

**COURT OF COMMON PLEAS
PHILADELPHIA COUNTY
CIVIL TRIAL DIVISION**

**BOARD OF ETHICS OF THE
CITY OF PHILADELPHIA**

v.

**CITY ORGANIZING
PENNSYLVANIA'S SECURITY
PAC, ET AL.**

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:
:

No. 170600475

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RECORDS

ORDER

AND NOW, this 12th day of October 2017, upon consideration of the plaintiff's petition to enforce the city's campaign finance law, and after a hearing, it is hereby ORDERED that the motion is GRANTED:

1. Respondents shall electronically file with the Board a 2015 Cycle 2 and a 2015 Cycle 3 campaign finance report for Citizens Organizing Pennsylvania's Security PAC, a.k.a. C.O.P.S. PAC on or before October 19, 2017.
2. A judgment is entered that respondents C.O.P.S. PAC and Kevin Price violated Philadelphia Code Section 20-1006 by failing to file a 2015 Cycle 2 campaign finance report with the Board of Ethics. As provided for at Philadelphia Code Section 20-1301(2), respondents shall pay a civil monetary penalty of \$31,000 for this violation.
3. A judgment is entered that Respondents violated Philadelphia Code Section 20-1006 by failing to file a 2015 Cycle 3 campaign finance report with the Board. As provided for at Philadelphia Code Section 20-1301(2), respondents shall pay a civil monetary penalty of \$29,000 for this violation.
4. The penalties imposed in paragraphs 2 and 3 of this order will be reduced to an aggregate of \$40,000 if the 2015 Cycle 2 and a 2015 Cycle 3 reports are filed on or before October

Phila Board Of Ethics V-JDORF



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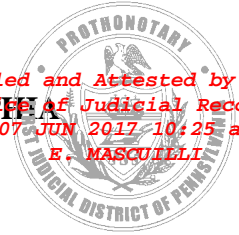
Case ID: 170600475
Control No.: 17060886

19, 2017. Additional penalties may be imposed, upon request, if the reports are not filed by that date.

BY THE COURT:

Alse F. Fo
J.

**IN THE COURT OF COMMON PLEAS OF PHILADELPHIA
 FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
 CIVIL TRIAL DIVISION**



*Filed and Attested by the
 Office of Judicial Records
 07 JUN 2017 10:25 am
 E. MASCUILLI*

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Attorneys for Petitioner

Board of Ethics :
of the City of Philadelphia :
 1515 Arch Street, 18th Floor :
 Philadelphia, PA 19102 :

v. :

Citizens Organizing :
Pennsylvania's Security PAC, :
AKA C.O.P.S. PAC :
 1209 Tribbit Ave. :
 Sharon Hill, PA 19079 :

Kevin Price :
Treasurer, Citizens Organizing :
Pennsylvania's Security PAC, :
AKA C.O.P.S. PAC :
 419 Titan Street :
 Philadelphia, PA 19147 :

Respondents, :

_____ Term

Case No. _____

PETITION TO ENFORCE PHILADELPHIA'S CAMPAIGN FINANCE LAW

Pursuant to Philadelphia's Campaign Finance Law (Philadelphia Code Chapter 20-1000), if a political committee makes expenditures to influence a City election, it is required to electronically file with the Board of Ethics a campaign finance report that discloses the committee's financial transactions during the relevant reporting period.

C.O.P.S. PAC is a political committee registered with the Pennsylvania Department of State. During the 2015 Primary Election, the committee spent tens of thousands of dollars to influence elections for Philadelphia's City Council. Despite this activity, C.O.P.S. PAC did not file any campaign finance reports with the Board of Ethics in 2015.

The failure to file a required campaign finance report with the Board violates Philadelphia Code Section 20-1006 and, pursuant to Code Section 20-1301(2), is subject to a civil monetary penalty of \$250 for each day the report is not filed with a maximum penalty of \$2,000 for the first 30 days, plus \$1,000 for each additional 30 day period, or part thereof, the report remains unfiled.

Therefore, in accordance with Philadelphia Civil Rule 206.1, and pursuant to Philadelphia Home Rule Charter Section 4-1100 and Philadelphia Code Sections 20-1005, 1006, and 1301, Petitioner, the Board of Ethics of the City of Philadelphia, brings this action seeking civil penalties and equitable relief to redress Respondents' violations of the City's Campaign Finance Law. In support thereof, Petitioner alleges as follows:

I. PARTIES

1. Petitioner Board of Ethics of the City of Philadelphia is an independent, five-member City board established in 2006 through voter approval of an amendment to the Philadelphia Home Rule Charter. Pursuant to Section 4-1100 of the Home Rule Charter, the Board is charged with administering and enforcing the City's Campaign Finance Law, which is found at Philadelphia Code Chapter 20-1000. Home Rule Charter Section 4-1100 authorizes the Board to seek enforcement of the Campaign Finance Law in the Court of Common Pleas.

