

**STATE OF CONNECTICUT**  
**STATE ELECTIONS ENFORCEMENT COMMISSION**

*In re* Audit Report of *Christine Rosati for State Representative*

File No. 2015-144

**AGREEMENT CONTAINING A CONSENT ORDER**

The parties, Sarah Hamby, hereinafter referred to as “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. Christine Rosati established this candidate committee on April 2, 2014 to support her candidacy for the 44<sup>th</sup> district General Assembly seat and named Respondent as the initial treasurer for the candidate committee.<sup>1</sup>
2. The candidate and treasurer completed documentation to participate in the Citizens’ Elections Program.<sup>2</sup> The Commission approved a primary grant from the Citizens Election Fund totaling \$27,865, which was received by the committee on July 28, 2014.<sup>3</sup>
3. The 8<sup>th</sup> district was selected as part of the random audit lottery conducted following the 2014 election cycle. The Commission reviewed expenditures and backup documentation for the *Christine Rosati for State Representative* candidate committee during the course of the audit.
4. The committee provided backup documentation to support expenditures that the committee had made during the course of the election cycle. The committee entered into a contract with Joseph Carvalho to serve as campaign manager for the committee.<sup>4</sup> The term of the contract was from June 3, 2014 through August 14,

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<sup>1</sup> See SEEC Form 1 – Registration of Candidate Committee (*Christine Rosati for State Representative*, April 2, 2014) (reflecting establishment of candidate committee by Christine Rosati and appointment of Sarah Hamby as treasurer). The candidate initially named Sarah Hamby as treasurer and replaced her with Dianna Kulmacz, the respondent here, following the election. See Registration of Candidate Committee (*Christine Rosati for State Representative*, December 22, 2014) (naming Kulmacz as treasurer).

<sup>2</sup> See SEEC Form CEP 10 – Affidavit of Intent to Abide by Expenditure Limits and Other Citizens’ Election Program Requirements (*Christine Rosati for State Representative*, April 23, 2014) (reflecting intent of candidate and treasurer to participate in Citizens’ Election Program and follow voluntary program rules).

<sup>3</sup> See SEEC Form 30 – Itemized Campaign Finance Disclosure Statement: Second Weekly Supplemental Filing Primary (*Christine Rosati for State Representative*, July 31, 2014) (reporting grant received from Citizens’ Election Fund on July 28, 2014).

<sup>4</sup> See Campaign Consulting Agreement between “Rosati for State Representative and Joseph Carvalho (June 3, 2014).

2014 and would result in payment to Carvalho for \$5,000. The contract also included the following language: "This contract is contingent upon 'Christine Rosati for State Representative' qualifying for the Citizen's [sic] Election Program by the July 18, 2014 deadline."<sup>5</sup> Likewise, the timing of the first payment under the contract would occur "within five days upon qualifying for the Citizen's [sic] Election Program and receipt of grant funds."<sup>6</sup>

5. In addition to requiring written contracts for all service providers, the regulations governing the Citizens' Election Program prohibit entering into a contract that makes payment of the amount due under the contract subject to receipt of a grant from the Citizens' Election Fund. The regulation states, in relevant part:

Participating candidates and the treasurers of such participating candidates shall not spend funds in the participating candidate's depository account for the following:

...

16. Expenditures incurred but not paid for which payment of any portion of the outstanding liability is made contingent on the participating candidate committee's receipt of a grant from the Citizens' Election Fund;<sup>7</sup>

6. As enumerated in § 9-7b-48 of the Regulations of Connecticut State Agencies:

In its determination of the amount of the civil penalty to be imposed, the Commission shall consider, among other mitigating or aggravating circumstances:

- (1) the gravity of the act or omission;
- (2) the amount necessary to insure immediate and continued compliance;
- (3) the previous history of similar acts or omissions; and
- (4) whether the person has shown good faith in attempting to comply with the applicable provisions of the General Statutes.<sup>8</sup>

7. Respondent acknowledges that she executed the agreement on behalf of the candidate committee but states that that the terms of the agreement, including the contingent payment arrangement, were negotiated by the candidate with Carvalho.

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<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> Regulations, Conn. State Agencies, § 9-706-2 (b) (16) (State Elections Enforcement Comm'n) (prohibiting contracts that make payment contingent upon grant receipt).

<sup>8</sup> Regs., Conn. State Agencies, § 9-7b-48 (State Elections Enforcement Comm'n).

8. Respondent admits all jurisdictional facts and agree 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.
9. 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.
10. 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.

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ENFORCEMENT COMMISSION


**ORDER**

**IT IS HERERY ORDERED THAT** Respondent shall be subject to a civil penalty of two-hundred dollars (\$200) and shall henceforth comply strictly with the requirements of the regulations related to the Citizens' Election Program. Based upon the respondent's status as a disabled veteran, the commission will remit the \$200 civil penalty in its entirety.

The Respondent

For the State of Connecticut

By:



Sarah L. Hamby  
174 S. Main St. Apt. 4  
Brooklyn, CT 06234

By:



Michael J. Brandi, Esq.  
Executive Director and General Counsel and  
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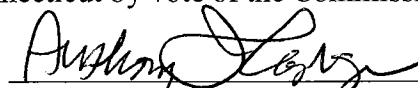
Dated:

7/24/17

Dated:

8/4/17

Adopted this 16<sup>th</sup> day of Aug, 2017 at Hartford, Connecticut by vote of the Commission.



Anthony J. Castagno, Chairman  
By Order of the Commission