

**STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of Complaint by
Paula Ray, Town Clerk, Farmington

File No. 2007-200

**AGREEMENT CONTAINING CONSENT ORDER AND
PAYMENT OF A CIVIL PENALTY FOR VIOLATION OF
CONNECTICUT GENERAL STATUTES § 9-602, 9-603, 9-605, 9-607(g) & 9-608.**

This agreement, by and between Salvatore Iritano, of the Town of Farmington, County of Hartford, State of Connecticut (hereinafter referred to as the Respondent) and the authorized representative of the State Elections Enforcement Commission is entered into in accordance with Section 9-7b-54 of the Regulations of Connecticut State Agencies and Section 4-177(c) of the General Statutes of Connecticut. In accordance herewith, the parties agree that:

1. Respondent is the Chair, President and principal organizer of the Farmington Taxpayers Association ("FTA") and was at all times relevant to this Complaint, which time includes from on or about November 1, 2005 through the present.
2. The Complainant, Paula Ray, Town Clerk of the Town of Farmington, filed complaints against the Respondent alleging that the FTA took contributions and made expenditures to influence referenda in May 2006 and May 2007 and did not properly file any statement of organization or exemption or any itemized campaign finance disclosure statements until it filed a political committee registration statement on or about May 29, 2007 with the Complainant.
3. Connecticut General Statutes § 9-602(a) (formerly (9-333d)), provides in pertinent part:

*(a) Except with respect to an individual acting on his own, no contributions may be made, solicited or received and no expenditures may be made, directly or indirectly, in aid of or in opposition to the candidacy for nomination or election of any individual or any party or referendum question, unless **(1) the candidate or chairman of the committee has filed a designation of a campaign treasurer and a depository institution situated in this state as the depository for the committee's funds** or (2) the candidate or, in the event of a referendum question, a group of individuals has filed a certification in accordance with the provisions of section 9-604 or 9-605, as the case may be. In the case of a political committee, the filing of the statement of organization by the chairman of such committee, in accordance with the provisions of section 9-605 shall constitute compliance with the provisions of this subsection. [Emphasis added.]*

4. Connecticut General Statutes § 9-601a (formerly 9-333b), provides in pertinent part:

(a) As used in this chapter and sections 9-700 to 9-716, inclusive, the term "**contribution**" means:

(1) Any gift, subscription, loan, advance, **payment or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person or for the purpose of aiding or promoting the success or defeat of any referendum question** or on behalf of any political party;

...

[Emphasis added]

5. Connecticut General Statutes § 9-601b (formerly 9-333c), provides in pertinent part:

(a) As used in this chapter and sections 9-700 to 9-716, inclusive, the term "**expenditure**" means:

(1) Any **purchase, payment**, distribution, loan, advance, deposit or gift of money or **anything of value, when made for the purpose of influencing the nomination for election, or election, of any person** or for the purpose of aiding or promoting the success or defeat of any referendum question or on behalf of any political party;

...

[Emphasis added]

6. Connecticut General Statutes § 9-603 (formerly 9-333e), provides in pertinent part:

(a) Statements filed by party committees, political committees formed to aid or promote the success or defeat of a referendum question proposing a constitutional convention, constitutional amendment or revision of the Constitution, individual lobbyists, and those political committees and candidate committees formed to aid or promote the success or defeat of any candidate for the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, Attorney General, judge of probate and members of the General Assembly, shall be filed with the State Elections Enforcement Commission. A copy of each statement filed by a town committee shall be filed at the same time with the town clerk of the municipality in which the committee is situated. A political committee formed for a slate of candidates in a primary for the office of justice of the peace shall file statements with both the State Elections Enforcement

Commission and the town clerk of the municipality in which the primary is to be held.

(b) Statements filed by political committees formed solely to aid or promote the success or defeat of a referendum question to be voted upon by the electors of a single municipality and those political committees or candidate committees formed to aid or promote the success or defeat of any candidate for public office, other than those enumerated in subsection (a) of this section, or the position of town committee member shall be filed only with the town clerk of the municipality in which the election or referendum is to be held. Each unsalaried town clerk shall be entitled to receive ten cents from the town for the filing of each such statement.

7. Connecticut General Statutes § 9-605 (formerly 9-333g), provides in pertinent part:

(a) The chairperson of each political committee shall designate a campaign treasurer and may designate a deputy campaign treasurer. The campaign treasurer and any deputy campaign treasurer so designated shall sign a statement accepting the designation. The chairperson of each political committee shall file a statement of organization along with the statement signed by the designated campaign treasurer and deputy campaign treasurer with the proper authority, within ten days after its organization, provided that the chairperson of any political committee organized within ten days prior to any primary, election or referendum in connection with which it intends to make any contributions or expenditures, shall immediately file a statement.

...