2. Respondent Citizens Organizing Pennsylvania's Security PAC, AKA C.O.P.S. PAC is a political committee registered with the Department of State. *See* Exhibit A (C.O.P.S. PAC Political Committee Registration Statement).

3. The registered address of C.O.P.S. PAC is 1209 Tribbit Ave., Sharon Hill, PA 19079. *Id.*

4. Kevin Price is the treasurer of C.O.P.S. PAC. *Id.*

5. Mr. Price maintains an address at 419 Titan Street, Philadelphia, PA 19147. *See* Exhibit E at pg. 153 (November 15, 2016 testimony of K. Price)¹.

6. Venue is proper in this Court because the cause of action to redress Respondents' violations of Philadelphia's Campaign Finance Law arose in Philadelphia County and because transactions and occurrences related thereto occurred in Philadelphia County.

¹ Pages cited for Exhibits D, E, & T refer to pages of the referenced transcript, not the Appendix of Exhibits.

II. STATEMENT OF FACTS

7. Pursuant to Philadelphia's Campaign Finance Law (Philadelphia Code Chapter 20-1000), if a political committee makes expenditures to influence a City election, it is required to electronically file with the Board of Ethics a campaign finance report that discloses the committee's financial transactions during the relevant reporting period. *See* Philadelphia Code Section 20-1006(1)(a)(.2)². Such reports are due on a schedule set by State law. *Id.*

8. The Pennsylvania Election Code divides the calendar year into seven filing cycles. A political committee that made expenditures to influence a City election during the time period of April 1, 2015 through May 4, 2015 was required to file a Cycle 2 campaign finance report by May 8, 2015. *See* Exhibit U (Department of State schedule of reporting deadlines for 2015). A political committee that made expenditures to influence a City election during the time period of May 5, 2015 through June 8, 2015 was required to file a Cycle 3 campaign finance report by June 18, 2015. *Id.*

9. Respondent Price has served as the treasurer of two committees that have campaign finance filing accounts with the Board: 2nd Ward Multi-Cultural Committee and the Committee to Elect Edward J. Nesmith. *See* Exhibit M (Affidavit of Peter Anderson); Exhibit V (Political Committee Registration Statements for 2nd Ward Multi-Cultural Committee and Committee to Elect Edward J. Nesmith).

10. The 2nd Ward Multi-Cultural Committee electronically filed campaign finance reports with the Board in 2013, 2014, and 2015. *See* Exhibit M.

² In June of 2015, City Council amended the City's Campaign Finance Law and, as part of that amendment, changed the wording and numbering of the filing requirement found at 20-1006(1)(a). The substantive rule was not changed.

11. The Committee to Elect Edward J. Nesmith electronically filed campaign finance reports with the Board in 2010, 2013, and 2014. *Id.*

12. During a trial related to Respondents' activities during the 2015 Primary Elections, Respondents' lawyer explained that Respondent Price knew that failure to file campaign finance reports could subject him to monetary penalties, but he just viewed that as the cost of doing business. *See* Exhibit T, pg. 87 (November 17, 2016 closing argument by Respondents' counsel).

13. As described in more detail below, despite spending tens of thousands of dollars to affect the 2015 Philadelphia Primary Elections, Respondents did not file any campaign finance reports with the Board for C.O.P.S. PAC in 2015.

A. C.O.P.S. PAC fails to file a 2015 Cycle 2 campaign finance report with the Board of Ethics

14. From April 1, 2015 through May 4, 2015, C.O.P.S. PAC spent approximately \$47,500. *See* Exhibit B (Bank statements, withdrawal slips, and checks drawn on C.O.P.S. PAC account).

15. As described in more detail below, C.O.P.S. PAC spent most of this money to influence the May 2015 Primary Elections for City Council.

16. In April of 2015, City Council candidate Ori Feibush agreed to pay C.O.P.S. PAC a total of \$65,834 to promote Mr. Feibush's candidacy for City Council. *See* Exhibit C (April 11, 2015 email from K. Price to O. Feibush); Exhibit D at pgs. 111-12 (November 16, 2016 testimony of K. Price).

17. \$57,834 of the money Mr. Feibush agreed to pay C.O.P.S. PAC was for Election Day expenses. *See* Exhibit C.

18. \$8,000 of the money Mr. Feibush agreed to pay C.O.P.S. PAC was for events in April and May of 2015 promoting his campaign. *Id.*

19. On April 15, 2015, Friends of Ori Feibush wrote two checks to C.O.P.S. PAC, one for \$2,000 and the other for \$10,000. C.O.P.S. PAC deposited both checks on April 15, 2015. *See* Exhibit D at pg. 176; Exhibit F (April 15, 2015 checks from Friends of Ori Feibush).

20. On April 24, 2015, Friends of Ori Feibush wrote a check to C.O.P.S. PAC for \$37,000. C.O.P.S. PAC deposited the check on April 24, 2015. *See* Exhibit D at pg. 176; Exhibit G (April 24, 2015 check from Friends of Ori Feibush).

