STATE OF CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

NOTICE AND PARTICULARS

By Email: <u>QDNYCCT@YAHOO.COM</u>

In the matter of:

Permit No. LCA.0005643
Case Nos. x2024-164, x2024-211, and x2024-212
Backer: Denning Enterprises, Inc.

Pursuant to Chapter 545 generally and specifically Section 30-55 of the Connecticut General Statutes as amended, you and a member of the backer limited liability company are hereby summoned to appear before the Department of Consumer Protection of the State of Connecticut **Thursday, the 22nd day of August 2024 at 9:30 a.m. by Microsoft Teams**, then and there to answer to the complaint and charges of said Division, the particulars of which are as follows:

Incident 1. June 17, 2024

Charge 1. Conduct of permit premises. On or about June 17, 2024, you violated Sec. 30-6-A24(a) of the Regulations of Connecticut State Agencies which provides that no disturbances, brawls, unlawful conduct or gambling of any kind except where provided by the general statutes, and no slot machines or gambling devices which may be used for the purpose of securing money or any other valuable things, shall be permitted or suffered upon any permit premises, nor shall such premises be conducted in such a manner as to constitute a nuisance.

Charge 2. Permittee held strictly accountable for conduct of permit premises.

On or about June 17, 2024, you violated Sec. 30-6-A24(f) of the Regulations of Connecticut State Agencies which provides that a permittee shall be held strictly accountable for the conduct of her permit premises.

As more particularly set forth:

On or about May 14, 2024, Kenneth Denning, Joshua Baker, and William Mayo were indicted for various federal offenses, including one count charging a violation of 18 U.S.C. § 371, Conspiracy to Violate the Travel Act. Mayo worked as a bouncer at the permit premises and was responsible for hiring dancers to work at the permit premises. Baker worked as the manager for the permit premises, and Denning owns and controls the permit premises, although he is not listed as such in records filed with the Liquor Control Division.

The indictment charged Denning, Baker, and Mayo with conspiring against the United States of America to use facilities in interstate commerce, including automatic teller machines, the processing of credit card payments and social media accounts operated on behalf of the permit premises, with the intent to promote and the facilitate the promotion and carrying on of prostitution in violation of state and federal laws, and thereafter facilitated the management and carrying on of prostitution at the permit premises.

More specifically, the indictment alleged that beginning in or around January 2020 and continuing through at least March 2023, private and semi-private rooms located at the permit premises were used by the dancers to engage in commercial sex acts with patrons. Patrons were required to pay fees to enter the rooms, which were paid to Mayo, Baker, and Denning; many customers obtained the cash from automatic teller machines located at the permit premises, while others paid by credit card. After entering the rooms, patrons would negotiate with the dancers and paid them directly for the sex acts. Events featuring dancers would be promoted on a Facebook account in the name of the permit premises.

On or about June 17, 2024, Mayo agreed to plea guilty to a violation of 18 U.S.C. § 371.

Charge 3. Discretionary suspension, revocation or refusal of permits; disqualification of applicant or permittee; alcohol seller and server training program; permittee participation. The Department has reasonable cause to believe that on or about June 17 2024, that you have not been delegated full authority and control of the permit premises and of the conduct of all business on such premises; consequently, the permit should revoked pursuant to Section 30-47(a)(6) of the Connecticut General Statutes.

As more particularly set forth:

Dianne Denning is listed as the sole owner of the backer in records filed with the Liquor Control Division. However, the indictment does not mention you or Ms. Denning as having any involvement or knowledge of the violation to which Mayo, the bouncer of the permit premises, pled guilty, nor to any of the other violations that were also allegedly committed by Kenneth Demming and/or Joshua Baker. Indeed, Kenneth Denning is identified in the indictment as the person who owns and controls the permit premises, and is charged with, among other things, being the recipient of the money paid by patrons to access the private and semi-private rooms. Accordingly, Kenneth Denning has not delegated you full authority and control of the permit premises.

Incident 2. June 21, 2024.

Charges 1-2. Unlawful Conduct; Exposure and Display. On or about June 21, 2024, you violated Secs. 30-6-A24(b) and 30-6-A24(c) of the Regulations of Connecticut State Agencies which provides that... "no person shall be employed or otherwise used on permit premises while such person is unclothed or in such attire, costume or clothing as to expose to view any portion of the female breast below the top of the areola or any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals. No person on the permit premises over whom the permittee can reasonably exert control, shall be permitted to touch, caress or fondle the breasts, buttocks, anus or genitals of any other person, nor shall any person or employee be permitted to wear or use any device or covering, exposed to view, which simulates the breast, genitals, anus, pubic hair or any portion thereof and "no entertainment shall be performed on any bar. No entertainer, dancer, or other person shall perform acts of or acts which simulate: sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual acts which are prohibited by law; the touching, caressing or fondling of the breasts, buttocks, anus or genitals; the displaying of any portion of the female breast below the top of the areola or any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals. No permittee shall permit any person or entertainer to remain in or upon the permit premises who exposes to public view any portion of the pubic hair, anus cleft of the buttocks, vulva or genitals. Entertainers shall perform only in fixed locations approved by the department. Entertainers may not mingle with the patrons. However, the prohibition contained in the last sentence may be waived by the department upon written request indicating the desirability and necessity for entertainers to mingle with the patrons.

