

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

*In re. Audit of Cassano for Senate*

File No. 2018-035A

**AGREEMENT CONTAINING A CONSENT ORDER**

This Agreement by and between Stephen Cassano, City of Manchester, State of Connecticut, hereinafter referred to as Respondent, and the undersigned authorized representative of the State Elections Enforcement Commission, is entered into in accordance with Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance herewith, the parties agree that:

1. The Commission performed an in-depth review of the expenditures of the 2016 *Cassano for Senate* candidate committee after the committee's selection in the random audit lottery conducted following the 2016 election cycle. Stephen T. Cassano established his candidate committee to run for the 4<sup>th</sup> district state senate seat on March 9, 2016, naming Richard Borden the committee's treasurer.<sup>1</sup> The candidate committee participated in the Citizens' Election Program.<sup>2</sup> The committee applied for<sup>3</sup> and received a grant from the Citizens' Election Fund.<sup>4</sup>
2. The audit found that the Cassano candidate committee paid its campaign manager, Stephen Sirdorak, a "bonus" after the election that totaled \$1,200.
3. General Statutes § 9-607 (g) states that candidate committees may make payments for "compensation for campaign or committee staff, fringe benefits and payroll taxes."<sup>5</sup>
4. With the adoption of the Citizens' Election Program, however, the legislature instructed the Commission to draft regulations related to the types of expenditures that qualified

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<sup>1</sup> See Registration by Candidate - SEEC Form 1, *Cassano for Senate* (March 9, 2016) (creating candidate committee and appointing Richard Borden as committee's treasurer).

<sup>2</sup> See Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements – SEEC Form CEP 10, *Cassano for Senate* (August 24, 2016) (evinced intent of candidate and treasurer to participate in Citizens' Election Program).

<sup>3</sup> See Citizens' Election Program Application for Public Grant Dollars – SEEC Form CEP 15, *Cassano for Senate* (August 24, 2016) (applying for CEF grant on behalf of Cassano candidate committee).

<sup>4</sup> See Itemized Campaign Finance Disclosure Statement – SEEC Form 30, *Cassano for Senate* (October 5, 2016) (reflecting receipt of grant totaling \$95,705 from Citizens' Election Fund on September 23, 2016).

<sup>5</sup> General Statutes § 9-607 (g) (limiting persons who can receive payments from candidate committee)

candidate committees were permitted to make using their grant monies obtained from the Citizens' Election Fund.<sup>6</sup>

5. The Commission adopted regulations limning those restrictions, specifically Section 9-706-2 of the Regulations of Connecticut State Agencies, which provides, in relevant part:

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

...

11. Post-election bonus payments, including but not limited to bonus payments to campaign staff or volunteers. . . .<sup>7</sup>

6. In similar instances involving prohibited payments made by a qualified candidate committee, the Commission has sought restitution from the candidate to the Citizens' Election Fund of an amount equal to the impermissible payment.
7. The candidate bears the responsibility to reimburse the fund for any "impermissible expenditures" that a qualified candidate committee made.<sup>8</sup> Respondent acknowledged that liability when he declared himself a "participating candidate" and agreed to operate under the terms of the Citizens' Election Program.<sup>9</sup> In this case, the payment of a "post-election bonus" to the committee's campaign manager was an impermissible expenditure, and the candidate must return the money spent on that bonus to the Citizens' Election Fund.
8. Based on the Commission's findings, it shall seek reimbursement from candidate Cassano to the Citizens' Election Fund a total of \$1,200, which represents the amount of the impermissible "post-election bonus" paid by his candidate committee.

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<sup>6</sup> See General Statutes § 9-706 (e) (directing State Elections Enforcement Commission to adopt regulations delineating restrictions on use of grant funds).

<sup>7</sup> Regulations of Conn. State Agencies 9-706-23 (b) (11) (prohibiting "[p]ost-election bonus payments, including but not limited to bonus payments to campaign staff or volunteers").

<sup>8</sup> General Statutes § 9-703 (a) (2) (requiring candidate to repay any funds that were not expended in accordance with General Statutes § 9-607 (g) and regulations adopted by Commission related to expenditures for qualified candidate committees).

<sup>9</sup> See Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements – SEEC Form CEP 10, *Cassano for Senate* (August 24, 2016) (evinced intent of candidate and treasurer to participate in Citizens' Election Program and candidate's agreement to reimburse any impermissible expenditures that qualified candidate committee may make).

9. 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.

10. 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.

11. It is understood and agreed that this Agreement will be submitted to the Commission for consideration at its next meeting and, if the Commission does not accept it, it is withdrawn and may not be used as an admission by the Respondent in any subsequent hearing, if the same becomes necessary.

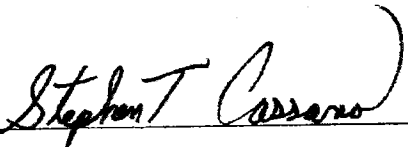
**ORDER**

IT IS HEREBY ORDERED THAT the Respondent Stephen Cassano shall reimburse the Citizens' Election Fund a total of \$1,200 for an impermissible expenditure for a "post-election bonus" made by his candidate committee in the 2016 election cycle.

The Respondent

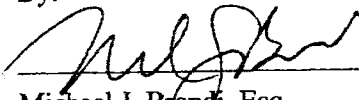
For the State of Connecticut

By:



Stephen T. Cassano  
1109 East Middle Turnpike  
Manchester, CT 06040

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:

8/1/18

Dated:

8/2/18

Adopted this 15 day of AUG, 2018 at Hartford, Connecticut by vote of the Commission.



Anthony J. Castagno, Chairman  
By Order of the Commission

RECEIVED  
STATE ELECTIONS

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ENFORCEMENT COMMISSION