21. On May 4, 2015, Friends of Ori Feibush wrote a check to C.O.P.S. PAC, for \$37,000. C.O.P.S. PAC deposited the check on May 4, 2015. *See* Exhibit D at pg. 176; Exhibit H (May 4, 2015 check from Friends of Ori Feibush).

22. C.O.P.S. PAC spent the money it received from Friends of Ori Feibush on April 15, April 24, and May 4 to promote Mr. Feibush's candidacy for City Council.

23. As part of its efforts to promote Mr. Feibush's candidacy, C.O.P.S. PAC paid people to attend a rally on April 30, 2015 at City Hall protesting Mr. Feibush's opponent, Councilman Kenyatta Johnson. C.O.P.S. PAC also paid for vans to transport people to the April 30, 2015 rally. *See* Exhibit D at pgs. 173-74.

24. A political committee that made expenditures to influence a City election during the time period of April 1, 2015 through May 4, 2015 was required to electronically file a Cycle 2 campaign finance report with the Board of Ethics. The 2015 Cycle 2 campaign finance report was due by May 8, 2015.

25. As described above, C.O.P.S. PAC made expenditures to influence a City election during the time period of April 1, 2015 through May 4, 2015.

26. C.O.P.S. PAC did not electronically file a 2015 Cycle 2 campaign finance report with the Board of Ethics by May 8, 2015. *See* Exhibit M (Affidavit of Peter Anderson).

27. As of the date of this petition, C.O.P.S. PAC has not electronically filed a 2015 Cycle 2 campaign finance report with the Board of Ethics. *Id.*

B. C.O.P.S. PAC fails to file a 2015 Cycle 3 campaign finance report with the Board of Ethics

28. From May 5, 2015 through June 8, 2015, C.O.P.S. PAC spent approximately \$110,000. *See* Exhibit B (Bank statements, withdrawal slips, and checks drawn on C.O.P.S. PAC account).

29. As described in more detail below, C.O.P.S. PAC spent much of this money to influence the May 2015 Primary Elections for City Council. *See* Exhibit D at pgs. 139-40; Exhibit E at pg. 160 (November 15, 2016 testimony of K. Price).

30. On May 19, 2015, Friends of Ori Feibush wrote a check to C.O.P.S. PAC for \$1,500. C.O.P.S. PAC deposited the check on May 19, 2015. *See* Exhibit L (May 19, 2015 check from Friends of Ori Feibush).

31. C.O.P.S. PAC spent the money it received from Friends of Ori Feibush on May 19 to promote Mr. Feibush's candidacy for City Council. *See* Exhibit D at pgs. 139-40.

32. On May 5, 2015, Friends of Helen Gym wrote a check to C.O.P.S. PAC for \$3,200. C.O.P.S. PAC deposited the check on May 6, 2015. *See* Exhibit I (May 5, 2015 check from Friends of Helen Gym).

33. C.O.P.S. PAC spent the money it received from Friends of Helen Gym to promote Ms. Gym's candidacy for City Council. *See* Exhibit E at pg. 160.

34. On May 13, 2015, Squilla for Council wrote a check to C.O.P.S. PAC for \$3,000. C.O.P.S. PAC deposited the check on May 14, 2015. *See* Exhibit J (May 13, 2015 check from Squilla for Council).

35. C.O.P.S. PAC spent the money it received from Squilla for Council to promote Mr. Squilla's candidacy for City Council. *See* Exhibit E at pg. 160.

36. On May 15, 2015, Allan Domb for City Council wrote a check to C.O.P.S. PAC for \$3,000. C.O.P.S. PAC deposited the check on May 18, 2015. *See* Exhibit K (Copy of May 15, 2015 check from Allan Domb for City Council).

37. C.O.P.S. PAC spent the money it received from Allan Domb for City Council to promote Mr. Domb's candidacy for City Council. *See* Exhibit E at pg. 160.

38. A political committee that made expenditures to influence a City election during the time period of May 5, 2015 through June 8, 2015 was required to electronically file a Cycle 3 campaign finance report with the Board of Ethics. The 2015 Cycle 3 campaign finance report was due by June 18, 2015.

39. As described above, C.O.P.S. PAC made expenditures to influence a City election during the time period of May 5, 2015 through June 8, 2015.

40. C.O.P.S. PAC did not electronically file a 2015 Cycle 3 campaign finance report with the Board of Ethics by June 18, 2015. *See* Exhibit M.

41. As of the date of this petition, C.O.P.S. PAC has not electronically filed a 2015 Cycle 3 campaign finance report with the Board of Ethics. *Id.*

C. Respondents fail to file outstanding campaign finance reports after contact from Board enforcement staff

42. Board enforcement staff learned in November of 2016 that C.O.P.S. PAC should have electronically filed campaign finance reports with the Board in 2015.

