

NOV 26 2018

ENFORCEMENT COMMISSION

**STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION**

In re. Contributions to John Scott 2016

File No. 2016-035

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between Charles Bowe, Town of Madison, State of Connecticut, hereinafter referred to as Respondent, and the undersigned authorized representative of the State Elections Enforcement Commission, is entered into in accordance with Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance herewith, the parties agree that:

1. The Commission initiated this enforcement matter against contributors to the *John Scott 2016* candidate committee after learning during the course of the contribution validation process that several contributions to the candidate committee were paid for using the same credit card.
2. The commission's Campaign Disclosure and Audit Unit reviewed contributions to the *John Scott 2016* candidate committee as part of the grant application review process. During that review, auditors identified six online contributions that were paid for using the same credit card. The contributors who utilized that credit card were identified as employees of Grand Wine and Spirits, a subsidiary of Bowe Enterprises, LLC. Inquiries to the contributors revealed that although the individuals had completed online contribution forms, Respondent Charles Bowe paid for the contributions using his business credit card.
3. Respondent stated to investigators that he was an acquaintance of the candidate, John Scott, and independently sought to raise money for Scott's candidate committee. Bowe and his employees contacted through this investigation confirmed that the company's bookkeeper, Sarah LaChance, used a company credit card to pay for the contributions of Bowe's employees. Bowe claimed that he did not know that paying for the campaign contributions of his employees using a company credit card would be problematic.
4. Respondent Bowe was cooperative in this investigation. He answered questions regarding his connections with the Scott campaign and provided documentation to show the credit card payments that he made on behalf of his employees. The employees in whose name the contributions were made to the Scott candidate committee who were contacted by the investigator were similarly cooperative.

5. The investigation found nothing that would indicate that any principals or agents of the *John Scott 2016* candidate committee were involved in the collection of these straw contributions from employees of Bowe Enterprises. The Commission, which was informed of this situation at the time that the Scott committee sought a grant from the Citizens' Election Fund, approved a grant to the Scott committee. None of the impermissible contributions were included in the calculations made to qualify the committee for a grant.

6. General Statutes § 9-622 provides, in part, the following persons shall be guilty of illegal practices:

(7) Any person who, directly or indirectly, individually or through another person, makes a payment or promise of payment to a treasurer in a name other than the person's own, and any treasurer who knowingly received a payment or promise of payment, or enters or causes the same to be entered in the person's accounts in any other name than that of the person by whom such payment or promise of payment is made;

...

(10) Any person who solicits, makes or receives a contribution that is otherwise prohibited by any provision of this chapter;

7. In addition, General Statutes § 9-613 prohibits businesses from making contributions to candidate committees.¹

8. By making these contributions on behalf of his employees using his business credit card, Bowe violated both General Statutes §§ 9-613 and 9-622.

9. General Statutes § 9-7b provides in part:

(a) The State Elections Enforcement Commission shall have the following duties and powers: . . .

(2) To levy a civil penalty not to exceed . . . (D) two thousand dollars per offense or twice the amount of any improper payment or contribution, whichever is greater, against

¹ See General Statutes § 9-613 (a) ("No business entity shall make any contributions to . . . any candidate's campaign . . .")

10. The Commission has previously imposed substantial penalties on individuals who facilitated the making of “straw contributions” in violation of General Statutes § 9-622 (7) and (10). Those penalties were intended to serve as a “meaningful deterrent” against these schemes by individual respondents and other persons and to express “the seriousness with which the Commission will judge and treat violations concerning the giving [of] contributions in the name of another . . .”²

11. In a 2008 case, the Commission stated why making contributions in another individual’s name represents such a significant violation:

The Commission views the making of contributions in the name of another as one of the most serious violations of campaign finance law, because it frustrates the very purpose of disclosure laws, providing information on the source of a candidate’s funding and support, by obfuscating the actual source of funding as well as circumventing contribution limits.³

12. The Commission finds that Respondent facilitated the making of six contributions in the name of this employees, utilizing his business credit card.

13. The Commission views the assessment of a civil penalty of six thousand dollars (\$6,000) – \$1,000 for each of the six impermissible contributions – as a meaningful deterrent to Respondent and others to engage in such behavior in the future and as an illustration of the seriousness with which the Commission takes making contributions in the name of another.

14. The Commission shall take no further action regarding the allegations against the six Bowe employees in whose name the contributions were made given their cooperation in this matter.

15. Respondent admits all jurisdictional facts and agrees that this Agreement and Order shall have the same force and effect as a final decision and Order entered into after a full hearing and shall become final when adopted by the Commission.

16. Respondent waives:

a) Any further procedural steps;

² See Commission Initiated Investigation of Contributions by Brian Lippey, Greenwich, SEEC File No. 2014-081 (State Elections Enforcement Comm’n, September 5, 2014) (reflecting seriousness associated Commission assigns to “straw contributions” allegations).

³ In the Matter of Cusano Campaign Solicitors, File No. 2008-148 (State Elections Enforcement Comm’n, May 27, 2009).

- b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law, separately stated; and
- c) All rights to seek judicial review or otherwise to challenge or contest the validity of the Order entered into pursuant to this Agreement.

17. It is understood and agreed that this Agreement will be submitted to the Commission for consideration at its next meeting and, if the Commission does not accept it, it is withdrawn and may not be used as an admission by the Respondent in any subsequent hearing, if the same becomes necessary.

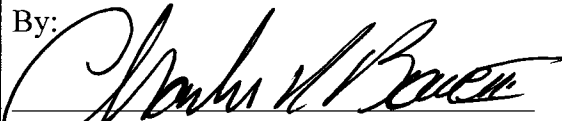
ORDER

IT IS HEREBY ORDERED THAT the Respondent Charles Bowe shall pay a civil penalty of \$6,000 for violations of Connecticut General Statutes §§ 9-613 and 9-622 (7) and (10).

The Respondent

For the State of Connecticut

By:



Charles Bowe
37 Green Hill Road
Madison, CT

By:

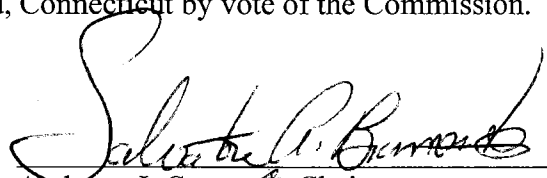
Michael J. Brandi, Esq.
Executive Director and General Counsel and
Authorized Representative of the
State Elections Enforcement Commission
20 Trinity St., Suite 101
Hartford, CT 06106

Dated:

11/22/18

Dated:

Adopted this 19th day of December 2018 at Hartford, Connecticut by vote of the Commission.



Anthony J. Castagna, Chairman

By Order of the Commission

