

Philadelphia Board of Ethics

Contact: J. Shane Creamer, Jr., Executive Director, 215-686-9450

For Immediate Release: March 19, 2015

PHILADELPHIA – On March 18, 2015, the Board of Ethics approved a settlement agreement involving the Carpenters PAC of Phila. & Vicinity. The agreement resolves a violation by the Carpenters PAC of Philadelphia Code Section 20-1002(2) resulting from an excess contribution of \$10,000 made by the Carpenters PAC to Williams for Mayor on December 23, 2014.

A copy of the approved settlement agreement is attached.

The Philadelphia Board of Ethics is a five-member independent board established by ordinance, approved by Philadelphia voters in May 2006, and installed on November 27, 2006. It is charged with providing ethics training for all City employees and enforcing City campaign finance, financial disclosure and conflict of interest laws. The Ethics Board has authority to render advice, investigate complaints and issue fines.

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SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into between the Board of Ethics of the City of Philadelphia and the Carpenters PAC of Phila. & Vicinity, jointly referred to as “the Parties.”

RECITALS

- A. The Board of Ethics of the City of Philadelphia is a five-member, independent board established by ordinance, approved by Philadelphia voters in May 2006, and installed on November 27, 2006. Pursuant to section 4-1100 of the Home Rule Charter, the Board is charged with, among other things, enforcing the City’s campaign finance law which is found at Chapter 20-1000 of the Philadelphia Code. The Ethics Board has provided a detailed interpretation of the campaign finance law in its Regulation No. 1 (Campaign Finance).
- B. The Carpenters PAC of Phila. & Vicinity is a political committee registered with the Pennsylvania Department of State.
- C. Pursuant to Philadelphia Code § 20-1002(2) and Regulation No. 1, Paragraph 1.3(a), a political committee cannot contribute more than \$11,500 to a City candidate’s candidate committee in a calendar year.
- D. On January 31, 2014, the Carpenters PAC of Phila. & Vicinity made a contribution of \$10,000 to the authorized candidate committee of State Senator Anthony Hardy Williams.
- E. On November 19, 2014 Senator Williams announced his candidacy for Mayor of Philadelphia and changed the name of his candidate committee to Williams for Mayor. At that point, contributions to Williams for Mayor became subject to the contribution limits imposed by Philadelphia Code § 20-1002(2).
- F. Pursuant to Philadelphia Code § 20-1002(8) and Regulation No. 1, Paragraph 1.8, a pre-candidacy contribution made in the same calendar year that an individual becomes a candidate counts toward the contribution limits for that year.
- G. Because the Carpenters PAC of Phila. & Vicinity had made a contribution of \$10,000 to the Williams senatorial committee on January 31, 2014, it was only allowed to contribute an additional \$1,500 in 2014 once Senator Williams became a candidate for Mayor. However, on December 23, 2014, the Carpenters PAC made a contribution of \$11,500 to Williams for Mayor. This contribution exceeded the limits by \$10,000.
- H. Pursuant to Philadelphia Code § 20-1302 and Regulation No. 1, Paragraph 1.52, making an excess contribution to a City candidate is subject to a civil monetary penalty of three times the excess portion or \$2,000, whichever is less.
- I. Board enforcement staff identified the December 23, 2014 excess contribution in late February of 2015 and brought it to the attention of the Carpenters PAC. The Carpenters PAC immediately acknowledged the violation and agreed to resolve the matter by settlement. At all times, the Carpenters PAC fully cooperated with the Board’s investigation.
- J. The Parties desire to enter into this Agreement in order to resolve the issues described herein.

AGREEMENT

The Parties agree that:

1. The Carpenters PAC of Phila. & Vicinity's December 23, 2014 contribution of \$11,500 to Williams for Mayor exceeded the contribution limits by \$10,000 and therefore violated § 20-1002(2) of the Philadelphia Code and is subject to a civil penalty of \$2,000. However, in light of the Carpenters PAC's cooperation and prompt resolution of this matter, the penalty is reduced to \$1,000.
2. The Carpenters PAC of Phila. & Vicinity shall pay the civil penalty of \$1,000 within 14 days of the effective date of the Agreement. Payment shall be made by check made out to the City of Philadelphia and delivered to the offices of the Board.
3. The Carpenters PAC of Phila. & Vicinity releases and holds harmless the Board and its staff from any potential claims, liabilities, and causes of action arising from the Board's investigation, enforcement, and settlement of the violations described in the Agreement.
4. In consideration of the above and in exchange for the Carpenters PAC of Phila. & Vicinity compliance with all of the terms of the Agreement, the Board waives any further penalties or fines against them for the violations described in this Agreement.
5. The Parties will not make any public statements that are inconsistent with the terms of the Agreement.
6. If the Board or the City is forced to seek judicial enforcement of this Agreement, and prevails, the Carpenters PAC of Phila. & Vicinity shall be liable for attorneys' fees and costs reasonably expended in enforcing compliance with the Agreement. Fees for time spent by Board or City attorneys shall be calculated based upon standard and customary billing rates in Philadelphia for attorneys with similar experience.
7. The Agreement contains the entire agreement between the Parties.
8. The Executive Director will submit a signed copy of the Agreement to the Board for approval.
9. The Agreement shall become effective upon approval by the Board. The effective date of the Agreement shall be the date the Board Chair signs the Agreement.
10. If the Board rejects the proposed Agreement, presentation to and consideration of the Agreement by the Board shall not preclude the Board or its staff from participating in, considering, or resolving an administrative adjudication of the matters described in the Agreement.
11. If the Board rejects the proposed Agreement, nothing in the proposed Agreement shall be considered an admission by either party and, except for paragraphs 10 and 11, nothing in the Agreement shall be effective.

By the Executive Director of the Board of Ethics:

Dated: 3/11/15



J. Shane Creamer, Jr.

By Carpenters PAC of Phila. & Vicinity PAC:

Dated: 3-11-2015.



Ed Twiford, Chair

Approved by the Board of Ethics:

Effective Date: 3/18/2015



Michael H. Reed, Chair