43. Enforcement staff promptly contacted Mr. Price and informed him of the obligation to file campaign finance reports. Mr. Price arranged to come to the offices of the Board on December 5, 2016 to file the outstanding reports. *See Exhibit N (12/1/2016 email from J. Segall).*

44. While a person can file a campaign finance report with the Board from his or her own computer if it has internet access, Board staff often accommodate filers by providing a computer and filing assistance at the offices of the Board or at City Hall.

45. On December 5, 2016, Mr. Price sent Mr. Segall an email claiming a family issue prevented him from appearing at the Board. He stated that he would appear on December 6, 2016 at 1:00 PM. *See Exhibit O (12/5/2016 email from K. Price in response to email from J. Segall).*

46. Mr. Price did not appear at the offices of the Board on December 6, 2016.

47. After numerous follow up telephone calls and email messages from Mr. Segall, Mr. Price stated that he would appear and file the required reports on January 6, 2017. *See Exhibit P (1/4/2017 email from K. Price in response to emails from J. Segall).*

48. On January 6, 2017, Mr. Price sent Mr. Segall an email in which he stated that his duties at the Delaware River Port Authority prevented him from appearing at the offices of the Board. He further stated that he would appear at the offices of the Board on January 9, 2017 at 1:00 PM “no matter what the weather or anything else.” *See Exhibit Q (1/6/2017 email from K. Price).*

49. Mr. Price did not appear at the offices of the Board on January 9, 2017.

50. On January 10, 2017, not having heard from Mr. Price since January 6, 2017, Mr. Segall sent him a letter reminding him that C.O.P.S. PAC was legally required to file campaign finance reports in 2015. Mr. Segall also informed Mr. Price that if he failed to file the required reports, he would be subject to an enforcement action. *See* Exhibit R (January 10, 2017 letter from J. Segall).

51. Board enforcement staff did not receive any communications from Mr. Price after January 10, 2017.

52. On April 10, 2017, the Board's Director of Enforcement sent Mr. Price a letter informing him that the Executive Director had found probable cause to believe Respondents had violated the City's Campaign Finance Law and that enforcement staff would ask the Board for authorization to file an enforcement petition in this Court. He further informed Mr. Price that, as per Board Regulation No. 2, Mr. Price could appear at the Board's April 19, 2017 Public Session meeting to respond to the allegation that Respondents had violated the City's Campaign Finance Law. *See* Exhibit S (April 10, 2017 letter from M. Cooke with transmittal email).

53. Mr. Price did not appear at the Board's April 19, 2017 Public Session meeting.

54. On May 24, 2017, the Board authorized the filing of this action.

**III. ALLEGED VIOLATION OF PHILADELPHIA'S
CAMPAIGN FINANCE LAW**

COUNT 1 – VIOLATION OF §20-1006

FAILURE TO FILE 2015 CYCLE 2 CAMPAIGN FINANCE REPORT

55. Petitioner repeats and re-alleges paragraphs 1 through 54 as if fully set forth herein.

56. By failing to electronically file a 2015 Cycle 2 campaign finance report for C.O.P.S. PAC with the Board of Ethics, Respondents violated Philadelphia Code Section 20-1006 and are therefore subject to the penalties set forth at Code Section 20-1301(2).

WHEREFORE, Petitioner prays for judgment against Respondents as follows:

- (i) a judgment that Respondents violated Philadelphia Code Section 20-1006;
- (ii) a civil monetary penalty as provided at Code Section 20-1301(2), to wit, \$250 for each day the report is not filed with maximum total penalties of \$2,000 for the first 30 days the report remains unfiled plus \$1,000 for each additional 30 day period, or part thereof;
- (iii) an order from the Court directing Respondents to promptly electronically file with the Board of Ethics a 2015 Cycle 2 campaign finance report for C.O.P.S. PAC;
- (iv) any other relief the Court deems just and proper.

COUNT 2 – VIOLATION OF §20-1006
FAILURE TO FILE 2015 CYCLE 3 CAMPAIGN FINANCE REPORT

57. Petitioner repeats and re-alleges paragraphs 1 through 54 as if fully set forth herein.

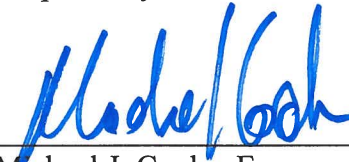
58. By failing to electronically file a 2015 Cycle 3 campaign finance report for C.O.P.S. PAC with the Board of Ethics, Respondents violated Philadelphia Code Section 20-1006 and are therefore subject to the penalties set forth at Code Section 20-1301(2).

WHEREFORE, Petitioner prays for judgment against Respondents as follows:

- (i) a judgment that Respondents violated Philadelphia Code Section 20-1006;
- (ii) a civil monetary penalty as provided at Code Section 20-1301(2), to wit, \$250 for each day the report is not filed with maximum total penalties of \$2,000 for the first 30 days the report remains unfiled plus \$1,000 for each additional 30 day period, or part thereof;
- (iii) an order from the Court directing Respondents to promptly electronically file with the Board of Ethics a 2015 Cycle 3 campaign finance report for C.O.P.S. PAC;
- (iv) any other relief the Court deems just and proper.

