

Tuesday, January 17, 2012 Andover, MA

Dear friends and constituents of the 17th Essex District,

I am pleased to report that after more than a year of cooperation with the Office of Campaign and Political Finance (OCPF), my political committee, members of my family, and I have reached a final resolution with OCPF regarding its year-long review of three family gifts made to me by three immediate family members, all in compliance with applicable federal IRS regulations, before I became a candidate for State Representative.

The OCPF inquiry began shortly after you elected me to be your State Representative in November of 2010. Responding to an as-yet unidentified complainant, OCPF commenced a year-long review of my political committee, the duration of which itself attested to the difficulty of interpreting the vague and overly-broad definition of "contribution" contained in the Commonwealth's highly complex and technical campaign finance law (M.G.L. c. 55) in the context of gifts from immediate family members.

My committee's case presented a novel question of law previously unaddressed by OCPF and one that most candidates, and certainly I as a first-time candidate, could hardly have anticipated: how gifts made to me by my parents and brother are to be treated under the Massachusetts campaign finance law.

I believed, reasonably I think, that the family gifts from my parents and brother were my money. From this it followed, as the night the day, that I could do with them as I wished. I chose to loan a portion of them to my campaign. In doing so, there was absolutely no effort made to "disguise" their source. Indeed, OCPF's own conclusions acknowledge that to the extent that the family gifts found their way into the campaign, they were reported by my campaign as loans from me.

While reasonable minds can and did differ on how to interpret the facts and the law involved, I am pleased that we were able to resolve our differences by entering into a "Disposition Agreement," the most benign level of resolution. This agreement enabled us to make a nominal civil payment, allowing both sides, in the interests of practicality and economy, to move on.

It is my hope that the successful resolution of this case, the first of its type, will provide guidance in the future to other similarly situated candidates whose immediate family members might be contemplating making gifts to them for their personal maintenance and support.

Again, I am grateful and humbled every day to serve as the voice of the 17th Essex House District, and I look forward to continuing to serve as your fearless representative on Beacon Hill.

Best regards,

Paul Adams State Representative 17th Essex House District Andover, Lawrence, Tewksbury