

**IN THE MATTER OF
GUSTAV A. RASCH, III
RESPONDENT**

*** BEFORE THE
* STATE ETHICS COMMISSION
* COMPLAINT NO. C-42-08

STIPULATION OF SETTLEMENT AGREEMENT

This Stipulation of Settlement Agreement (hereinafter the “Agreement”) made this 27TH day of AUGUST, 2008, by and between Gustav A. Rasch, III, Respondent, and William J. Colquhoun, Staff Counsel of the Maryland State Ethics Commission (hereinafter the “Staff Counsel”).

RECITALS

Respondent is a Computer Network Specialist for the Maryland Lottery Agency and as a public official and an employee of the State of Maryland is required to file an annual financial disclosure statement;

The State Ethics Commission (hereinafter the “Commission”) is an executive agency of the State of Maryland established by Chapter 513, Acts of 1979 for the purpose of enforcing the Maryland Public Ethics Law (Title 15, State Government Article, Annotated Code of Maryland) (hereinafter the “Ethics Law”);

On August 8, 2008, the Commission issued a Complaint alleging in part that the Respondent failed to file a properly completed Financial Disclosure Statement for calendar year 2007 by April 30, 2008;

Respondent admits he is a public official required to file financial disclosure statements pursuant to Section 15-103 of the Ethics Law; and that the statement was not filed in a timely manner;

Respondent has been advised as to the opportunity to be represented by counsel pursuant to the regulations of the Commission and has decided not to be represented by counsel; and

Respondent is voluntarily entering into this Agreement to admit his failure to timely file and to accept certain sanctions.

NOW THEREFORE, in consideration of the Respondent's submission of the required financial disclosure statement for calendar year 2007 on AUGUST 27, 2008; and the admissions and agreements herein contained, Respondent and Staff Counsel stipulate as follows:

1. That Respondent admits he did not timely file the required financial disclosure statement for calendar year 2007;
2. That Respondent admits that the required financial disclosure statement was not submitted, in spite of his receipt of several reminder notices, thereby necessitating the State Ethics Commission to issue a complaint on August 7, 2008 for failure to file a financial disclosure statement;
3. That Respondent subsequently submitted the required financial disclosure statement on August 27, 2008, a copy of which has been attached hereto and made a part hereof;
4. That Respondent understands a filing violation of the Ethics Law can subject an official to late fees of \$2 per day for each late day not to exceed \$250 and to fines for each violation pursuant to section 15-405(d)(2) and 15-902(b)(1)(i) of the Ethics Law respectively. Respondent hereby agrees to pay, as a settlement, the amount of \$242.00 in lieu of adjudicated late fees and fines for the above admitted filing violations (paragraphs 1 and 2) of the Ethics Law. Respondent agrees that \$242.00 will be paid by certified check or money order to the State of Maryland in care of the State Ethics Commission no later than AUGUST 27, 2008;
5. That Respondent accepts that the Commission, pursuant to section 15-405 of the Ethics Law will issue a reprimand for the late filing, effective the date of the Final Order in this matter, and the reprimand will be transmitted to the Director of the Maryland Lottery Agency, the Secretary of the Department of Budget and Management, and to the Governor;
6. That Respondent accepts that the Commission, pursuant to section 15-407 of the Ethics Law will transmit this Agreement, including any documents or exhibits incorporated herein, to the Director of the Maryland Lottery Agency, the Secretary of the Department of Budget and Management, and to the Governor;
7. That Respondent waives a formal hearing on this matter and agrees that acceptance of this Agreement by the Commission would constitute, based on his admission of his failure to timely file, a final action and finding of violation by the Commission, and that pursuant to Section 15-407 of the Ethics Law this Agreement and materials relating to this matter are not subject to the confidentiality provisions of the Ethics Law, and will be public information unless otherwise protected;

8. That the Staff Counsel will upon execution of this Agreement by Respondent, recommend that the Commission postpone any pending hearing on this Complaint and suspend further complaint proceedings against Respondent, and recommend further that the Commission issue a Final Order consistent with this agreement. Should Respondent fail to comply with the provision of Paragraph 4 of this Agreement, the Commission may issue a further order in this matter; may reschedule the hearing; may refer the matter to the Attorney General for collection; or may take such other action as appropriate. It is understood by the Respondent that the Commission is under no obligation to accept this Stipulation of Settlement Agreement and may decide to take other action, including holding a hearing; and
9. That the Respondent and the Staff Counsel have entered into this Agreement for the sole purpose of resolving the Commission's Complaint under the Ethics Law for failure to file financial disclosure and for no other purpose.

IN WITNESS WHEREOF, Gustav A. Rasch, III, Respondent, and William J. Colquhoun, Staff Counsel, State Ethics Commission, have hereunto set their hands.

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

William J. Colquhoun
Staff Counsel
45 Calvert Street, 3rd Floor
Annapolis, Maryland 21401

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

Gustav A. Rasch, III
Respondent

State of Maryland
County of ANNE ARUNDEL, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Gustav A. Rasch, III, Respondent, who made oath on this 27TH day of AUGUST, 2008, in due form of law that the matters and facts hereinabove set forth are true to the best of her knowledge, information and belief, and are her voluntary act and that he executed this document for the purposes set forth herein.

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Notary Public

My Commission expires:

DONALD M. STREET
Notary Public-Maryland
Anne Arundel County
My Commission Expires
November 09, 2010

State of Maryland
County of Anne Arundel, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared William J. Colquhoun, Staff Counsel to the State Ethics Commission, who made oath on this 27th day of August, 2008 in due form of law that he executed this agreement for the purposes set forth herein.

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Notary Public

My Commission expires:

DONALD M. STREET
Notary Public-Maryland
Anne Arundel County
My Commission Expires
November 09, 2010

Accepted by the Commission

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Robert F. Scholz, Chair
for the Commission

Date: September 11, 2008

In the Matter of

Gustav A. Rasch III,

Respondent

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Before the

State Ethics Commission

Complaint No. C-42-08

ORDER

Having reviewed at its meeting on September 11, 2008, the results of an investigation as to whether this case merits further proceedings, the State Ethics Commission has determined that the matter complained of herein has been cured by Respondent's submission of his calendar year 2007 financial disclosure statement and Stipulation of Settlement Agreement, and further that dismissal of this Complaint is not contrary to the purposes of the Public Ethics Law.

It is therefore determined that the Complaint issued August 8, 2008 against Gustav A. Rasch III is hereby dismissed.

Date: September 11, 2008

STATE ETHICS COMMISSION

By:

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Robert F. Scholz, Chair

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of September, 2008, a copy of the foregoing Order in State Ethics Commission proceeding C-42-08, was forwarded via regular mail, postage prepaid, to the Respondent, Gustav A. Rasch III, at his last known address of Maryland Lottery Agency, 1800 Washington Blvd, Suite 330, Baltimore, Maryland 21230, and was hand delivered to William J. Colquhoun, Staff Counsel to the State Ethics Commission, 45 Calvert Street, 3rd Floor, Annapolis, Maryland 21401.

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Jennifer K. Allgair, General Counsel