Date: June 7, 2017

Respectfully submitted,



Michael J. Cooke, Esq.
Director of Enforcement

Jordan E. Segall, Esq.
Staff Attorney

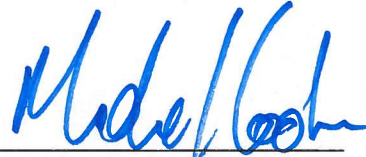
City of Philadelphia Board of Ethics
1515 Arch Street, 18th Floor
Philadelphia, PA 19102
Phone: (215) 686-9450
Fax: (215) 686-9453

VERIFICATION

I, Michael J. Cooke, hereby state that I am the Board of Ethics' Director of Enforcement; that I am authorized to make this verification on its behalf in the foregoing action; that I have personal knowledge of the statements made in the foregoing Petition; and that the statements made in the Petition are true and correct to the best of my knowledge, information, and belief.

I understand that the statements in this Verification are made subject to the penalties of 19 P.S. §4904 relating to unsworn falsification to authorities.

Date: June 7, 2017



Michael J. Cooke

CERTIFICATION OF SERVICE

I, Michael Cooke, hereby certify that on this date I caused a true and correct copy of the foregoing Petition, Memorandum of Law in support thereof, and Exhibits to be served upon the following:

By hand delivery and email:

**Citizens Organizing
Pennsylvania's Security PAC,
AKA C.O.P.S. PAC**
c/o Kevin Price, Treasurer
1209 Tribbit Ave.
Sharon Hill, PA 19079

419 Titan Street
Philadelphia, PA 19147

Kprice152@comcast.net

By hand delivery and email:

Kevin Price
419 Titan Street
Philadelphia, PA 19147

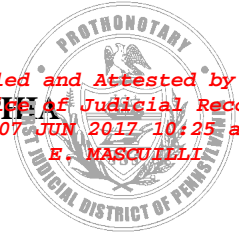
1209 Tribbit Ave.
Sharon Hill, PA 19079

Kprice152@comcast.net

Date: June 7, 2017



**IN THE COURT OF COMMON PLEAS OF PHILADELPHIA
 FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
 CIVIL TRIAL DIVISION**



Filed and Attested by the
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 E. MASCULLI

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 Attorney ID No. 91247
 Jordan E. Segall, Esq.
 Attorney ID No. 311432
 City of Philadelphia Board of Ethics
 1515 Arch St., 18th Floor
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 Phone: (215) 686-9450
 Fax: (215) 686-9453

Attorneys for Petitioner

Board of Ethics :
of the City of Philadelphia :
 1515 Arch Street, 18th Floor :
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Treasurer, Citizens Organizing :
Pennsylvania's Security PAC, :
AKA C.O.P.S. PAC :
 419 Titan Street :
 Philadelphia, PA 19147 :

 Respondents, :

_____ Term

Case No. _____

**MEMORANDUM OF LAW IN SUPPORT OF
 PETITION TO ENFORCE PHILADELPHIA'S CAMPAIGN FINANCE LAW**

I. MATTER BEFORE THE COURT

The matter before the Court is a Petition by a City agency, the Board of Ethics, seeking civil monetary penalties and injunctive relief to remedy Respondents' violations of the City's Campaign Finance Law, specifically, Respondents' failure to file required campaign finance reports with the Board of Ethics.

II. STATEMENT OF QUESTIONS INVOLVED

1. Did Respondents' failure to file a 2015 Cycle 2 campaign finance report with the Board for C.O.P.S. PAC violate §20-1006 of the Philadelphia Code?

Suggested answer – Yes.

2. Did Respondents' failure to file a 2015 Cycle 3 campaign finance report with the Board for C.O.P.S. PAC violate §20-1006 of the Philadelphia Code?

Suggested answer – Yes.

3. Should the Court impose civil monetary penalties upon Respondents for their violations of §20-1006 of the Philadelphia Code?

Suggested answer – Yes.

4. Should the Court order Respondents to immediately file their outstanding 2015 Cycle 2 and Cycle 3 campaign finance reports?

Suggested answer – Yes.

III. FACTS

The Philadelphia Board of Ethics is an independent, five-member City board established in 2006 through voter approval of an amendment to the Philadelphia Home Rule Charter. Pursuant to Section 4-1100 of the Home Rule Charter, the Board is charged with administering and enforcing the City's Campaign Finance Law. Charter Section 4-1100 authorizes the Board to seek enforcement of the Campaign Finance Law in the Court of Common Pleas.