As more particularly set forth:

On or about June 21, 2024, a Liquor Control agent observed a female dancer identified as Elizabeth Torres (stage name "Rose"), while under the employ of the permit premises, expose and display her breasts to a patron.

Charge 3. Unlawful Conduct; Sanitation. On or about June 21, 2024, you violated Sec. 30-6-A23(a)(1) of the Regulations of Connecticut State Agencies which provides that... "Rooms used for the retail dispensing of alcoholic beverages shall be clean, well lighted

and ventilated and free from flies and vermin. All plumbing shall be of a sanitary construction and kept in sanitary condition."

As more particularly set forth:

During inspection on or about June 21, 2024, a liquor agent observed a dead mouse glued to a sticky trap inside the premises.

Charge 3. Permittee held strictly accountable for conduct of permit premises.

On or about June 21, 2024, you violated Sec. 30-6-A24(f) of the Regulations of Connecticut State Agencies which, provides that a permittee shall be held strictly accountable for the conduct of her permit premises.

As more particularly set forth:

At all times herein, it is/was your responsibility to conduct the premises in a legal manner.

Incident 3. June 22, 2024.

Charges 1-3. Unlawful Conduct; Exposure, Display and Mingling. On or about June 21, 2024, you violated Secs. 30-6-A24(b) and 30-6-A24(c) of the Regulations of Connecticut State Agencies which provides that ... "no person shall be employed or otherwise used on permit premises while such person is unclothed or in such attire, costume or clothing as to expose to view any portion of the female breast below the top of the areola or any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals. No person on the permit premises over whom the permittee can reasonably exert control, shall be permitted to touch, caress or fondle the breasts, buttocks, anus or genitals of any other person, nor shall any person or employee be permitted to wear or use any device or covering, exposed to view, which simulates the breast, genitals, anus, pubic hair or any portion thereof and "no entertainment shall be performed on any bar. No entertainer, dancer, or other person shall perform acts of or acts which simulate: sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual acts which are prohibited by law; the touching, caressing or fondling of the breasts, buttocks, anus or genitals; the displaying of any portion of the female breast below the top of the areola or any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals. No permittee shall permit any person or entertainer to remain in or upon the permit premises who exposes to public view any portion of the

pubic hair, anus cleft of the buttocks, vulva or genitals. Entertainers shall perform only in fixed locations approved by the department. Entertainers may not mingle with the patrons. However, the prohibition contained in the last sentence may be waived by the department upon written request indicating the desirability and necessity for entertainers to mingle with the patrons.

As more particularly set forth:

On or about June 21, 2024, a Liquor Control agent observed a female dancer identified as Jenny Riose (stage name "Ivy" or "Blossom"), while under the employ of the permit premises, displayed and exposed her breasts to and mingled with a malepatron by performing a lap dance for him.

Charge 3. Daily Sales Records.

On or about June 21, 2024, you violated Sec. 30-6-B25 of the Regulations of Connecticut State Agencies, which provides that "Each restaurant, café, package store, and druggist permittee shall keep on the permit premises a daily record of the sales of alcoholic beverages and food, if applicable, totaled monthly. Any permittee may request permission to have his books, except the daily records, kept at an accountant's office or permittee's or backer's home or office, provided satisfactory arrangements shall be made to produce such records on the permit premises within a reasonable time. The department shall hold permittees strictly accountable for the accuracy of such records."

As more particularly set forth:

On or about June 21, 2024, during inspection of the premises, daily sales records were requested and could not be provided to agents by anyone on the premises.

Charge 4. Permittee held strictly accountable for conduct of permit premises.

On or about June 21, 2024, you violated Sec. 30-6-A24(f) of the Regulations of Connecticut State Agencies which provides that a permittee shall be held strictly accountable for the conduct of her permit premises.

As more particularly set forth:

At all times herein, it is/was your responsibility to conduct the premises in a legal manner.

PLEASE BE ADVISED THAT YOU WILL BE EXPECTED TO APPEAR WHEN YOUR HEARING IS CALLED BY THE COMMISSION. FAILURE TO APPEAR AT THE DESIGNATED TIME MAY RESULT IN A DEFAULT. YOU WILL BE REQUIRED TO SHOW CAUSE, IF THERE BE ANY, WHY YOUR LIQUOR PERMIT SHOULD NOT BE REVOKED OR SUSPENDED OR ANY OTHER AUTHORIZED PENALTY IMPOSED ON YOU.

If you have any questions, please contact Scott Madeo of the Department of Consumer Protection's Legal Division by telephone (860 757-6810 or email at scott.madeo@ct.gov.

Dated at Hartford, Connecticut, this 15th day of July 2024.

STATE OF CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

Scott P. Madeo Staff Attorney