

For Immediate Release

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REP. FERRANTE, HOUSE PASS SWEEPING ETHICS REFORM
Bill Toughens Lobbying Laws and Gives More Tools to Regulators

BOSTON— State Representative Ann-Margaret Ferrante joined her colleagues in the Massachusetts House of Representatives in passing a broad package of ethics and campaign finance reform. The bill, which now goes to the Senate for consideration, gives stronger investigatory power to the Secretary of State and State Ethics Commission, places more rigorous regulation on lobbyists, and provides for more disclosure and enforcement of campaign finance law.

“I commend House Speaker Robert A. DeLeo for making Ethics Reform one of his first actions and priorities as the incoming speaker,” Ferrante said. “I believe that these reforms will help to restore the public’s trust in the Legislature.”

Through the work of Rep. Ferrante and other Members of the House, this package expands on the work done by the Task Force on Public Integrity, appointed by Governor Patrick in November. While it embraces such proposals as enhancing the civil powers of the Secretary of State to enforce lobbying laws, imposes a \$10,000 fine or 5 years imprisonment for violations of lobbying laws and gives the Attorney General the ability to call a statewide grand jury for inquiries into local corruption, it also addresses the area of campaign finance. Finally, it expands the power of the State Ethics Commission to regulate conflicts of interest, gifts and gratuities to public employees, requiring public officials to avoid any appearance that they can be improperly influenced.

If passed, the bill would double the disclosure requirement of legislators to file during off-election years and permit the Office of Campaign and Political Finance (OCFP) to refer violations of campaign finance laws directly to the Attorney General (AG). It further prohibits officials from using campaign accounts to pay fines for ethical violations and mandates electronic filing of \$500 donations prior to an election contest.

The bill, announced on the same day the first representatives participated in mandatory ethics training on the House floor, passed 153 - 0.

“Too often, the public has come to see people in government playing by a different set of rules than the rest of the world. This bill – the first ethics legislation taken up by the House in 15 years -- will help restore the public’s confidence in government,” House Speaker DeLeo said. “In this bill, we empower those agencies charged with enforcing our ethics and campaign finance laws, increase the penalties on violators of our lobbying laws, and make elected officials subject to increased transparency and lobbying requirements. I look forward to working with Governor Patrick and Senate President Murray as we fix the way the people’s business is done.”

The bill includes the following provisions:

Ethics

- Would reduce the minimum threshold for incidental lobbying. for executive agents from 50 hours or \$5,000 to 25 hours or \$2,500;
- Would reduce the minimum threshold for incidental lobbying. for legislative agents from 50 hours or \$5,000 to 25 hours or \$2,500;
- Would expand the definition of what constitutes a client for lobbying purposes;
- Would require lobbyists to annually complete a certification course conducted by the secretary of state;
- Would vest the Secretary of State with the authority to promulgate regulations for the implementation, administration and enforcement of lobbying laws;
- Would require the Secretary of State, upon request, to issue confidential advisory opinions on lobby laws;
- Would increase penalties for late filings by lobbyists and employers;
- Would enhance the Secretary of State's civil powers to enforce lobbying laws, including vesting him with subpoena power;
- Would expand the disclosure requirements for lobbyists;
- Would increase the penalties for violations of lobbying laws from \$5K to \$10K or imprisonment for up to 5 years in state prison or 2.5 years in county jail;
- Would codify the crime of obstruction of justice and makes a violation punishable by a \$25K fine and up to 10 years in state prison, or both;
- Would increase the maximum criminal penalty for giving or receiving a bribe from \$5K/3 years imprisonment to \$100K/10 years imprisonment;
- Would vest the state ethics commission with expanded regulatory authority;
- Would include executive agents in the revolving door statute;
- Would allow the Ethics Commission, in addition to a fine, to recover the proceeds, or the economic advantage, realized by the public official as a result of a violation of the ethics laws;

- Would establish a statewide grand jury, thereby allowing the AG to investigate crimes that cross county lines and to convene inquiries into local corruption matters without relying exclusively on local grand jurors;
- Would require lobbyists to obtain a license from the Secretary of State upon registration and allow the Secretary, upon cause shown, to suspend or permanently revoke a license;
- Would prohibit any gift by a lobbyist to a public official and would increase the penalty for violation of the gift ban from \$2,000 up to \$10,000 or 5 years imprisonment, or both;
- Would require that all state, county and municipal employees receive a summary of the conflict of interest law within 30 days of becoming an employee and every year thereafter. All employees would be required to sign an acknowledgment form stating they received the summary;
- Would require that all state, county and municipal employees to take the State Ethics Commission's on-line training program within 30 days of hire, and every 2 years thereafter; and Would require the State Ethics Commission to establish a certification program so that each municipality has 1 person knowledgeable about the ethics laws who can train municipal employees

Campaign Finance:

- Would require campaign finance reports to be filed twice in the non-election year;
- Would require sub-vendor reporting (if a candidate hires a consultant and the consultant makes further expenditures, the consultant would have to disclose those expenditures);
- Would increase fines for late filing from \$10 per day to \$25 per day;
- Would require disclosure of all donations to inaugural, recount and legal defense funds
- Would authorize the removal of a candidate's name from the ballot for failure to file campaign report if OCPF has commenced legal action;
- Would require mayoral candidates in cities with 40,000+ populations to e-file with OCPF;
- Would require mayoral candidates in cities or towns with populations of 50-100k to file with OCPF if more than \$5K is raised in an election cycle;
- Would require individuals to reports disclosing such expenditures;
- Would streamline the administration of public financing program for statewide candidates;

- Would clarify that contributions from .professional corporations are prohibited;
- Would authorize OCPF to refer local non-filers to AG for prosecution; and
- Would establish a Special Commission to study the creation of a new Office of Public Accountability which would oversee ethics, campaign and political finance, and lobbyist registration

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