Respondent Citizens Organizing Pennsylvania's Security PAC, AKA C.O.P.S. PAC is a political committee registered with the Department of State. *See* Exhibit A. The registered address of C.O.P.S. PAC is 1209 Tribbit Ave., Sharon Hill, PA 19079. *Id.* Kevin Price is the treasurer of C.O.P.S. PAC. *Id.* Mr. Price maintains an address at 419 Titan Street, Philadelphia, PA 19147. *See* Exhibit E at pg. 153 (November 15, 2016 testimony of K. Price).¹

Respondent Price has served as the treasurer of two committees that have filing accounts with the Board: 2nd Ward Multi-Cultural Committee and the Committee to Elect Edward J. Nesmith. *See* Exhibit M (Affidavit of Peter Anderson); Exhibit V (Political Committee Registration Statements for 2nd Ward Multi-Cultural Committee and Committee to Elect Edward J. Nesmith). The 2nd Ward Multi-Cultural Committee electronically filed campaign finance reports with the Board in 2013, 2014, and 2015. *See* Exhibit M. The Committee to Elect Edward J. Nesmith electronically filed campaign finance reports with the Board in 2010, 2013, and 2014. *Id.*

¹ Pages cited for Exhibits D, E, & T refer to pages of the referenced transcript, not the Appendix of Exhibits.

During a trial related to Respondents' activities during the 2015 Primary Elections, Respondents' lawyer explained that Respondent Price knew that failure to file campaign finance reports could subject him to monetary penalties, but he just viewed that as the cost of doing business. *See* Exhibit T, pg. 87 (November 17, 2016 closing argument by Respondents' counsel).

A. C.O.P.S. PAC fails to file a 2015 Cycle 2 campaign finance report with the Board of Ethics

From April 1, 2015 through May 4, 2015, C.O.P.S. PAC spent approximately \$47,500. *See* Exhibit B (Bank statements, withdrawal slips, and checks drawn on C.O.P.S. PAC account). As described in more detail below, C.O.P.S. PAC spent most of this money to influence the May 2015 Primary Elections for City Council.

In April of 2015, City Council candidate Ori Feibush agreed to pay C.O.P.S. PAC a total of \$65,834 to promote Mr. Feibush's candidacy for City Council. *See* Exhibit C (April 11, 2015 email from K. Price to O. Feibush); Exhibit D at pgs. 111-12 (November 16, 2016 testimony of K. Price). \$57,834 of the money Mr. Feibush agreed to pay C.O.P.S. PAC was for Election Day expenses. *See* Exhibit C. \$8,000 of the money Mr. Feibush agreed to pay C.O.P.S. PAC was for events in April and May of 2015 promoting his campaign. *Id.*

On April 15, 2015, Friends of Ori Feibush wrote two checks to C.O.P.S. PAC, one for \$2,000 and the other for \$10,000. C.O.P.S. PAC deposited both checks on April 15, 2015. *See* Exhibit D at pg. 176; Exhibit F (April 15, 2015 checks from Friends of Ori Feibush). On April 24, 2015, Friends of Ori Feibush wrote a check to C.O.P.S. PAC for \$37,000. C.O.P.S. PAC deposited the check on April 24, 2015. *See* Exhibit D at pg. 176; Exhibit G (April 24, 2015 check from Friends of Ori Feibush). On May 4, 2015, Friends of Ori Feibush wrote a check to C.O.P.S. PAC, for \$37,000. C.O.P.S. PAC deposited the check on May 4, 2015. *See* Exhibit D at pg. 176; Exhibit H (May 4, 2015 check from Friends of Ori Feibush).

C.O.P.S. PAC spent the money it received from Friends of Ori Feibush on April 15, April 24, and May 4 to promote Mr. Feibush's candidacy for City Council. As part of its efforts to promote Mr. Feibush's candidacy, C.O.P.S. PAC paid people to attend a rally on April 30, 2015 at City Hall protesting Mr. Feibush's opponent, Councilman Kenyatta Johnson. C.O.P.S. PAC also paid for vans to transport people to the April 30, 2015 rally. *See Exhibit D at pgs. 173-74.*

C.O.P.S. PAC did not electronically file a 2015 Cycle 2 campaign finance report with the Board of Ethics by May 8, 2015. *See Exhibit M (Affidavit of Peter Anderson).* As of the date of this Petition, C.O.P.S. PAC has not electronically filed a 2015 Cycle 2 campaign finance report with the Board of Ethics. *Id.*

B. C.O.P.S. PAC fails to file a 2015 Cycle 3 campaign finance report with the Board of Ethics

From May 5, 2015 through June 8, 2015, C.O.P.S. PAC spent approximately \$110,000. *See Exhibit B (Bank statements, withdrawal slips, and checks drawn on C.O.P.S. PAC account).* As described in more detail below, C.O.P.S. PAC spent much of this money to influence the May 2015 Primary Elections for City Council. *See Exhibit D at pgs. 139-40; Exhibit E at pg. 160 (November 15, 2016 testimony of K. Price).*

