

FEB 16 2016

ENFORCEMENT COMMISSION

STATE OF CONNECTICUT  
STATE ELECTIONS ENFORCEMENT COMMISSION

Complaint of Lisa Labella,  
Trumbull

File No. 2014-046B

**AGREEMENT CONTAINING CONSENT ORDER**

This agreement by and between Jeffrey J. Raucci and Jeannette Raucci of the Town of Monroe, County of Fairfield, State of Connecticut (hereinafter "Respondents") 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. Complainant alleged that the Trumbull Republican Town Committee (TRTC) in 2009, 2010 and 2011 violated campaign finance statutes by receiving contributions from Respondents as principals of Bismark Construction a state contractor with the State of Connecticut.
2. By way of background Bismark Construction Company, Inc. (Bismark Construction) is a general contractor with its offices in Milford, Connecticut. Further, neither Bismark Construction nor Respondents have any prior history with the Commission.
3. Allegations that pertain to any liability of the TRTC, Respondent Carl Scarpelli, TRTC, Treasurer and Respondent Jack Testani, TRTC, Chairman, are treated under a separate agreement.
4. The Commission concludes that any contractual implications for Bismark Construction for any violations of the state contractor contribution ban pursuant to General Statutes § 9-612 (f) (2) (D) by Respondents are *not* triggered under these circumstances as Respondents' contributions are outside the timeframe that would necessitate a "mitigating circumstances" analysis.
5. General Statutes § 9-612, provides in pertinent part:
  - (f) (1) (F) "***Principal of a state contractor*** or prospective state contractor" means (i) ***any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor,*** which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii)

an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has managerial or discretionary responsibilities with respect to a state contract, (v) *the spouse* or a dependent child who is eighteen years of age or older *of an individual described in this subparagraph*, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

...

(2) (A) *No* state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or a state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or *principal of a holder, of a valid prequalification certificate, shall make a contribution to*, or, on and after January 1, 2011, knowingly solicit contributions from the state contractor's or prospective state contractor's employees or from a subcontractor or principals of the subcontractor on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) *a party committee*; [Emphasis added.]

6. Upon investigation, the Commission finds that Bismark Construction has been, and remains at this time, a holder of a valid prequalification certificate from the Connecticut Department of Revenue Services (DRS) since September 14, 2004. Further, DRS confirmed in the course of this investigation that at all times relevant to this complaint, Bismark Construction has *not* had a contract with the State of Connecticut. Finally, Respondent Jeffrey J. Raucci admits that he is an owner of Bismark Construction and that his ownership interest is in excess of 5%.
7. The Commission concludes that pursuant to General Statutes § 9-612 (f) (1) (F) (i) Respondent Jeffery Raucci is the principal of a holder of a valid prequalification certificate, in that he is a co-owner of Bismark Construction with 5% or more ownership interest in the same. The Commission further concludes that Respondent Jeannette Raucci is a spouse of a principal of a holder of a valid prequalification certificate and therefore subject to the state contractor contribution ban pursuant to § 9-612 (f) (1) (F) (v).
8. The Commission finds, after investigation, that the following contributions were made by Respondents to the TRTC:

Jeffrey J. Raucci to the TRTC:

<u>TRTC Filing</u>	<u>Amount</u>
10/10/09	\$150.00
10/10/10	\$600.00
10/10/11	<u>\$660.00</u>
Total:	\$1,410.00

Jeannette Raucci to the TRTC:

<u>TRTC Filing</u>	<u>Amount</u>
10/10/09	Total: \$1,000.00

9. The Commission stresses that principals of a holder of a valid prequalification certificate with DRS are prohibited pursuant to § 9-612 (f) (2) (A) (iii) from making contributions to a party committee such as the TRTC. Further, at all times relevant to this complaint, Bismark Construction was on *List One – State Contractors Prohibited From Contributing to both Statewide and Gen. Assembly Candidates* that is published and maintained by the Commission.

