

**BEFORE THE OFFICE OF CAMPAIGN FINANCE
DISTRICT OF COLUMBIA BOARD OF ELECTIONS
FRANK D. REEVES MUNICIPAL BUILDING
2000-14th STREET, N.W., SUITE 433
WASHINGTON, D.C. 20009
(202) 671-0550**

IN THE MATTER OF)

DATE: January 8, 2018

Stanley Straughter)
C/O Steven J. McCool, Esq.)
1776 K Street NW, Suite 200)
Washington, DC 20006)

DOCKET NO.: FI 2013-014

ORDER

Statement of the Case

This matter came before the Office of Campaign Finance (hereinafter OCF) Office of the General Counsel pursuant to a media report and published court records, alleging that Stanley Straughter committed the following violations of the District of Columbia Campaign Finance Act: (1) made excessive contributions to candidates for public office in violation of D.C. Official Code §1-1163.33(a); (2) made contributions or caused contributions to be made in the name of another person in violation of D.C. Official Code §1-1163.33(e); (3) received reimbursement payments from his employer for political contributions he made in his and his family members names; and (4) provided false contributor information which was included in reports filed with the Office of Campaign Finance.

D.C. Official Code §1-1163.33(a) states that “No person shall make any contribution which, and no person shall receive any contribution from any person which, when aggregated with all other contributions received from that person relating to a campaign for nomination as a candidate or election to public office, including both the primary and general election or special election exceeds:

- (1) In the case of a contribution in support of a candidate for Mayor or for the recall of the Mayor \$2,000;
- (2) In the case of a contribution in support of a candidate for Chairman of the council or for recall of the Chairman of the Council, \$1,500;
- (3) In the case of a contribution in support of a candidate for member of the Council at-large or for the recall of a member of the Council elected at large, \$1,000;
- (4) in the case of a contribution in support of a candidate for member of the State Board of Education elected at-large or for member of the Council elected from a ward or

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for the recall of a member of the State Board of Education elected at-large or for the recall of a member of the Council elected from a ward, \$500;

(5) in the case of a contribution in support of a candidate for member of the State Board of Education elected from an election ward or for the recall of a member of the State Board of Education elected from an election ward or for an official of a political party, \$200; and

(6) in the case of a contribution in support of a candidate for a member of an Advisory Neighborhood Commission \$25.

D.C. Official Code §1-1163.33(e); states in pertinent part that “no person shall make a contribution or cause a contribution to be made in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.”

Summary of Evidence

By Order to Show Cause dated July 23, 2013, OCF ordered Stanley Straughter (hereinafter respondent) to appear at a scheduled hearing on July 25, 2013 and show cause why he should not be found in violation of the D.C. Campaign Finance Act of 2011, as amended by D.C. Official Code §1-1163.04 (3) et seq., and fined accordingly.

In response to the Order to Show Cause, Steven J. McCool, Esq. (hereinafter counsel for the respondent) entered his appearance and advised that the respondent had entered a guilty plea and executed a plea agreement with the Office of the U.S. Attorney for the District of Columbia that required his cooperation in an ongoing criminal investigation that office was conducting regarding violations of the Campaign Finance Act. Counsel for the respondent additionally requested that OCF postpone its proceedings until after the respondent fulfilled his obligations under the plea agreement and received his sentence in the criminal case.

On July 8, 2016 the respondent received a sentence of one year probation, 200 hours of Community Service and 12months probation. No fine was imposed. On August 22, 2016, the Director of the Office of Campaign Finance issued the second Order to Show Cause to the respondent in which he was ordered to appear at a scheduled hearing on September 1, 2016.

Pursuant to the Order to Show Cause issued by the Director of the Office of Campaign Finance, counsel for the respondent submitted the sentencing report requested from the criminal proceeding and requested a continuance to address the order to show cause. OCF granted the respondent's request.

On May 24, 2017, the respondent through counsel submitted a declaration in which he stated that he did not make the campaign contributions at issue on his own

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behest but, was directed to do so and later reimbursed by Mr. Jeffrey Thompson a principal in the Thompson, Cobb and Bazillio consulting firm, for whom he worked as a consultant. The respondent further stated that he entered a guilty plea to one count of causing Unlawful Corporate Contribution, a misdemeanor and was sentenced to twelve months probation but was not fined because the sentencing judge determined that he did not have the means to pay a fine. The respondent's Declaration also included a promise to refrain from engaging in any political campaign activity in the District of Columbia in the future.

A review of the court's records verified the respondent's representation regarding the sentence and the fine.

The respondent additionally requested the waiver any fines which could be imposed by OCF based upon the fact that he has limited financial means which are not sufficient to meet his personal financial obligations. As evidence of his assertions he submitted a copy of the Pre- Sentence Investigation Report that was submitted to the U.S. District Court for the District of Columbia during the sentencing phase of the criminal proceeding. The Respondent also requested additional time to provide copies of his most recent Federal Income Tax returns for consideration in his petition for leniency. Even though Federal Tax returns for calendar 2016 year were generally due on April 15, 2017, pursuant to an extension, the respondent did not file his returns until October 16, 2017. Therefore, on October 27, 2017, a copy of the return was provided to the Office of Campaign Finance.

