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STATE ELECTIONS

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STATE OF CONNECTICUT  
STATE ELECTIONS ENFORCEMENT COMMISSION

Complaint of Michael Pace  
Old Saybrook

File No. 2009-065

AGREEMENT CONTAINING CONSENT ORDER FOR VIOLATIONS OF  
GENERAL STATUTES §§ 9-602, 9-605, 9-606(a) and 9-607(f) and 9-608

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

1. The Old Saybrook Taxpayers Association (hereinafter "OSTA") filed a *Political Committee Registration* (SEEC Form 3) with the Old Saybrook Town Clerk on July 2, 2009. The OSTA also filed an *Itemized Campaign Finance Disclosure Statement* (SEEC Form 20) with the Old Saybrook Town Clerk on July 2, 2009.
2. Respondent Goduti is the legally designated chairperson of the OSTA. Pursuant to General Statutes § 9-605(a), as chairperson of the political committee, the Respondent is responsible for filing a registration statement within 10 days of the committee's organization.
3. Respondent Conti is the legally designated treasurer of the Old Saybrook Taxpayers Association (hereinafter, the "OSTA"). Pursuant to General Statutes § 9-606(a), as treasurer, the Respondent is responsible for receiving all contributions made to that committee and reporting those contributions in accordance with the requirements of General Statutes § 9-608.
4. The Complainant alleged that the OSTA violated state election law by making expenditures prior to registering with the Old Saybrook Town Clerk and by making expenditures for political advertising without an appropriate attribution.
5. General Statutes § 9-601 (Revised 2009) provides in pertinent part:

(3) "Political committee" means (A) a committee organized by a business entity or organization, (B) persons other than individuals, or two or more individuals organized or acting jointly conducting their activities in or outside the state, (C) an exploratory committee, (D) a committee established by or on behalf of a slate of candidates in a primary for the office of justice of the peace, but does not mean a candidate committee or a party committee, (E) a legislative caucus committee, or (F) a legislative leadership committee.

6. The OSTA is a political committee as that term is defined in Gen. Stat. § 9-601(3).
7. The Complainant specifically alleged, based upon the OSTA filings that the political committee received contributions totaling \$725 prior to filing their *Political Committee Registration* (SEEC Form 3) with Town Clerk on July 2, 2009. The Complainant also alleged that the OSTA made improper expenditures by making expenditures prior to filing a *Political Committee Registration* (SEEC Form 3) with the Town Clerk on July 2, 2009.
8. Respondent Goduti acknowledges and the *Itemized Campaign Finance Disclosure Statement* (SEEC Form 20) filed with the Old Saybrook Town Clerk on July 2, 2009 reflects that the OSTA received contributions as early as June 20, 2009.
9. General Statutes § 9-605 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 registration statement described in subsection (b) of this section 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 registration statement.*
10. Accordingly, Respondent Goduti should have timely filed the OSTA *Political Committee Registration* (SEEC Form 3) with the Town Clerk within 10 days of the OSTA receiving contributions on June 20, 2009 or by June 30, 2009. By failing to do so, Respondent Goduti violated Gen. Stat. § 9-605(a). The Commission acknowledges that Respondent Goduti did not intentionally violate Gen. Stat. § 9-605(a).
11. Respondent Goduti contends that he did not serve as chairperson prior to the OSTA filing of the *Political Committee Registration* (SEEC Form 3) with the Town Clerk and only filled that position in order to help the OSTA comply with campaign finance laws.
12. The Commission notes that the OSTA registered with the Old Saybrook Town Clerk 3 days later than was required by Gen. Stat. 9-605(a).
13. Respondent Conti acknowledged in the written response provided by the OSTA, that on two separate occasions at OSTA meetings, a hat was passed around and contributions were received. Respondent Conti reported these contributions as anonymous contributions.

14. General Statutes § 9-606 provides in pertinent part:

(a) The campaign treasurer of each committee shall be responsible for (1) depositing, receiving and reporting all contributions and other funds in the manner specified in section 9-608, (2) making and reporting expenditures, (3) reporting expenses incurred but not yet paid, (4) filing the statements required under section 9-608, and (5) keeping internal records of each entry made on such statements. The campaign treasurer of each committee shall deposit contributions in the committee's designated depository within fourteen days after receiving them.

15. General Statutes § 9-607 provides in pertinent part:

(f) The campaign treasurer shall preserve all internal records of transactions required to be entered in reports filed pursuant to section 9-608 for four years from the date of the report in which the transactions were entered. . . .

