

**STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of a Complaint by
Lawrence DePillo, Waterbury

File No. 2009-033

FINDINGS AND CONCLUSIONS

Complainant brings this Complaint pursuant to Connecticut General Statutes § 9-7b, alleging that the “D’amelio 2008” and “Velez for State Representative” candidate committees made fraudulent payments of Citizens Election Program Funds totaling more than \$16,000 to a “non-existent” vendor company calling itself “LMN Marketing and Design” (“LMN”). After the investigation, the Commission makes the following findings and conclusions:

1. Beginning on May 19, 2008 and continuing through December 7, 2008, “D’amelio 2008” [*sic*] was the authorized candidate committee for Anthony J. D’Amelio’s candidacy for election to the Connecticut General Assembly in the 71st House District for the November 4, 2008 general election.
2. At all times relevant to the instant matter, Respondent Erika Carrington was the treasurer of “D’amelio 2008.”
3. Beginning on June 16, 2008 and continuing through February 9, 2009, “Velez for State Representative” was the authorized candidate committee for Lisa Velez’s candidacy for election to the Connecticut General Assembly in the 75th House District for the November 4, 2008 general election.
4. At all times relevant to the instant matter, Respondent Lois Koss was the treasurer of “Velez for State Representative.”
5. Both candidates were participating candidates in the Citizens’ Election Program and both candidate committees applied for and received full general election grants.
6. “LMN Marketing and Design” is a fictitious name used by Jason Van Stone, an individual and resident of the City of Waterbury.
7. The evidence revealed that the LMN trade name is not registered with either the Connecticut Secretary of the State or with the City of Waterbury or any town or city in Connecticut.
8. As a preliminary matter, Jason Van Stone’s failure to register LMN as a fictitious trade name does not constitute a violation of any law over which the Commission has jurisdiction. The matter before the Commission is whether payments were made using Citizens Election Program funds by the “D’amelio 2008” and “Velez for State Representative” candidate committees for impermissible expenditures and/or for services that were never performed.

9. In an agreement dated July 15, 2008, the “D’amelio 2008” candidate committee, through its treasurer, Respondent Erica Carrington, secured the services of Jason Van Stone, doing business as LMN, for “Political Consulting/Graphic Design/Print Brokering/Specialty Brokering/Strategic Planning/Copywriting/Media Brokering.” The contractual compensation was set at \$125/hr. (with a maximum of 100 hours billed) plus costs (at a 15% markup). The agreement schedule dictated that “D’amelio 2008” was to make three compensatory pre-payments of \$1000 during the campaign, with the total hourly balance due after the election. The agreement is signed by Mr. Van Stone, who is identified as the “Director” of LMN. The agreement is also signed by the candidate, Anthony D’Amelio and Respondent Carrington.

10. In an agreement dated September 1, 2008, the “Velez for State Representative” candidate committee, through its treasurer, Respondent Lois Koss, secured the services of Jason Van Stone, doing business as LMN, for “Political Consulting/Graphic Design/Print Brokering/Specialty Brokering/Strategic Planning/Copywriting/Media Brokering.” The contractual compensation was set at \$125/hr. (with a maximum of 100 hours billed) plus costs (at a 15% markup). The agreement schedule dictated that “Velez for State Representative” was to make three compensatory pre-payments of \$1000 during the campaign, with the total hourly balance due after the election. The agreement is signed by Mr. Van Stone, who is identified as the “Director” of LMN. The agreement is also signed by the candidate, Lisa Velez and Respondent Koss.

11. General Statutes § 9-601a (a) provides, in pertinent part:

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.]

