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COMMISSION

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In the Matter of JCJ Architecture, Inc., Hartford

File No. 2008-120

AGREEMENT CONTAINING CONSENT ORDER OF FORFEITURE FOR A
VIOLATION OF GENERAL STATUTES § 9-622 (10).

This agreement, by and between Mary Markham (hereinafter, the "Respondent") and the authorized representative of the State Elections Enforcement Commission is entered into in accordance with Connecticut General Statutes § 4-177 (c) and section 9-7b-54 of the Regulations of Connecticut State Agencies. In accordance herewith, the parties agree that:

1. On August 27, 2008, the Commission authorized an investigation into the matter of JCJ Architecture, Inc. ("JCJ"), James LaPosta, and the Trumbull Democratic Committee. Specifically, the Commission authorized the investigation whether any elections laws, including Connecticut General Statutes §§ 9-608, 9-612, 9-613 and/or 9-622, were violated when JCJ and/or LaPosta made contributions and/or payments the Trumbull Democratic Town Committee in July of 2007.
2. The Respondent is the legally designated treasurer of the Trumbull Democratic Town Committee (hereinafter, the "TDTC"). Pursuant to Connecticut General Statutes § 9-606(a), as treasurer, the Respondent is responsible for receiving all contributions made to and receipts of that committee. She is also the only individual authorized to make expenditures on behalf of the TDTC. C.G.S. § 9-606(a).
3. On July 19, 2007, the TDTC hosted a dinner as a fundraising event. In connection with that event, the TDTC also sold advertising space in a program booklet, which was distributed at the event.
4. JCJ Architecture, Inc. (hereinafter, "JCJ") is a Connecticut corporation. It purchased \$250 worth of advertising space in that program.
5. General Statutes § 9-601a (b)(10)(B) provides that the following payment is not a "contribution" for the purposes of Chapter 155 of Connecticut General Statutes:

The purchase of advertising space which clearly identifies the purchaser, in a program for a fund-raising affair sponsored by a town committee, provided the cumulative purchase of such space does not exceed two hundred fifty dollars from any single town committee in any calendar year if the purchaser is a business entity or fifty dollars for purchases by any other person. . . .

6. However, that provision further provides that:

Notwithstanding the provisions of this subparagraph, the following may not purchase advertising space in a program for a fund-raising affair sponsored by a town committee: (iii) a state contractor As used in this subparagraph, "state contractor" . . . have the same meanings as provided in subsection (g) of section 9-612 [Emphasis added.]

7. Thus, while a business entity's purchase from a town committee of advertising space for a program booklet which does not exceed \$250 is not a contribution, that purchase is still prohibited if the purchaser is also a "state contractor."

8. General Statutes § 9-612 (g) as amended by Public Act 2007, No. 07-1, defines "state contractor" as follows:

(D) "State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. . . .

9. Section 9-612 (g)(1) further provides that:

(B) "State agency" means any office, department, board, council, commission, institution or other agency in the executive or legislative branch of state government.

(C) "State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through the procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, . . . (iii) the construction, alteration or repair of any public building or public work

10. The evidence establishes that JCJ was a "state contractor," as that term is defined in General Statutes § 9-612 (g)(1)(D), at the time it purchased the advertising space from the TDTC. Specifically, JCJ had three open contracts with the Department of Public Works. Contract numbers CF-RW-277-DB-CO, CF-RS-222-A, and BI-JD-253 were opened on March 2, 2004, June 5, 2000, and February 29, 2000 respectively and remained open during entire the calendar year 2007.

11. As a "state contractor" in July, 2007, JCJ was not therefore permitted to purchase advertising space from the TDTC for its July 19, 2007 fundraiser program. See General Statutes § 9-601a (b)(10)(B).

