

Commonwealth of Massachusetts
Office of the Attorney General
Office of Campaign and Political Finance

Rappaport to Pay \$60,000 for Campaign Finance Violations

Largest ever campaign finance fine to be paid as part of settlement for violations which occurred during Rappaport's campaign for lieutenant governor

DECEMBER 19, 2005

BOSTON -- James W. Rappaport and The Rappaport Committee have agreed to pay \$60,000 to settle charges they failed to fully disclose campaign expenditures from his personal account during Rappaport's candidacy for lieutenant governor in 2002, Attorney General Tom Reilly announced today

Under the terms of the settlement announced today, Rappaport must personally pay \$60,000 to The Rappaport Committee which will then be turned over to the Commonwealth through the Attorney General's Office for violating campaign finance laws during 2002.

In February 2003, the Office of Campaign and Finance (OCPF) entered into a disposition agreement with Rappaport regarding \$225,895 in campaign expenditures that Rappaport made from his personal bank account. The campaign finance laws require that expenditures on statewide campaigns be made from a depository account in the name of the campaign. Doing so facilitates monitoring by OCPF and public disclosure. The 2003 disposition involved four campaign-related media buys and a payment on a campaign credit card that had been paid by Rappaport through his personal accounts between May 7, 2002 and July 19, 2002.

As part of this agreement, Rappaport and his committee filed amended campaign finance reports with OCPF that purported to disclose "all campaign finance activity." Rappaport additionally submitted a written statement under the penalty of perjury that indicated that he "did not make any other campaign expenditures outside of the Committee's Depository Account." Additionally, Rappaport paid \$5,000 to the Commonwealth and made a \$5,000 payment to Children's Hospital in Boston. In fact, Rappaport did not disclose all expenditures made outside his personal account.

After the disposition agreement was signed, OCPF identified additional campaign-related expenses that had been paid through Rappaport's personal account, not through the committee's account. Rappaport did not disclose these expenses in the disposition agreement with OCPF. In April 2004 OCPF referred the matter to the Attorney General's Office.

Further investigation by the Attorney General's Office and OCPF identified the following campaign-related expenditures made directly from Rappaport's personal bank account that were

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not disclosed to OCPF or the public and were not identified within the 2003 disposition agreement:

- \$4,525 to K&E Printing and Graphics on 06-27-02
- \$90,000 to K&E Printing and Graphics on 09-11-02
- \$44,164 to K&E Printing and Graphics on 09-12-02
- \$13,047 to Red October Productions on 09-13-02
- \$41,127 to Feather, Larson, Synhorst on 09-23-03
- \$11,723 to K&E Printing and Graphics on 09-23-02
- \$18,500 to Campaign Manager Holly Robichaud on 09-23-02
- \$18,190 to Robichaud on 09-23-02
- \$692 to Robichaud on 09-23-02
- \$17,300 to 11 other individuals who were paid staffers on Rappaport's campaign on 11-06-02
- \$22,942 to K&E Printing and Graphics on 11-13-02
- \$25,000 to Feather, Larson, Synhorst on 11-18-02
- \$2,745 to Feather, Larson, Synhorst on 1-13-03

K&E Printing and Graphics is a Virginia-based printing company that prepared mailings and other campaign material. Red October Productions is a film production company that produced television advertisements. Feather, Larson, Synhorst is a political telemarketing company.

As part of today's settlement, in addition to paying the \$60,000 fine to the Commonwealth, Rappaport has 30 days to file accurate Campaign Finance Reports with OCPF.

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