8. Connecticut General Statutes § 9-608 (formerly 9-333j), provides in pertinent part:

(a) Filing dates. (1) Each campaign treasurer of a committee, other than a state central committee, shall file a statement, sworn under penalty of false statement with the proper authority in accordance with the provisions of section 9-603, (A) on the tenth calendar day in the months of January, April, July and October, provided, if such tenth calendar day is a Saturday, Sunday or legal holiday, the statement shall be filed on the next business day, (B) on the seventh day preceding each regular state election, except that (i) in the case of a candidate or exploratory committee established for an office to be elected at a municipal election, the statement shall be filed on the seventh day preceding a regular municipal election in lieu of such date, and (ii) in the case of a town committee, the statement shall be filed on the seventh day preceding each municipal election in addition to such date, and (C) if the committee has made or received a contribution or expenditure

in connection with any other election, a primary or a referendum, on the seventh day preceding the election, primary or referendum. The statement shall be complete as of the last day of the month preceding the month in which the statement is required to be filed, except that for the statement required to be filed on the seventh day preceding the election, primary or referendum, the statement shall be complete as of seven days immediately preceding the required filing day. The statement shall cover a period to begin with the first day not included in the last filed statement. In the case of a candidate committee, the statement required to be filed in January shall be in lieu of the statement formerly required to be filed within forty-five days following an election. [Emphasis added.]

9. Connecticut General Statutes § 9-623 (formerly 9-333y), provides in pertinent part:

(a) Any person who knowingly and willfully violates any provision of this chapter shall be fined not more than five thousand dollars or imprisoned not more than five years or both.

...

10. In the town of Farmington and in the month of May during the relevant period, there were two referenda held each year concerning the approval of the town budget (one pursuant to the Town Charter, and one because the first budget was not approved). Additionally, there were candidate elections each November.
11. During the relevant period, the FTA, under the direction of the Respondent, accepted contributions and made expenditures to influence all four referenda in the town of Farmington, as well as the Farmington municipal elections in November 2007. Respondent filed neither a statement of organization or exemption there from, nor any campaign finance disclosure reports during that period until filing an SEEC Form 20 itemized campaign finance disclosure statement on April 2, 2007, in violation of Connecticut General Statutes § 9-602.
12. Complainant informed Respondent in Early 2006 that if the FTA was expending funds or accepting contributions in excess of \$1,000 in an effort to influence the outcome of a town referendum, that it would, at the very least, need to register as a political or referendum committee and file campaign disclosure reports detailing its referendum and/or election-related receipts and expenditures. Complainant directed the Respondent to speak with the Commission about his responsibilities under Chapter 155 of Title 9 of the Connecticut General Statutes. At that time, Respondent told her that "it was all taken care of" with the office of the Connecticut Secretary of State.
13. During the relevant period, the Farmington Taxpayers Association, under the direction of the Respondent, had incorporated as a Connecticut non-stock corporation as well as an IRS "501(c)(4)" tax-exempt organization. These actions did not effect the FTA's requirements under Chapter 155.

14. In an e-mail exchange, which occurred on or about April 2 & 3, 2006, Mr. Iritano informed Attorney William Smith of the Commission that the FTA had “formed” and was making expenditures and receiving contributions, as those terms are defined in Connecticut General Statutes §§ 9-601a & 9-601b. He asked how the FTA should treat the contributions and expenditures. He specifically stated that the FTA was “soliciting funds” and asked “at what date forward” from the upcoming May 4, 2006 referendum, should FTA report its activity. Attorney Smith informed the Respondent in an email response that seven days prior to the May 4 referendum (April 27, 2006), FTA needed to disclose its activities related to influencing the outcome of the referendum.
15. The SEEC Form 20 itemized campaign finance disclosure statement, filed on April 2, 2007, was filed in absence of any statement of organization by the Farmington Taxpayer’s Association and as such, the group had not formed as a valid committee at that point. This particular itemized campaign finance disclosure statement contained disclosures of expenditures made and contributions received from the period covering November 17, 2005 through May 4, 2006.
16. On or about May 29, 2007, Respondent filed a political committee registration SEEC Form 3 statement of organization with the Complainant designating the “Farmington Taxpayers Association, Inc.” as an ongoing political committee formed by “Two or More Individuals” with a stated purpose of opposing “annual referendum budget and the increases.” The statement designated Robert Greger of Farmington as the Treasurer of the FTA.¹
17. On or about June 15, 2007, the FTA political committee, through Treasurer Robert Greger, filed an additional SEEC Form 20 itemized campaign finance disclosure statement, disclosing expenditures by and contributions to the FTA from the period covering May 5, 2006 through May 17, 2007.
18. Respondent has in the past been a Complainant before the Commission. Complaints were filed and docketed in 1990 and 1996 concerning allegations of misuse of town funds by the Town of Farmington in preparing and distributing informational brochures relating to pending referenda.
19. The Commission also has a record of telephone inquiries made by Respondent on three separate occasions in May, June and October of 2005. The June and October telephone inquiries concerned the legality of contributions or proposed contributions to the Farmington Taxpayers Association.
20. The evidence clearly establishes that:
 - a. the FTA, at the direction of Respondent, made expenditures in order to influence four separate municipal referenda in 2006 and 2007, as well as the municipal elections of November 2007; and

¹ Although at the outset of the Commission’s investigation of the instant Complaint, Mr. Greger was informed by the Commission that he was a potential Respondent, the investigation subsequently revealed that only the Respondent was liable for FTA’s failure to establish a committee.