OCF received and reviewed all of the respondent's submissions and accorded due consideration.

Findings of Fact

Having reviewed the allegations and the record herein, I find that:

1. The respondent is a resident of the State of Pennsylvania who performed consulting services for a firm in the District of Columbia known as Thompson, Cobb and Bazillio between the years of 2000 and 2012.
2. The firm held fund raisers to raise money for various political candidates seeking elective office in the District of Columbia and elsewhere during the period that the respondent was affiliated.
3. The respondent used his name and the names of family members to conceal excessive campaign contributions made by an executive in the firm knowing that he would be reimbursed for the contributions directly and indirectly by the executive and the firm.

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4. The activity for which it is alleged that the respondent violated the Campaign Finance Act occurred between 2006 and 2011.
5. In the Statement of Offenses used to reach a plea agreement in the criminal case of U.S. v. Straughter, Case No. 13-cr-00181(CKK), the respondent conceded that he made \$49,000.00 in Unlawful Corporate Contributions to political committees and PAC's in the District of Columbia between 2006 and 2011.
6. The respondent was a member of the network of "**Straw Donors**" who were used by Jeffrey Thompson to exceed the legal campaign contribution limits in violation of the Campaign Finance Act.
7. The respondent is no longer affiliated with Thompson, Cobb and Bazillio and has made no contributions to political campaigns in the District of Columbia since severing his ties with the firm.
8. The respondent submitted a Declaration conceding the allegation and promising to refrain from engaging in campaign politics in the District of Columbia in the future.
9. The respondent has requested suspension of any fines that may be imposed based upon the fact that he is living on a limited income that does not provide him the ability to pay any fines.
10. The respondent has made a commitment to refrain from engaging in activity related to political campaigns in the District of Columbia in the future which OCF will monitor through the electronic filing system which will flag any contribution from the respondent during each filing period.

Conclusions of Law

Based upon the record provided by OCF, I therefore conclude:

- 1: Respondent violated D.C. Official Code §1-1163.33(e);
2. The penalty established at D.C. Official Code §1-1163.33(e) and 3DCMR §3711.2(o), for making a contribution in the name of another is a fine of \$2,000.00 for each violation;
3. In accordance with 3DCMR §3711.2(o), the Respondent may be fined a maximum of \$38,000.00 for nineteen (19) violations of D.C. Official Code §1-1163.33(e);
4. For good cause shown pursuant to 3DCMR §3711.7, the Director of the Office of Campaign Finance (Director) may modify, rescind, dismiss or suspend any fine.

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5. The respondent's commitment to refrain from engaging in political campaign activity in the District of Columbia in the future may warrant some favorable consideration.
6. The respondent's failure to adhere to his commitment will be considered a breach of any agreement between him and OCF, which will result in the imposition of maximum penalties.

Recommendation

In view of the foregoing and information included in the record, I hereby recommend that the Director impose a fine of \$38,000.00 and suspend all but \$2,000.00 of the fine on the condition that the respondent adhere to his commitment to refrain from engaging in political campaign activity in the District of Columbia in the future. The respondent's failure to adhere to that commitment will result in the imposition of the maximum fine.

21/08/2018
Date

William O. Sanford
William O. SanFord
Hearing Officer

ORDER OF THE DIRECTOR

IT IS ORDERED that the Respondent is hereby fined \$38,000.00 and all but \$2,000.00 of the fine is suspended on the condition that the respondent adhere to his commitment to refrain from engaging in political campaign activity in the District of Columbia in the future.

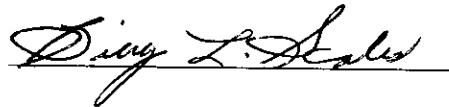
IT IS FURTHER ORDERED that the maximum fine will be imposed against the respondent if he fails to adhere to his commitment to refrain from engaging in political campaign activity in the District of Columbia in the future.

01/08/2018
Date

Cecily E. Collier-Montgomery
Cecily Collier-Montgomery
Director

CERTIFICATE OF SERVICE

This is to certify that I have served a true copy of the foregoing Order on Stanley L. Straughter by regular mail at 1016 Oak lane, Philadelphia PA. 19126 and Steven J. McCool, Esq. by regular mail at 1776 K Street, NW, Suite 200, Washington, DC 20006 and by email at www.MallonandMcCool.com on January 8, 2018.



NOTICE

Any party adversely affected by an Order of the Director may: (1) file a Motion for Reconsideration (Motion) with the OCF within five (5) days after receipt of an Order, provided that, relevant evidence was omitted from consideration at the hearing (3DCMR § 3709.13); or (2) obtain review of the Order by filing a request for a **hearing de novo** with the Board of Elections within fifteen (15) days from the date of issuance of an Order. Any fine imposed by the Director, pursuant to § 3711.2 shall become effective on the sixteenth (16th) day following the issuance of a decision or Order: provided that, the Respondent does not requests a **hearing de novo** with the Board of Elections. Fines imposed shall be paid within ten (10) days of the effective date of the issued Order of the Director. Payment should be made by check or money order, payable to: District of Columbia Treasurer and sent to the *Office of Campaign Finance, Frank D. Reeves Municipal Building, 2000 14th Street NW, Suite 433, Washington, DC 20009.*