

In the Matter of a Complaint by Caleb Kleppner,
New Haven

File No. 2010-002A

AGREEMENT CONTAINING A CONSENT ORDER

The parties, John DeStefano, of the City of New Haven, State of Connecticut, hereinafter referred to as the Respondent, and the undersigned authorized representative of the State Elections Enforcement Commission enter into this agreement as authorized by Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance with those provisions, the parties agree that:

1. Complainant Kleppner filed this complaint with the Commission on January 8, 2010. The complaint alleged that a candidate committee for John DeStefano, which was created for the 2009 New Haven mayoral election, had received unreported and excessive in-kind contributions from Elm & Oak PAC, a New Haven-based political committee registered with the State Elections Enforcement Commission.
2. In April 2011, the Commission expanded the investigation to include allegations that Respondent had solicited contributions from principals of state contractors on behalf of Elm & Oak PAC, a political committee registered with the Commission and authorized to make contributions to statewide as well as General Assembly candidates. *See Minutes of Regular Meeting (State Elections Enforcement Comm'n, April 13, 2011) (authorizing expansion of investigation in File No. 2010-002).*
3. Elm & Oak PAC political committee registered with the Commission on February 27, 2007 as a political committee that was authorized to make contributions to statewide and General Assembly candidates as well as local candidates. *See SEEC Form 3 – Political Committee Registration (Elm & Oak PAC, February 27, 2007) (designating in box 25a that ongoing committee was established for both state and municipal elections and in boxes 39a and 39b, respectively, that committee was authorized to make contributions to candidates for statewide office and candidates for General Assembly).*
4. General Statutes § 9-606 (c) requires that solicitors provide a list of all contributions they collected to the committee's treasurer. Specifically, § 9-606 (c) states:

(c) The campaign treasurer of each committee, other than a political committee established by an organization which receives its funds from the organization's treasury, may appoint solicitors. If solicitors are appointed, the campaign treasurer

shall receive and report all contributions made or promised to each solicitor. **Each solicitor shall submit to the campaign treasurer a list of all contributions made or promised to him.** The list shall be complete as of seventy-two hours immediately preceding midnight of the day preceding the dates on which the campaign treasurer is required to file a sworn statement as provided in section 9-608. Lists shall be received by the campaign treasurer not later than twenty-four hours immediately preceding each required filing date. Each solicitor shall deposit all contributions with the campaign treasurer, within seven days after receipt. No solicitor shall expend any contributions received by him or disburse such contributions to any person other than the campaign treasurer.

General Statutes § 9-606 (c) (Emphasis added).

5. General Statutes § 9-612 (g) (2) (A) prohibits principals of executive-branch state contractors from contributing to a political committee authorized to make contributions to or expenditures on behalf of candidates for statewide office. *See* General Statutes § 9-612 (g) (2) (A) (Rev. to 2007) (banning principals of state contractors who hold “a state contract . . . with or from a state agency in the executive branch” from contributing to political committees that can make contributions to or expenditures on behalf of candidates or candidate committees for the offices of “Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer”).
6. General Statutes § 9-612 (g) (2) (B) prohibits principals of legislative-branch state contractors from contributing to a political committee authorized to make contributions to or expenditures on behalf of candidates for the state senate or General Assembly. *See* General Statutes § 9-612 (g) (2) (B) (Rev. to 2007) (banning principals of state contractors who hold “a state contract . . . with or from the General Assembly” from contributing to political committees that can make contributions to or expenditures on behalf of candidates or candidate committees for the offices of “state senator or state representative”).
7. General Statutes § 9-622 (10) makes it a violation of Connecticut’s campaign finance statutes to solicit, make or receive a contribution that is prohibited under Chapter 155. *See* General Statutes § 9-622 (10) (finding campaign violations when someone “solicits, makes or receives a contribution that is otherwise prohibited by any provision of this chapter.”)

8. Respondent has acknowledged that he solicited contributions for Elm & Oak PAC. No other solicitors for the political committee have been identified. Respondent did not supply a list of contributions that he solicited to the treasurer of the political committee.
9. The Commission's investigation revealed at least 30 contributions from principals of state contractors, in violation of the ban in General Statutes § 9-612 (g) on such contributions.
10. Respondent accepts the factual statements as set forth above.
11. Respondent denies knowing that, as a political committee registered with the Commission, Elm & Oak PAC was authorized to make contributions to statewide or General Assembly candidates and therefore prohibited from accepting contributions from principals of state contractors, and the Commission has presented no evidence to the contrary. Respondent maintains that at the times he made the solicitations at issue in this matter he believed them to be permissible given his understanding that Elm & Oak PAC was a municipal political committee limited to making contributions to and expenditures on behalf of municipal candidates in New Haven only, and thus it was authorized to accept contributions from principals of state contractors. However, Respondent acknowledges that the Commission need not establish his knowledge of the political committee's status in order to find a violation of General Statutes § 9-622 (10), which imposes a strict liability standard for violations.
12. The Commission finds that the Respondent violated General Statutes § 9-622 (10) by soliciting approximately 30 contributions from principals of state contractors that Elm & Oak PAC could not accept because it was created as a political committee authorized to make contributions to or expenditures on behalf of statewide and General Assembly candidates in addition to municipal candidates. The Commission makes no finding related to the use of solicited funds on behalf of any statewide or General Assembly candidate.
13. 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 into after a full hearing and shall become final when adopted by the Commission.
14. By entering into this agreement, Respondent seeks simply to settle this contested matter and agrees that the State has sufficient evidence to support its finding of a violation and hold Respondent responsible in this matter.

15. 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.

16. Upon the Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against him concerning this matter.

17. It is understood and agreed by the parties to this Agreement that the Commission will consider this Agreement at its next meeting and, if the Commission rejects it, the Agreement will be withdrawn and may not be used as an admission by the Respondent in any subsequent hearing, if one becomes necessary.

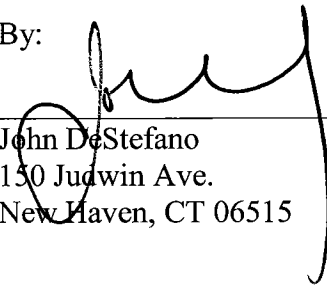
ORDER

IT IS HEREBY ORDERED THAT Respondent pay a total civil penalty of \$3,000 for violating General Statutes § 9-622 (10) by soliciting contributions prohibited under General Statutes § 9-612 (g) and for violating General Statutes § 9-606 (c) by failing to provide a solicitor list to the treasurer of Elm & Oak PAC political committee after he solicited contributions on its behalf.

The Respondent

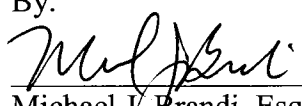
For the State of Connecticut

By:



John DeStefano
150 Judwin Ave.
New Haven, CT 06515

By:



Michael J. Brandi, Esq.
Executive Director and General Counsel
and Authorized Representative of the
State Elections Enforcement Commission
20 Trinity St., Suite 101
Hartford, CT 06106

Dated: _____

Dated: 1/27/14

Adopted this 19 day of March, 2013 at Hartford, Connecticut by vote of the Commission.



Anthony J. Castagno, Chairman
By Order of the Commission

**RECEIVED
STATE ELECTIONS**

JAN 27 2014

ENFORCEMENT COMMISSION