16. The Commission has previously determined that an anonymous contribution is given without the contributor present and with no information about the contributor known or provided. The treasurer must be incapable of discerning the identity of the contributor. The only instance when an anonymous contribution is recognized is when cash is sent in the mail with no return address. (See *Understanding the Connecticut Campaign Finance Laws, A Guide for Political Committees PACs (Connecticut State Elections Enforcement Commission. Hartford, Connecticut) April 2008.*) (See also *Complaint of Matthew Kelly, Barkhamsted, State Elections Enforcement Commission File No. 2007-274.*)

17. The Commission therefore concludes that Respondent Conti violated General Statutes §§ 9-606(a) and 9-608 (c)(1) by failing to report the proceeds that he received as a result of passing the hat at OSTA meetings as contributions.

18. Respondent Conti also violated General Statutes §§ 9-607(f) and 9-606(a) by failing to maintain internal records. The failure to maintain such records renders it impossible for Respondent Conti to reconstruct contributor sources and amounts which totaled \$460.

19. Respondent Conti used the contributions that he received prior to the OSTA filing a *Political Committee Registration* (SEEC Form 3) with the Town Clerk and prior to the July 9, 2009 referendum to help the OSTA produce and disseminate a postcard on July 2, 2009.

20. General Statutes § 9-602 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...

21. Accordingly, Respondent Conti violated Gen. Stat. § 9-602(a) by receiving contributions prior to filing a SEEC Form 3 on behalf of the OSTA.
22. The Commission acknowledges that Respondent Conti did not intentionally violate Gen. Stat. §§ 9-602, 9-606(a) and 9-607(f) and 9-608.
23. Respondent Conti contends that he did not serve as treasurer prior to the OSTA filing of the *Political Committee Registration* (SEEC Form 3) with the Town Clerk and only filled that position in order to help the OSTA comply with campaign finance laws.
24. The Commission notes that prospectively, Gen. Stat. § 9-602 as amended by 10-187 of the 2010 Public Acts, provides that a group of two or more individuals acting together that receives funds or makes or incurs expenditures not exceeding one thousand dollars in the aggregate is not required to file a designation of a campaign treasurer and a depository institution situated in this state as the depository for the committee's funds. As such the OSTA would not have been required to file with the Old Saybrook Town Clerk based on the facts and circumstances of this case.
25. Complainant also alleged that the OSTA made improper expenditures in connection with municipal elections in the past and in connection with promoting the July 9, 2009 referendum question prior to filing a certification with the Town Clerk.
26. Complainant did not provide any information as to which municipal elections he believed the OSTA had made improper expenditures in connection with, nor did he provide any specifics regarding reasons why he believed the OSTA had been involved in municipal elections in the past, accordingly, the Commission will take no further action regarding this allegation.
27. Complainant also alleged that the OSTA violated election laws in a connection with a flyer that appeared to use the Old Saybrook Town seal that was disseminated to Old Saybrook residents.
28. The OSTA has denied producing and disseminating the June 20, 2009 letter that the Complainant complained of. The Commission finds that there is insufficient evidence to the contrary as it relates to the June 20, 2009. Accordingly, the matter of the flyer is dismissed without prejudice.
29. The Respondents admit 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 Respondents shall receive a copy hereof as provided in the Regulations of Connecticut State Agencies § 9-7b-56.
30. 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

Respondents and may not be used as an admission in any subsequent hearing, if the same becomes necessary.

31. The Respondents waive:

- (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.

20. Upon the Respondents' compliance with the Order hereinafter stated, the Commission shall not initiate any further proceedings against the Respondents with respect to this matter.

**ORDER**

IT IS HEREBY ORDERED that Respondent Goduti shall henceforth strictly comply with the requirements of Gen. Stat. § Gen. Stat. § 9-605;

IT IS HEREBY ORDERED that Respondent Conti shall henceforth strictly comply with the requirements of Gen. Stat. §§ 9-602, 9-606(a) and 9-607(f) and 9-608.

Dated: 7/27/10

For the State of Connecticut

BY: 

Joan M. Andrews, Esq.  
Director of Legal Affairs and Enforcement,  
and Authorized Representative  
of the State Elections  
Enforcement Commission  
20 Trinity Street  
Hartford, Connecticut

Dated: 7/22/2010

The Respondent,



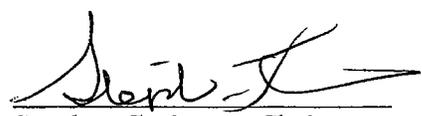
Richard Goduti  
Old Saybrook, Connecticut

7/22/2010



Henry Conti  
Old Saybrook, Connecticut

Adopted this 21<sup>st</sup> day of July, 2010 at Hartford, Connecticut by vote of the Commission.



Stephen Cashman, Chairman  
By Order of the Commission