10. The Commission concludes that at the time of the contributions by Respondents Jeffrey and Jeannette Raucci to the TRTC, Respondent Jeffrey Raucci was a principal of Bismark Construction, a holder of a valid prequalification certificate, and Respondent Jeanette Raucci was the spouse of a principal of Bismark Construction and thus also a principal as described in § 9-612(f). The Commission concludes that Respondents were prohibited by the state contractor contribution ban from making contributions to a party committee pursuant to General Statutes § 9-612 (f) (1) (F) (i) and (v).
11. The Commission concludes that Respondent Jeffrey Raucci violated General Statutes § 9-612 (f) by making three contributions to the TRTC totaling \$1,410 as the principal of the holder of a valid prequalification certificate. Further, the Commission concludes that Respondent Jeannette Raucci also violated § 9-612 (f) by making a \$1,000.00 to the TRTC as the principal of a holder of a valid prequalification certificate.
12. The Commission finds that the Respondents did not knowingly or willfully violate General Statutes § 9-612 (f) and/or § 9-622 (10).
13. The Respondents are entering into this Agreement and Order solely to avoid the expense and distraction of administrative proceedings. The Respondents maintain that nothing contained in this Agreement and Order or the actions taken by the Respondents pursuant to or in the negotiation of this Agreement and Order shall be considered an admission of liability or wrongdoing on the part of either of the Respondents.
14. In this instance, the Commission concludes that the contributions were made to a party (town) committee, which while proscribed by General Statutes § 9-612 (f) (2) (A) (iii), is less likely to have a direct impact on awarding of state contracts.
15. The Commission finds that in assessing civil penalties against Respondents Jeffrey and Jeannette Raucci in this instance and ordering Respondents to henceforth comply with General Statutes § 9-612 (f), it is both consistent with its past precedent and with principles of deterring future similar conduct by Respondents pursuant to Commission regulations. *See Regulations of Conn. State Agencies § 9-7b-48.*
16. Respondents consent for jurisdictional purposes and agree 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. Respondents shall receive a copy hereof as provided in Section 9-7b-56 of the Regulations of Connecticut State Agencies.

17. 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 by either party as an admission in any subsequent hearing, if the same becomes necessary.
18. 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.
19. Upon Respondents' compliance with the Order hereinafter stated, the Commission shall not initiate any further proceedings against Respondents or Bismark Construction Company, Inc. pertaining to this matter.


**ORDER**

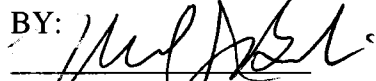
IT IS HEREBY ORDERED THAT the Respondents shall henceforth strictly comply with the requirements of General Statutes § 9-612 (f).

IT IS HEREBY FURTHER ORDERED THAT the Respondent Jeanette Raucci shall pay a civil penalty in the amount of five hundred dollars (\$500.00) and Respondent Jeffrey J. Raucci shall pay a civil penalty in the amount of seven hundred and fifty dollars (\$750.00) to the Commission on or before February 8, 2016.

The Respondents:

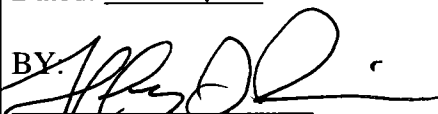
For the State of Connecticut:

BY:   
Jeanette Raucci  
108 Purdy Hill Road  
Monroe, Connecticut

BY:   
Michael J. Brandi, Esq.,  
Executive Director and General Counsel and  
Authorized Representative of the  
State Elections Enforcement Commission  
20 Trinity Street, Suite 101  
Hartford, Connecticut

Dated: 2/9/16

Dated: 2/16/16

BY:   
Jeffrey J. Raucci  
108 Purdy Hill Road  
Monroe, Connecticut

Adopted this 10<sup>th</sup> day of February, 2016 at Hartford, Connecticut

\_\_\_\_\_  
Anthony J. Castagno, Chairman  
By Order of the Commission

**ORDER**


IT IS HEREBY ORDERED THAT the Respondents shall henceforth strictly comply with the requirements of General Statutes § 9-612 (f).

IT IS HEREBY FURTHER ORDERED THAT the Respondent Jeanette Raucci shall pay a civil penalty in the amount of five hundred dollars (\$500.00) and Respondent Jeffrey J. Raucci shall pay a civil penalty in the amount of seven hundred and fifty dollars (\$750.00) to the Commission on or before February 8, 2016.


The Respondents:

For the State of Connecticut:

BY:

  
Jeanette Raucci  
108 Purdy Hill Road  
Monroe, Connecticut

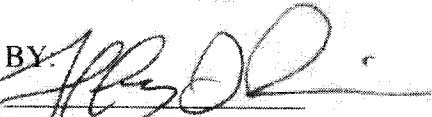
BY:

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

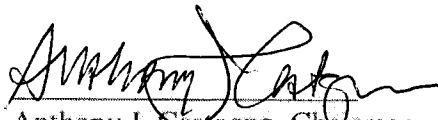
Dated: 2/9/16

Dated: 2/10/16

BY:

  
Jeffrey J. Raucci  
108 Purdy Hill Road  
Monroe, Connecticut

Adopted this 10<sup>th</sup> day of February, 2016 at Hartford, Connecticut

  
Anthony J. Castagno, Chairman  
By Order of the Commission