12. General Statutes § 9-607 (g) provides, in pertinent part:

(g) Permissible expenditures. (1) As used in this subsection, (A) “the lawful purposes of his committee” means: (i) For a candidate committee or exploratory committee, *the promoting of the nomination or election of the candidate who established the committee. . . .*

(2) Unless otherwise provided by this chapter, any campaign treasurer, in accomplishing the lawful purposes of his committee, may pay the expenses of: (A) *Advertising in electronic and print media;* (B) *any other form of printed advertising or communications* including “thank you” advertising after the election; (C) campaign items, including,

but not limited to, brochures, leaflets, flyers, invitations, stationery, envelopes, reply cards, return envelopes, campaign business cards, *direct mailings*, postcards, palm cards, “thank you” notes, sample ballots and other similar items; (D) *political banners and billboards*; . . . (O) *reimbursements to candidates and campaign or committee workers made in accordance with the provisions of this section for campaign-related expenses for which a receipt is received by the campaign treasurer*; (P) *campaign or committee services of attorneys, accountants, consultants or other professional persons for campaign activities*, obtaining or contesting ballot status, nomination, or election, and compliance with this chapter; . . . and (Z) any other necessary campaign or political expense..

13. Three checks for \$1,000 were issued on 9/15/08, 10/10/08, and 10/31/08 to LMN by Respondent Carrington on behalf of “D’amelio 2008.” A final check was issued for \$4,557.50 on 11/15/08. The invoice associated with the final check enumerates a statement of each billable hour that LMN worked on behalf of the candidate committee throughout the campaign.
14. LMN received two reimbursements for expenditures made on behalf of “D’amelio 2008.” The first reimbursement, for \$977.91, was for 250 Yard signs, with “step stakes” that LMN purchased from “Super Cheap Signs” in Austin, TX. The second reimbursement, for \$621, was for a “get out the vote” advertisement that appeared in the Waterbury American on November 3 and was placed and purchased by LMN.
15. Three checks for \$1,000 were issued on 10/14/08, 10/28/08, and 11/7/08 to LMN by Respondent Koss on behalf of “Velez for State Representative.” A final check to LMN was issued for \$1,937.50 on 12/18/08. The invoice associated with the final check enumerates a statement of each billable hour that LMN worked on behalf of the candidate committee throughout the campaign.
16. LMN received two reimbursements for expenditures made on behalf of “Velez for State Representative.” The first reimbursement, for \$1,809.25, was for three separate purchases made by LMN on the candidate committee’s behalf. The purchases were \$251 for an advertisement in the Waterbury American, \$147.75 for three mobile phones with 300 minutes of airtime each from Radio Shack and \$1,410 for “Voter ID Phone Calls and Reporting” by FLS Connect. The second reimbursement, for \$1,242, was for a “get out the vote” advertisement that appeared in the Waterbury American and was placed and purchased by LMN.
17. After investigation, the evidence, including but not limited to invoices, receipts and evidence of Mr. Van Stone’s work product, revealed that the aforementioned payments made to LMN by Respondent Carrington on behalf “D’amelio ‘08” reflected actual work that was performed by Mr. Van Stone, doing business as LMN and/or reimbursable purchases made by Mr. Van Stone, doing business as LMN. There was no evidence found to support the allegation that any fraudulent payments were made by the “D’amelio ‘08” candidate committee to LMN.

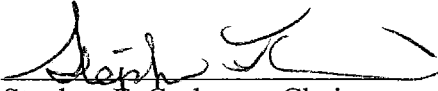
18. After investigation, the evidence, including but not limited to invoices, receipts and evidence of Mr. Van Stone's work product, revealed that the aforementioned payments made to LMN by Respondent Carrington on behalf "Velez for State Representative" reflected actual work that was performed by Mr. Van Stone, doing business as LMN and/or reimbursable purchases made by Mr. Van Stone, doing business as LMN. There was no evidence found to support the allegation that any fraudulent payments were made by the "Velez for State Representative" candidate committee to LMN.
19. Considering the aforementioned, the Complainant's allegations cannot be substantiated.

ORDER

The following Order is recommended on the basis of the aforementioned finding:

That the Complaint be dismissed.

Adopted this 21st day of April of 2010 at Hartford, Connecticut


Stephen F. Cashman, Chairman
By Order of the Commission