- b. from at least as early as April 2, 2006 Respondent had explicit notice of his affirmative statutory duty to register the FTA as either a political or referendum committee and report its activities;
- c. Respondent knowingly failed to register a committee or file campaign disclosure reports during the relevant period through at least May 29, 2007, even though he was on both constructive and explicit notice that he had an affirmative duty to do so.

21. Until May 29, 2007 when the FTA filed its political committee registration SEEC Form 3, Respondent, as president and chairperson of the FTA, was individually responsible for any impermissible expenditures by, or contributions to, the FTA or any other campaign finance violations by the FTA. As such, Respondent is responsible for the following campaign finance violations by the FTA related to the content of the campaign finance disclosure reports covering that period up to May 29, 2007:

- a. In the "1/1/06-5/4/06" report:
 - i. Respondent failed to report the source of receipts for a \$411.59 balance on hand at the beginning of report in violation of Connecticut General Statutes § 9-608.
 - ii. Respondent failed to report the occupation and employer information of one (1) contribution of more than \$100, in violation of Connecticut General Statutes § 9-608.
 - iii. Respondent accepted a contribution from Dunning Sand & Gravel, a business entity which is an impermissible contribution, in violation of Connecticut General Statutes § 9-613.
 - iv. Respondent made an impermissible expenditure from committee funds for the costs of obtaining tax exempt status from the Internal Revenue Service in violation of Connecticut General Statutes § 9-607(g).
 - v. Respondent made an impermissible expenditure from committee funds for the costs of incorporating with the Office of the Secretary of State, in violation of Connecticut General Statutes § 9-607(g).
- b. In the "5/5/06-5/17/07" report.²
 - i. One (1) contribution of more than \$100 is missing the occupation and employer information of the contributor, in violation of Connecticut General Statutes § 9-608.
 - ii. An impermissible expenditure was made for the costs of membership in the Farmington Chamber of Commerce, in violation of Connecticut General Statutes § 9-607(g).
 - iii. An impermissible expenditure was made for the costs of maintaining incorporation with the Office of the Secretary of State, in violation of Connecticut General Statutes § 9-607(g).

22. By the foregoing, Respondent continuously violated Connecticut General Statutes §§ 9-602, 9-603, 9-605, 9-607(g) and 9-608 during the relevant period.

23. The Respondent admits all jurisdictional facts and concurs that this Agreement and Order shall have the same force and effect as a final decision and Order entered after a

² There is no record of impermissible expenditures or contributions or any other violations made by the Respondent during the period covering May 17, 2007 to May 29, 2007.

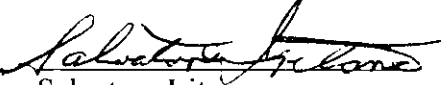
full hearing and shall become final when adopted by the Commission. The Respondent shall receive a copy hereof as provided in Section 9-7b-56 of the Regulations of Connecticut State Agencies.

24. It is understood and agreed that this agreement and order will be submitted to the Commission at its next meeting and, if it is not accepted by the Commission, it is withdrawn by the Respondent and may not be used as an admission in any subsequent hearing, if the same becomes necessary.
25. The Respondent waives:
 - a. Any further procedural steps;
 - b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law, separately stated; and
 - c. All rights to seek judicial review or otherwise to challenge or contest the validity of the Order entered into pursuant to this agreement.
26. Upon the Respondent's compliance with the Order hereinafter stated, the Commission shall not initiate any further proceedings against him or the FTA pertaining to this matter.

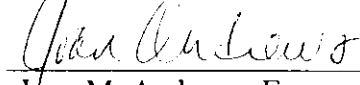
ORDER

IT IS HEREBY ORDERED that the Respondent shall pay a civil penalty of one thousand dollars (\$1000.00) to the Commission in four monthly installments of two hundred fifty dollars (\$250.00), due no later than the 7th of each month, starting on April 7, 2008 and ending or before July 7, 2008 and that the Respondent shall henceforth strictly comply with the requirements of Connecticut General Statutes §§ 9-602, 9-603, 9-605, 9-607(g), and 9-608.

The Respondent:


Salvatore Iritano
91 Birdseye Rd.
Farmington, Connecticut

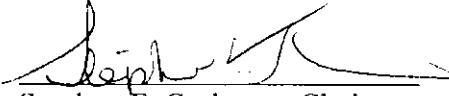
For the State of Connecticut:

BY: 
Joan M. Andrews, Esq.
Director of Legal Affairs & Enforcement
& Authorized Representative of the
State Elections Enforcement Commission
20 Trinity St., Suite 101
Hartford, CT

Dated: April 7, 2008

Dated: April 7, 2008

Adopted this 9th day of April of 2008 at Hartford, Connecticut


Stephen F. Cashman, Chairman
By Order of the Commission