12. The Respondent maintains that her receipt of the impermissible payment was the result of her good faith misunderstanding of General Statutes § 9-601a(10)(B). The Commission has found no evidence to the contrary. Furthermore, the Respondent asserts that she was not aware that JCJ was a “state contractor” at the time she received and deposited the payment at issue.
13. Moreover, it is important to note that this is the first case concerning ad space purchases by a state contractor and there is no provision in General Statutes, Chapter 155 that requires the purchaser of advertising space to disclose to the campaign treasurer whether or not they are a “state contractor.” As such, the onus is on the treasurer to determine if a particular entity lawfully may purchase advertising space.
14. Additionally, James LaPosta also made a contribution in the amount of \$100 to the TDTC in connection with its July 19, 2007 fundraising dinner. At that time, Mr. LaPosta was an equity owner of more than 5% of JCJ.
15. General Statutes § 9-612 (g)(1)(F) provides as follows:

“Principal of a state contractor or prospective state contractor” means (i) any individual who . . . has an ownership interest of five per cent or more in, a state contractor . . . which is a business entity
16. Section 9-612 (g) prohibits principals of a state contractor from making a contribution to a party committee. Specifically, it provides in relevant part as follows:

(2) On and after December 31, 2006:

(A) No . . . principal of a state contractor . . . with regard to a state contract solicitation with or from a state agency in the executive branch or a quasi-public agency . . . shall make a contribution to . . . (iii) a party committee. . .
17. Thus, Mr. LaPosta was prohibited by § 9-612 (g)(2)(A) from making a contribution to the TDTC. As a consequence, the Respondent also committed an illegal practice pursuant to General Statutes § 9-622 (10) when she received his \$100 contribution.
18. It is important to note, however, that in receiving that contribution, the Respondent relied in good faith on Mr. LaPosta’s false certification that he was not a principal of a state contractor. In fact, it appears that the Respondent did not know that Mr. LaPosta was actually a principal of a state contractor until so informed by Commission staff in connection with this case. Once again, while that does not relieve the Respondent of liability, it does mitigate the severity of

her actions. The Commission has taken that into consideration in not assessing a civil penalty against the Respondent.

19. Nevertheless, pursuant to General Statutes § 9-7b (a)(3)(A), the Commission deems it necessary to effectuate the purposes of Chapter 155, that the TDTC remit to the State of Connecticut the amounts described above which were received from a state contractor and principal of that state contractor.
20. The Respondent admits all jurisdictional facts and agrees that this Agreement and Order shall have the same force and effect as a final decision and Order entered after a 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.
21. It is understood and agreed that this agreement 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.
22. 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.
23. Upon the Respondent's compliance with the Order hereinafter stated, the Commission shall not initiate any further proceedings against the Respondent pertaining to this matter.

ORDER

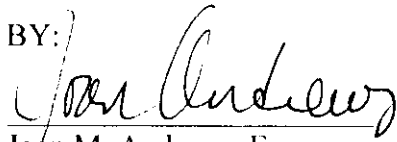
IT IS HEREBY ORDERED that the Respondent shall forfeit to the State of Connecticut the amount of the prohibited payment and contribution, three hundred fifty dollars (\$350), from Trumbull Democratic Town Committee funds.

IT IS FURTHER ORDERED that the Respondent shall not henceforth receive a prohibited contribution in accordance with Connecticut General Statutes § 9-622 (10).

For the State of Connecticut,

DATED: 11/7/08

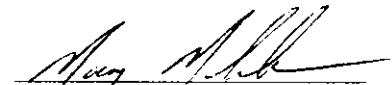
BY:



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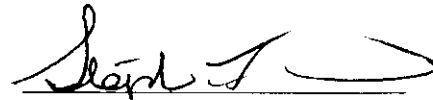
The Respondent,

DATED: 11/5/08



Mary Markham
3 Stony Brook Circle
Trumbull, Connecticut 06611

Adopted this 19th day of November, 2008 at Hartford, Connecticut by a vote of the Commission.



—
Stephen F. Cashman,
Chairperson
By Order of the Commission