

Construction Company Fined for Excessive Contributions Under Chicago Pay-to-Play Law

May 2021

Benchmark Construction Company, Inc., which regularly does business with the city of Chicago, was fined \$5,000 for excessive contributions to a Chicago council member's political committee.¹ The fine comes after the company made two donations, totaling \$50,000, to the 34th Ward Regular Democratic Committee, which supports Alderman Carrie Austin.

Chicago's pay-to-play ordinance prohibits any person who has done business with the city in the preceding four years from contributing more than \$1,500 to elected officials or candidates for city office in a single election cycle. Both the contributor and recipient of an excessive contribution can be subject to fines of up to three times the amount contributed in excess.

Initially, Alderman Austin's Committee was fined \$145,500, which is three times the amount of the \$48,500 in excess contribution. The Chicago Board of Ethics agreed at its April meeting to reduce the Committee's fine to \$5,000, the same fine imposed on Benchmark, with the condition that the excess contribution amount was returned to the company. Benchmark's fine was not reduced.

The Chicago Board of Ethics rejected the Committee's argument that it did not "knowingly" accept a contribution in violation of the pay-to-play law simply because it did not know that Benchmark did business with the city. Chicago maintains a database of persons doing business with the city and its agencies, and contribution recipients are responsible for checking the database to avoid accepting illegal contributions. Contributors and recipients of campaign contributions must be aware of pay-to-play and other campaign finance laws in order to avoid potentially costly fines.

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Practice Areas

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1 <https://www.chicago.gov/content/dam/city/depts/ethics/general/EnforcementMatters/Invest-Index.pdf>, at 29