

DISPOSITION AGREEMENT

This Disposition Agreement is entered into on February 9, 2016, by and between the Office of Campaign and Political Finance ("OCPF"), Paul F. Mahoney, Jr. ("Mahoney" or the "Candidate"), and the Mahoney Committee (the "Committee"), in which the parties mutually agree, for the purposes of this Agreement, as follows:

I. INTRODUCTION

1. The Committee, at all times relevant to this Agreement, was a duly organized political committee subject to the provisions of M.G.L. c. 55, the Massachusetts campaign finance law.
2. The Committee was organized to promote the nomination and election of the Candidate to public office.
3. OCPF has the authority to review and investigate the legality, validity, completeness, and accuracy of all reports required to be filed and all actions required to be taken by political committees, candidates, campaign treasurers, and any other person pursuant to M.G.L. c. 55 or any other laws of the Commonwealth relative to campaign contributions and expenditures.
4. The political contributions, expenditures, and other activities noted in this Agreement are subject to the provisions of M.G.L. c. 55 and the regulations issued by this office in accordance with M.G.L. c. 55.

II. FACTS

1. On August 14, 2015, Mahoney organized the Committee with OCPF to promote his candidacy for city council in Cambridge, Massachusetts. On the same date, the Candidate signed and filed a statement with OCPF in which the Committee appointed a depository bank and stated that all campaign finance activity would be handled by the Committee through the depository account.¹
2. Prior to the election on November 3, 2015, the Candidate and Committee distributed signs, mailings, and t-shirts and placed newspaper advertisements promoting Mahoney's candidacy for City Council.
3. The Committee's bank reports from August 1, 2015 through November 15, 2015 disclosed three expenditures, totaling \$126.15, for Committee checks and bank service fees. In addition, the bank reports during the same period reflected one receipt, in the amount of \$100.

¹ Candidates for certain elected offices in Massachusetts, including statewide office, county office, and mayor or city councilor in a city with a total population of seventy-five thousand or more, must appoint a depository bank. M.G.L. c. 55, § 19.

4. As a result of its review, OCPF determined and the Candidate acknowledged that, on multiple occasions, the Candidate personally paid for goods and services using the Candidate's personal funds, without utilizing the Committee's depository account. All of the Committee's approximately thirty expenditures for campaign materials, totaling \$21,407.51, were made outside of the Committee's depository account in 2015.

5. All of the funds used for the expenditures described above were the Candidate's personal funds. The Committee did not receive or deposit any contributions from other contributors until late November 2015; those funds were deposited into the Committee's depository account and timely disclosed in the Committee's deposit reports.

6. After this matter was brought to the Candidate's attention, the Committee filed a report with OCPF to disclose the approximately \$21,000 in campaign finance activity that occurred outside of the depository system.

III. OCPF CONCLUSIONS

There is no limit on the amount of money a candidate may spend to promote his or her own nomination or election to public office. In order to provide the public with full, accurate, and timely disclosure of campaign finance activity, however, depository candidates and committees are required to pay for goods and services that cost more than \$100 with funds that have previously been deposited into their duly appointed depository bank accounts. M.G.L. c. 55, § 19.

OCPF has concluded that the Candidate and the Committee violated § 19 when the Candidate used his personal funds to pay for campaign expenditures without utilizing funds on deposit in the Committee's depository account.

IV. RESOLUTION

In order to resolve the matter now before OCPF, the parties agree, pursuant to 970 CMR 3.07(1) and M.G.L. c. 55, § 3, as follows:

1. Upon execution of this Agreement, the Candidate will pay \$1,000 to the Commonwealth in the nature of a civil forfeiture, payable from the Candidate's personal funds.
2. The Candidate and the Committee agree that all future campaign finance expenditures made to influence the nomination or election of the Candidate to public office will be paid with funds on deposit in the Committee's depository bank account as required by M.G.L. c. 55 and the regulations issued by OCPF in accordance with the campaign finance law.
3. The Committee may obtain a credit or debit card in the Committee's name for campaign expenditures, but the Candidate and Committee agree that the Candidate will no longer

undertake any campaign finance activity outside of the depository system of disclosure. If the Candidate intends to use his personal funds for Committee expenditures, the Candidate agrees to first deposit his personal funds into the Committee account and then make all expenditures from the Committee account.

4. OCPF agrees not to refer the Candidate or the Committee to any other governmental agency, including, without limitation, the Office of the Attorney General, for any failure to comply with the provisions of M.G.L. c. 55 cited herein, with respect to the conduct that is specifically referenced in this Agreement.

5. OCPF may, at any time, review compliance with this Agreement. If it believes that the provisions of this Agreement have been violated, after notice to the Candidate and the Committee, OCPF may, notwithstanding the provisions of the foregoing paragraph, proceed with any action consistent with M.G.L. c. 55 or otherwise authorized by law.

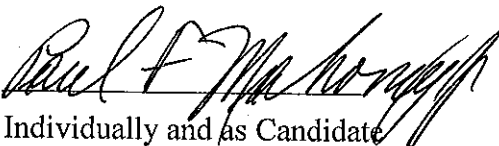
6. This Agreement shall be binding upon OCPF, the Candidate, and the Committee.


7. The parties have entered into this Agreement, knowingly and voluntarily, in an effort to resolve all matters set forth in the Agreement.

8. This Agreement is a public record under M.G.L. c. 4, § 7 and shall be subject to public inspection as required by M.G.L. c. 66, § 10.

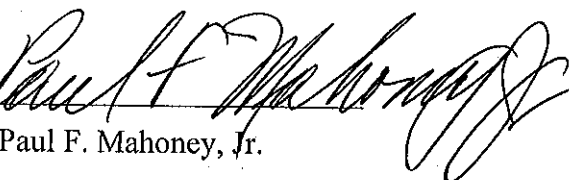
PAUL F. MAHONEY, JR.

OFFICE OF CAMPAIGN AND
POLITICAL FINANCE

By: 
Individually and as Candidate

By: 
Michael J. Sullivan, Director
2/9/16

MAHONEY COMMITTEE

By: 
Paul F. Mahoney, Jr.

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FINANCE