

Massachusetts Office of Campaign and Political Finance

FOR IMMEDIATE RELEASE

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Ballot question committee agrees to \$125,000 civil forfeiture to resolve campaign finance issues

The Horse Racing Jobs and Education Ballot Question Committee has agreed to a \$125,000 civil forfeiture, paid to the state's general fund, to resolve campaign finance issues related to the 2016 state election, according to a disposition agreement between the committee and OCPF.

OCPF concluded that the committee, which supported Question 1 concerning expanded gaming, violated several sections of the campaign finance law:

- Receiving contributions made in a manner intended to disguise the true source of the funds.
- Broadcasting television advertisements that did not contain required disclosures.
- Failing to disclose campaign finance activity in a timely or accurate manner.

According to the agreement, the committee accepted and disclosed contributions to support the question from Capital Productions, a company that registered in Delaware on Sept. 28, 2015. The committee knew that the contributions from Capital Productions actually originated with other entities and individuals. The total that was channeled to Capital Productions to disguise the true source of the funds was approximately \$1.6 million. *Please see the attached flow chart.*

The campaign finance law also requires committees to list their top five contributors in television ads if the donor exceeds \$5,000 in contributions during the 12-month period before the date of the advertisement. The committee failed to comply with this requirement from Oct. 18-30, 2016, because the ads did not contain the disclaimer. More than 400 ads were broadcast without the required disclaimer during this period.

The committee, after being notified by OCPF of the requirement that the committee's reports accurately reflect the true source of the funds it received, promptly amended the reports on Nov. 2, 2016, six days before the Nov. 8 election.

The committee made a \$50,000 payment when the disposition agreement was signed. The remaining payments will be made by the committee in three installments: \$25,000 no later than Feb. 28; \$25,000 no later than March 31; and \$25,000 no later than April 30.

The disposition agreement was signed by OCPF Director Michael Sullivan and Eugene McCain, chairman and treasurer of the committee. It was also signed by Alexis Fallon, the attorney for Capital Productions and Miami Development Concepts.

The disposition agreement is available [here](#).

A disposition agreement is a voluntary written agreement entered into between the subject of a review and OCPF, in which the subject agrees to take certain specific actions.



EXHIBIT 1

Original Source of Funds

(Now Currently Disclosed on Committee Reports)



Bridge Capital LLC
9/15/15 - 1/14/16
\$390,000.00

Regent Able Associate Co.
(Thru Miami Development Concepts LLC)
5/4/16 - 10/14/16
\$854,537.93

Sok Chenda
10/14/2016
\$200,000.00

Toko Kobayashi
10/14/2016
\$200,000.00

■ \$1,644,537.93 **TOTAL**

Committee Reported Contributions From

(Prior to Amendments filed on 11/2/16)



Capital Productions, LLC
9/15/15 - 1/14/16
\$390,000.00

Capital Productions, LLC
5/4/16 - 10/14/16
\$854,537.93

Capital Productions, LLC
10/14/2016
\$400,000.00

■ \$1,644,537.93 **TOTAL**

