

## Maine ethics commission levies record \$500,000 in fines against York County casino campaign

Written by Administrator

Friday, 03 November 2017 22:00 -

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AUGUSTA — Maine’s ethics commission levied a record \$500,000 in fines Friday against the four ballot question committees behind the referendum that would allow a casino in York County.

The commission, after more than seven hours of deliberation and a series of 4-1 votes, decided to substantially reduce the maximum penalties, which could have topped \$4.5 million.

The \$500,000 is almost 10 times the commission’s previous record fine, a \$50,250 penalty it imposed in 2014 against the National Organization for Marriage for not registering and filing campaign finance reports as a ballot question committee in the 2009 elections.

The five-member commission, which oversees campaign finance disclosure law, voted in June to investigate the ballot question committee Horseracing Jobs Fairness , where it got its financing to collect signatures to put the casino referendum on the ballot and why it failed to meet finance report filing deadlines. Three other ballot question committees formed by Lisa Scott were swept into the investigation and all four were penalized Friday for missing the deadlines to file campaign finance reports that accurately reflected who was bankrolling the campaign.

Scott is the sister of [international gambling entrepreneur Shawn Scott](#) , who ushered in Maine’s first casino with a ballot question measure in 2003. If the ballot initiative that goes before voters Tuesday passes, only one company, Shawn Scott’s Nevada-based Capital 7, would be allowed to hold the license for a York County casino.

Lawyers for Cheryl Timberlake, an Augusta lobbyist who served as the treasurer for Horseracing Jobs Fairness, declined to comment after the commission’s votes Friday, but Lisa Scott’s attorney issued a statement that said the commission’s decision would be appealed in the courts.

“The only beneficiaries of today’s ruling are the opponents of the Question One initiative, who are bankrolled by the owners of the Oxford casino,” said Bruce M. Merrill. “In short, the Maine Commission on Governmental Ethics and Election Practices acted today to squarely put its

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thumb on the scale of Tuesday's election based on the content of the proponents' message, and not on the nature of any violation of the campaign finance laws."

Shawn Scott won voter approval to add slot machines to Bangor's struggling horse track in 2003, bringing Maine its first casino. He then sold those rights to Penn National – which still operates what is now Bangor's successful Hollywood Casino – for \$51 million.

A license for a casino in York County is estimated to be worth as much as \$200 million.

Timberlake testified that she found out after the fact that the \$4.5 million spent on getting the referendum on the ballot was coming from Shawn Scott, not from Lisa Scott, who was listed on initial finance reports as the primary source of funding.

It was later revealed that Lisa Scott, a real estate developer who said she resides in Saipan and St. Kitts, was raising the funds from a network of investors, including some from as far away as Japan. Lisa Scott initially listed her residence as Miami.

In coming to their decision, the commissioners leaned on [an investigative report by their staff that distilled more than 7,500 pages of emails, text messages and financial records](#) that were acquired from Lisa Scott and Timberlake under subpoenas from the commission.

While all five commissioners seemed in agreement that some level of penalty was warranted, they backed away from the maximum allowed under the law, which could have seen the committees fined for nearly the amount they spent collecting signatures.

Commissioner Bradford Pattershall, a Freeport Republican, was the only member of the panel to oppose all of the fine amounts, which ranged from a low of \$20,000 to a high of \$250,000.

Pattershall repeatedly said he believed the fine amounts were "grossly disproportionate" to the offenses, but other commissioners said a recent law change passed by voters in 2015 required

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the steeper fines and that it was the commission's duty to send a strong message that the public has a right to know in Maine who is paying for campaigns and where that money comes from. Pattershall also said he didn't believe the public had been greatly harmed and largely knew from extensive media reporting that Shawn Scott was the man behind the casino effort. In recent weeks Shawn Scott has taken an even more public role, holding news conferences and interviews while appearing in debates with those who oppose the casino measure.

Pattershall said in reviewing the records he came to the conclusion the ballot question committees made mistakes in their filings and possibly in their public relations, but that didn't warrant the high penalties the commission was imposing.

"I find all of the evidence here makes out a far less nefarious plan here than some people are hinting," Pattershall said, noting that he found Lisa Scott's testimony earlier in the week "truthful."

But Commissioner Meri Lowry, a Portland Democrat, said the investigation also revealed a pattern of evasion.

"There was an undertaking to not disclose other sources and that was reflected in the emails and responses to the press, to questions asked, there was a steady deflection that was part of a program and a plan," Lowry said.

Commissioner Richard Nass, an Acton Republican, agreed. "I think in the end, the perception I guess was harmful to the public's ability to know what was happening," he said.

Commissioner William Lee said the commission's investigation including the testimony it took from Lisa Scott and Timberlake earlier in the week created a clear picture that those backing the ballot question committees were trying to hide Shawn Scott's involvement.

"Lisa represented in press releases that this was her project, it was also represented that this was her money," Lee said. "The reality is it is Shawn Scott's project and Lisa really is more of an agent and it was primarily Shawn Scott's money – or the money of Bridge Capital, of which he is

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a principle.”

Horseracing Jobs Fairness first reported all of its donations were coming from Lisa Scott, but it was later determined the money came from other sources, largely from companies with ties and connections to Shawn Scott and in one instance from a Japanese businessman who is the CEO for a real estate company based in Cambodia.

Lisa Scott subsequently formed three additional ballot question committees to reveal the true source of funds, but as those committees were formed in April the reporting of the finances was deemed to be more than a year late under Maine law.

Lisa Scott and her attorneys, as well as those who represent some of Shawn Scott's businesses, attended the commission's meeting Friday but declined comment following the votes.

But Thimi Mina, an attorney who represents Bridge Capital, a company Shawn Scott operates in the Northern Mariana Islands, spoke out as the commissioners were contemplating the record fines, saying, “The fines you are talking about are 10 times more than the maximum penalty for murder.”

The commission also voted 5-0 that Capital Seven, another Shawn Scott company and the one that would win the casino license if voters approve the measure, was not required to register as a separate political action committee or ballot question committee and was simply a donor to the other committees.

Progress for Maine, the political action committee set up to promote the ballot question, issued a statement from Capital Seven's attorney in Maine, former state Attorney General Drew Ketterer, shortly after the commission's vote saying it had “vindicated” Shawn Scott and his company and was proof they “have followed the letter and the spirit of Maine's campaign finance laws.”

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