

FOR IMMEDIATE RELEASE

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**TALLAHASSEE CITY COMMISSIONER AND POLITICAL CONSULTANT
CHARGED IN RACKETEERING CONSPIRACY**

TALLAHASSEE, FLORIDA – Tallahassee City Commissioner Scott Charles Maddox, 50, and Tallahassee political consultant Janice Paige Carter-Smith, 53, both of Tallahassee, have been indicted in a forty-four count indictment for conspiring to operate a racketeering enterprise that engaged in acts of bank fraud, extortion, honest services fraud, and bribery. Maddox and Carter-Smith are also charged with substantive counts of bank fraud, false statements to financial institutions, extortion, honest services fraud, use of interstate facilities in furtherance of bribery, false statements to federal officers, conspiracy to interfere with the lawful function of the Internal Revenue Service (“IRS”), and filing false tax returns.

Assistant Attorney General Brian A. Benczkowski of the Justice Department’s Criminal Division, Attorney for the United States Karen Rhew-Miller of the Northern District of Florida Acting Under Authority Conferred by 28 U.S.C. § 515, Special Agent in Charge Charles Spencer of the FBI’s Jacksonville Field Office, and Special Agent in Charge Mary Hammond of the IRS – Criminal Investigation Tampa Field Office made the announcement.

The initial appearance is scheduled for today, Wednesday, December 12, 2018, at 3:00 p.m. EST at the United States Courthouse in Tallahassee in the Magistrate Judge’s Courtroom on the main floor. The trial date will be determined at this hearing.

Maddox and Carter-Smith allegedly conspired to operate two companies, Governance, Inc., and Governance Services, LLC, as one entity they referred to as “Governance.” Per the indictment, Governance was part of a racketeering enterprise that extorted money and accepted bribes from Governance clients under color of Maddox’s office and through fear of the economic harm that Maddox could inflict in his position as an influential City Commissioner. The indictment alleges that Maddox voted on matters and exerted influence on City employees to take actions that benefitted the businesses that paid Maddox and Carter-Smith through Governance.

According to the charges, Maddox and Carter-Smith made false statements to the FBI concerning Maddox’s affiliation with, and management of Governance and Governance

Services. The indictment alleges that during the course of the conspiracy, Maddox made false statements under oath to a Florida Commission on Ethics investigator and in a sworn deposition about his affiliation with Governance. He also concealed from the Tallahassee City Attorney and the City Commission the fact that he was being paid by companies doing business with the City.

The indictment further alleges that Maddox and Carter-Smith also defrauded a bank of more than \$250,000 through two fraudulent short sales of real property, lied to federal agents about Governance and other matters, and violated federal tax laws by conspiring to interfere with the IRS and filing false tax returns.

The investigation was conducted by the Federal Bureau of Investigation and the Internal Revenue Service – Criminal Investigation. The case is being prosecuted by Assistant U.S. Attorney Stephen M. Kunz of the Northern District of Florida and Trial Attorneys Simon J. Cataldo and Peter M. Nothstein of the Department of Justice Criminal Division’s Public Integrity Section.

The maximum terms of imprisonment for the offenses are as follows:

- 30 years: Bank Fraud, False Statements to a Financial Institution
- 20 years: Racketeering Conspiracy, Extortion and Honest Services Fraud
- 5 years: Use of Interstate Facilities in Furtherance of Bribery, Making False Statements to a Federal Officer, Conspiracy to Defraud the United States
- 3 years: False Statement on a Tax Return

An indictment is merely an allegation by a grand jury that a defendant has committed a violation of federal criminal law and is not evidence of guilt. All defendants are presumed innocent and entitled to a fair trial, during which it will be the government’s burden to prove guilt beyond a reasonable doubt.

The United States Attorney’s Office for the Northern District of Florida is one of 94 offices that serve as the nation’s principal litigators under the direction of the Attorney General. To access public court documents online, please visit the [U.S. District Court for the Northern District of Florida](#) website. For more information about the United States Attorney’s Office, Northern District of Florida, visit <http://www.justice.gov/usao/fln/index.html>.

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