On May 19, 2015, Friends of Ori Feibush wrote a check to C.O.P.S. PAC for \$1,500. C.O.P.S. PAC deposited the check on May 19, 2015. *See Exhibit L (May 19, 2015 check from Friends of Ori Feibush).* C.O.P.S. PAC spent the money it received from Friends of Ori Feibush on May 19 to promote Mr. Feibush's candidacy for City Council. *See Exhibit D at pgs. 139-40.*

On May 5, 2015, Friends of Helen Gym wrote a check to C.O.P.S. PAC for \$3,200. C.O.P.S. PAC deposited the check on May 6, 2015. *See Exhibit I (May 5, 2015 check from Friends of Helen Gym).* C.O.P.S. PAC spent the money it received from Friends of Helen Gym to promote Ms. Gym's candidacy for City Council. *See Exhibit E at pg. 160.*

On May 13, 2015, Squilla for Council wrote a check to C.O.P.S. PAC for \$3,000. C.O.P.S. PAC deposited the check on May 14, 2015. *See* Exhibit J (May 13, 2015 check from Squilla for Council). C.O.P.S. PAC spent the money it received from Squilla for Council to promote Mr. Squilla's candidacy for City Council. *See* Exhibit E at pg. 160.

On May 15, 2015, Allan Domb for City Council wrote a check to C.O.P.S. PAC for \$3,000. C.O.P.S. PAC deposited the check on May 18, 2015. *See* Exhibit K (Copy of May 15, 2015 check from Allan Domb for City Council). C.O.P.S. PAC spent the money it received from Allan Domb for City Council to promote Mr. Domb's candidacy for City Council. *See* Exhibit E at pg. 160.

C.O.P.S. PAC did not electronically file a 2015 Cycle 3 campaign finance report with the Board of Ethics by June 18, 2015. *See* Exhibit M. As of the date of this petition, C.O.P.S. PAC has not electronically filed a 2015 Cycle 3 campaign finance report with the Board of Ethics. *Id.*

C. Respondents fail to file outstanding campaign finance reports after contact from Board enforcement staff

In November of 2016, Board enforcement staff learned that C.O.P.S. PAC should have electronically filed campaign finance reports with the Board in 2015. Enforcement staff promptly contacted Mr. Price and informed him of the obligation to file campaign finance reports. Mr. Price arranged to come to the offices of the Board on December 5, 2016 to file the outstanding reports. *See* Exhibit N (12/1/2016 email from J. Segall). While a person can file a campaign finance report with the Board from his or her own computer if it has internet access, Board staff often accommodate filers by providing a computer and filing assistance at the offices of the Board or at City Hall.

On December 5, 2016, Mr. Price sent Mr. Segall an email claiming a family issue prevented him from appearing at the Board. He stated that he would appear on December 6, 2016 at 1:00 PM. *See Exhibit O (12/5/2016 email from K. Price in response to email from J. Segall).* Mr. Price did not appear at the offices of the Board on December 6, 2016. After numerous follow up telephone calls and email messages from Mr. Segall, Mr. Price stated that he would appear and file the required reports on January 6, 2017. *See Exhibit P (1/4/2017 email from K. Price in response to emails from J. Segall).*

On January 6, 2017, Mr. Price sent Mr. Segall an email in which he stated that his duties at the Delaware River Port Authority prevented him from appearing at the offices of the Board. He further stated that he would appear at the offices of the Board on January 9, 2017 at 1:00 PM “no matter what the weather or anything else.” *See Exhibit Q (1/6/2017 email from K. Price).* Mr. Price did not appear at the offices of the Board on January 9, 2017.

On January 10, 2017, not having heard from Mr. Price since January 6, 2017, Mr. Segall sent him a letter reminding him that C.O.P.S. PAC was legally required to file campaign finance reports in 2015. Mr. Segall also informed Mr. Price that if he failed to file the required reports, he would be subject to an enforcement action. *See Exhibit R (January 10, 2017 letter from J. Segall).* Board enforcement staff did not receive any communications from Mr. Price after January 10, 2017.

On April 10, 2017, the Board’s Director of Enforcement sent Mr. Price a letter informing him that the Executive Director had found probable cause to believe Respondents had violated the City’s Campaign Finance Law and that enforcement staff would ask the Board for authorization to file an enforcement petition in this Court. He further informed Mr. Price that, as per Board Regulation No. 2, Mr. Price could appear at the Board’s April 19, 2017 Public Session

meeting to respond to the allegation that Respondents had violated the City's Campaign Finance Law. *See* Exhibit S (April 10, 2017 letter from M. Cooke). Mr. Price did not appear at the Board's April 19, 2017 Public Session meeting. On May 24, 2017, the Board authorized the filing of this action.

