

CIVIL PENALTY REFERRAL

Lobbyist: Crane & Vacco LLC

Client: Cable Telecommunications Association of New York ("Cable NY")

Alleged Violation:

Filing of a false 2005 November/December Lobbyist Bimonthly Report pursuant to §1-o of the Lobbying Act, Laws of 2005.

Maximum Penalty Pursuant to Statute: \$50,000

Basis for Referral:

In 2005, Cable NY retained the services of, among other lobbying firms, Crane & Vacco LLC. The basis for this referral was discovered during an investigation of another lobbyist and an event held at Amo La Bella Restaurant in Albany, New York on November 30, 2005, which was referenced in a report filed with the Commission by registered client Cable NY. (See Exhibit 1, 2005 Client Semi Annual Reports, July/December Report at page 4 of 6).

In this regard, the report filed by Cable NY indicates that 11 persons, including New York State Senate staff, attended the luncheon and that the client's total reported expense for the luncheon was \$160.00. Commission staff obtained copies of the bill for the luncheon itself and credit receipts paying for same. (Exhibit 2).

These receipts indicate that the actual total bill for the luncheon was \$419.76, not the \$160 reported by Cable NY. Based upon the receipts provided in the course of the investigation, the total amount of the luncheon was equally divided and charged to by the lobbyist that was subject of the aforementioned investigation and James B. Crane, II, of Crane & Vacco LLC, each of whom signed for \$209.88 in expenses.

Cable TV reported that the firm Crane & Vacco LLC, among others, was one of the lobbyists retained for the reporting period July through December 2005, the reporting period during which the luncheon occurred.

James B. Crane, II is an additional lobbyist as noted on the registration statement filed by Crane & Vacco LLC (Exhibit 3). Despite the fact that Cable NY reported the Amo La Bella as a lobbying expense, and despite the fact that it appears that Mr. Crane paid for a substantial portion of that luncheon attended by public officials, Crane & Vacco LLC, where Mr. Crane worked and works as a lobbyist, reportedly incurred no lobbying expenses and received no reimbursement of expenses from Cable NY in its 2005 November/December Lobbyist Bimonthly Report filed with the Commission. (Exhibit 4).

Because the lobbying firm failed to report a known expense that was reported by the client and supported by the restaurant check and credit card receipts, accordingly the facts support this referral for false-filing of the 2005 November/December Lobbyist Bimonthly Report.

Recommendation:

Staff recommends the Commission approve this referral for notice of intent to assess a civil penalty in connection to the false filing of the 2005 November/December Lobbyist Bimonthly Report on behalf of Cable NY to be heard at the Public Integrity Commission's next scheduled hearing date for lobbying violations.