct deposit in accordance with Section 9A. For the purposes of the preceding sentence the term

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'written instrument' shall mean a check on which the contributor is directly liable or which is written on a personal escrow, trust, partnership, business or other account which represents or contains the contributor's funds." Section 9 must be read in conjunction with Section 9A, which allows "... money from individual contributors by direct deposit of funds into the committee's account by wire transfer or other electronic means." The purpose of Sections 9 and 9A is, in part, to insure that a paper trail exists to document the source of contributions.

The campaign finance law does not restrict the form of contributions received by a political committee until the aggregate amount given by the contributor exceeds \$50 in a calendar year. Once this annual threshold is reached, contributions must be in the form of a written instrument or, in the case of individual contributions to PACs, by direct deposit in accordance with § 9A. Section 9A requires contributors to provide signed authorization cards to their employer or their bank or other financial institution that include (1) the name and residential address of the contributor, (2) the occupation and employer or employers of any person contributing \$200 or more in a calendar year, and (3) the amount and payment period, if any, of each contribution.

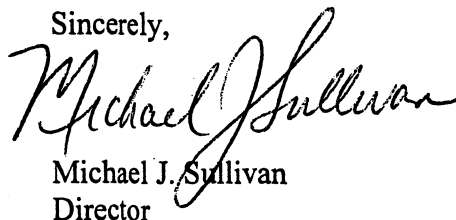
Sections 9 and 9A are designed to assure a means by which accurate information regarding contributors is received and reported by candidates and committees. Retaining such information allows candidates and committees, and this office, to ensure compliance with the disclosure and limitations provisions of the campaign finance law. If the information required is forwarded to the PAC, union members may give, and the PAC may receive, contributions up to the legal limit of \$500 per calendar year by payroll deduction, transmitted by check or other electronic means, by the contributors' employer, and then deposited in the PAC's account.

In the scenario you have presented, union members can authorize the transfer of their contributions through payroll deductions into a PAC's account, if the PAC is provided with a copy of the members' signed authorizations from the members' employer, containing the information required by Section 9A. When the funds are transferred to the PAC by the employer, the employer should forward this information to the PAC. The PAC will then be able to accept such contributions up to each individual contributor's legal limit of \$500.

This opinion is provided on the basis of representations in your letter and is solely within the context of the campaign finance law.

Please do not hesitate to contact this office should you have additional questions about this or any other campaign finance matter.

Sincerely,



Michael J. Sullivan
Director

MJS/sh