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NEW BILLS WOULD ABOLISH SUPER PACS AND END FOREIGN CORPORATE MONEY IN MASSACHUSETTS ELECTIONS

State Legislators Seek to Protect the Integrity of Elections in Massachusetts

BOSTON, MA – State legislators have introduced two bills before the Massachusetts State Senate to abolish super PACs and to prohibit spending by foreign-influenced corporations in Massachusetts elections.

One bill, which Senator Jo Comerford and Senator Mark Montigny are co-sponsoring in the Senate as SD 1331, will require corporations that spend money in Massachusetts elections to certify they are not foreign-influenced, or owned in whole or a significant part by foreign entities. Representatives Josh Cutler and Harold Naughton, Jr. have introduced the House versions of this bill, as HD 553 and HD 2535 respectively. The other bill will establish limits on contributions to political action committees, thereby abolishing super PACs in state elections. Senator Comerford and Representative Michael Day have introduced those bills in the Senate and House, respectively, as SD 929 and HD 1720.

In March 2010, the U.S. Court of Appeals for the D.C. Circuit in *SpeechNow.org v. FEC* opened the door to super PACs by holding that the federal law limiting contributions to political committees to \$5,000 per person each year did not apply to a political committee that promised to make only "independent expenditures." While some federal appellate circuits have followed the *SpeechNow* ruling, the U.S. Court of Appeals for the First Circuit, which has jurisdiction over federal cases in Maine, Massachusetts, New Hampshire, Puerto Rico, and Rhode Island, has yet to rule on this question, nor has the U.S. Supreme Court or the Massachusetts Supreme Judicial Court.

Alongside the rise of super PACs, the nation has also witnessed foreign corporate money flowing into our elections as a result of the U.S. Supreme Court's 2010 ruling in *Citizens United v. FEC*, which swept away longstanding precedent barring corporate money in our political process. For example, in May 2016, Uber teamed up with fellow ride-hailing service Lyft to drench Austin, Texas, in \$9 million worth of election spending in the hope of overturning a city law requiring drivers to submit to fingerprint-based criminal background checks. Then, just weeks later, Uber disclosed an unprecedented \$3.5 billion investment from the Saudi Arabian government, meaning that the Saudi Kingdom owns more than five percent of the company, along with a seat on its board of directors. And, in 2014, Chevron spent over \$3 million backing city council and mayoral candidates in Richmond, Calif.— a multinational corporation whose stock ownership changes by the minute — was at the time facing a multimillion-dollar lawsuit from the city over a refinery fire that caused more than 15,000 people to seek medical treatment.

"The insidious amounts of money flowing through American politics is corrupting our democratic institutions and rendering the average voter almost insignificant in comparison to those willing to sell out to the highest bidder. To make matters far worse, many of these large-scale investors are foreign governments and entities who do not have our interests at heart. There must be zero tolerance for

such activity in Massachusetts and we must act in the face of never-ending inertia in Congress," says Senator Mark Montigny, Senate sponsor of SD 1331, the bill to prohibit political spending by foreign-influenced corporations.

"This legislation is a common-sense measure that will address a loophole currently allowing individuals to circumvent our campaign finance regulations," says Representative Michael Day, referring to HD 1720, the House bill he is sponsoring to abolish super PACs in Massachusetts elections. "I am optimistic that, if enacted, this bill will fight corruption by making it clear that our political process is not for sale."

"Elections should be decided by the voters, not by big money interests," says Senator Jo Comerford, who is sponsoring SD 929, the Senate bill to end super PACs, and co-sponsoring SD 1331, the bill to prohibit political spending by foreign-influenced corporations. "These two reform bills will help protect our democracy here in Massachusetts and help ensure that the voices of all voters will be heard, regardless of economic status."

Free Speech For People, a national non-profit public interest organization founded on the day of the Supreme Court's *Citizens United* ruling, helped to draft the new bills now pending before the Massachusetts Legislature. The organization also helped to draft the St. Petersburg, Florida ordinance, the first of its kind in the country, on which the Massachusetts bills are based.

"With these key reform bills, Massachusetts can help lead the way in the fight to reclaim our democracy," says John Bonifaz, the Co-Founder and President of Free Speech For People. "Super PACs are backdoors for wealthy donors to evade campaign contribution limits designed to prevent corruption and the appearance of corruption. And, political spending by foreign-influenced corporations threatens American self-government. It is time that we end super PACs and foreign corporate spending in Massachusetts elections and that we provide a model for how other states can help safeguard their elections as well. We applaud the leadership of the state legislators who are sponsoring these bills and standing up for our democracy."

"Democratic self-government requires that American elections be decided by people who live here," says Pam Wilmot, Executive Director of Common Cause Massachusetts. "Here, at the birthplace of the American Revolution, we should act now to protect our own state's democracy by restricting foreign-owned corporate expenditures in our elections."

"These bills limit the damage of the Supreme Court's *Citizens United* decision by closing major loopholes and ending unintended consequences that the Court didn't even envision," says Ron Fein, the Legal Director of Free Speech For People. "The people of Massachusetts understand that super PACs are an end-run around limits on political contributions, and a vehicle for corruption in politics. They also understand that foreign influence, through any form, has no place in our elections. We urge the Massachusetts Legislature to pass these landmark bills to help protect the integrity of our elections."

"Almost a decade after the Supreme Court's *Citizens United* decision, the results have been disastrous as foreign corporate money and the pooled wealth of super PACs have swamped the voices of the American people and corrupted our democracy," says Ben Clements, the Board Chair for Free Speech For People. "With the passage of these bills to end the influence of super PACs and foreign money on Massachusetts elections, the Legislature can begin to restore our Massachusetts elections to the people and make Massachusetts a clean and fair election model for the Nation."