IV. ARGUMENT

Pursuant to Philadelphia's Campaign Finance Law (Philadelphia Code Chapter 20-1000), if a political committee makes expenditures to influence a City election, it is required to electronically file with the Board of Ethics a campaign finance report that discloses the committee's financial transactions during the relevant reporting period. *See* Philadelphia Code Section 20-1006(1)(a)(.2)². Such reports are due on a schedule set by State law. *Id.*

The Pennsylvania Election Code divides the calendar year into seven filing cycles. A political committee that made expenditures to influence a City election during the time period of April 1, 2015 through May 4, 2015 was required to file a Cycle 2 campaign finance report by May 8, 2015. *See* Exhibit U (Department of State schedule of reporting deadlines for 2015). A political committee that made expenditures to influence a City election during the time period of May 5, 2015 through June 8, 2015 was required to file a Cycle 3 campaign finance report by June 18, 2015. *Id.*

² In June of 2015, City Council amended the City's Campaign Finance Law and, as part of that amendment, changed the wording and numbering of the filing requirement found at 20-1006(1)(a). The substantive rule was not changed.

As described in the facts set forth above, C.O.P.S. PAC made expenditures to influence the 2015 Primary Elections for City Council during both Cycles 2 and 3. Specifically, during the Cycle 2 reporting period, which was April 1, 2015 through May 4, 2015, C.O.P.S. PAC spent money to support the election of Ori Feibush to City Council. During the Cycle 3 reporting period, which was May 5, 2015 through June 8, 2015, C.O.P.S. PAC spent money to support the election of Ori Feibush, Helen Gym, Alan Domb, and Mark Squilla to City Council.

Therefore, Respondents should have electronically filed a Cycle 2 campaign finance report with the Board by May 8, 2015 and a Cycle 3 campaign finance report with the Board by June 18, 2015. Respondents did not file either report by the required deadline. Moreover, to date, Respondents have not filed either report despite being informed by Board staff of the need to do so. As such, Respondents violated, and remain in violation of, Section 20-1006 of the Philadelphia Code.

By violating the City's Campaign Finance Law, Respondents were able to keep their activity from public view. They saw potential penalties for late filing of campaign finance reports as merely the cost of doing business and, apparently, well worth the benefit of hiding their financial activities for as long as possible. Under the City's Campaign Finance Law, the penalty for failing to file a required campaign finance report is \$250 for each day the report is not filed with maximum total penalties of \$2,000 for the first 30 days the report remains unfiled plus \$1,000 for each additional 30 day period, or part thereof. *See Philadelphia Code Section 20-1301(2)*. By imposing these monetary penalties on Respondents, the Court will discourage future scofflaws.

In addition, the City's Campaign Finance Law provides for injunctive relief "to compel compliance with" the provisions of the law. *See* Philadelphia Code Section 20-1005. By failing to file the required reports, Respondents are in continuing violation of the City's Campaign Finance Law. Pennsylvania courts "have the power to prevent or restrain the commission or continuance of acts contrary to law." *Bruhin v. Commonwealth*, 320 A.2d 907, 910 (Commw. Court 1974). Based on the facts set forth above, this Court should issue an order directing Respondents to file their outstanding campaign finance reports because the Board has a clear right to relief in this case and an injunction is necessary to prevent a legal wrong for which there is no adequate redress at law. *See Buffalo Twp. v. Jones*, 813 A.2d 659, 663 (Pa. 2002).

Electronic filing increases transparency and accountability in City government by making campaign finance disclosures easily available to the public. In addition, the ability to electronically search campaign finance disclosures greatly enhances the capability of the Board of Ethics to identify and remedy violations of the City's Campaign Finance Law. Respondents' failure to file its required campaign finance reports has deprived the public of access to important information and frustrates the Board's ability to fulfill its obligations under the law. By ordering Respondents to file their outstanding reports, the Court will ensure compliance with the law and also ensure that the law's goals of transparency and accountability are met.

V. RELIEF

For the reasons stated above, Petitioner prays that the Court provide the following relief:

- (i) a judgment that Respondents violated Philadelphia Code Section 20-1006 by failing to file a 2015 Cycle 2 campaign finance report with the Board;
- (ii) a civil monetary penalty, as provided at Code Section 20-1301(2), for Respondents' failure to file a 2015 Cycle 2 campaign finance report to wit, \$250 for each day the report is not filed with maximum total penalties of \$2,000 for the first 30 days the report remains unfiled plus \$1,000 for each additional 30 day period, or part thereof;
- (iii) a judgment that Respondents violated Philadelphia Code Section 20-1006 by failing to file a 2015 Cycle 3 campaign finance report with the Board;
- (iv) a civil monetary penalty, as provided at Code Section 20-1301(2), for Respondents' failure to file a 2015 Cycle 3 campaign finance report, to wit, \$250 for each day the report is not filed with maximum total penalties of \$2,000 for the first 30 days the report remains unfiled plus \$1,000 for each additional 30 day period, or part thereof;
- (v) an order from the Court directing Respondents to promptly electronically file with the Board a 2015 Cycle 2 and a 2015 Cycle 3 campaign finance report for C.O.P.S. PAC;
- (vi) any other relief the Court deems just and proper.

Date: June 7, 2017

Respectfully submitted,



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