STATE OF CONNECTICUT

STATE ELECTIONS ENFORCEMENT COMMISSION

In the Matter of a Commission Initiated Investigation File No. 2018-050B

AGREEMENT CONTAINING A CONSENT ORDER

The parties, Jenna Hayward ("Respondent") and the undersigned authorized representative of the State Elections Enforcement Commission (the "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:

Introduction

1. At all times relevant hereto, Stephen "Steve" Obsitnik was a candidate for the office of Governor of Connecticut in the 2018 general election.

2. On or about October 1, 2017, Mr. Obsitnik registered the *Steve Obsitnik for Governor* candidate committee with the Commission.

3. On or about June 27, 2018, the Commission initiated an investigation into solicitations on behalf of and contributions received by the *Steve Obsitnik for Connecticut* exploratory committee and the *Steve Obsitnik for Connecticut* candidate committee (hereinafter the "Obsitnik Committees").[1]

4. Specifically, the Commission was concerned that contributions raised by the Obsitnik Committees were given in the name of another in violation of General Statutes § 9-622. There were also concerns that contribution certification cards were completed by individuals other than the people named on such cards.

Law

5. General Statutes § 9-622 provides that the following persons shall be guilty of an illegal practice:

> (7) Any person who, directly or indirectly, individually or through another person, makes a payment or promise of payment to a treasurer in a name other than the person's own, and any treasurer who knowingly receives a payment or promise of payment, or enters or causes the same to be entered in the person's accounts in any other name than that of the person by whom such payment or promise of payment is made;
>
> . . . .

[1] Allegations concerning other Respondents in this investigation are addressed in separate documents.

(9) Any person who offers or receives a cash contribution in excess of one hundred dollars to promote the success or defeat of any political party, candidate or referendum question;

6. General Statutes § 9-608 (c) (2) – (3) details what information and certifications contributors are required to provide when making a contribution to a committee under the jurisdiction of the Commission and provides:

(2) Each contributor described in subparagraph (F), (G), (H) or (I) of subdivision (1) of this subsection shall, at the time the contributor makes such a contribution, provide the information that the treasurer is required to include under said subparagraph in the statement filed under subsection (a), (e) or (f) of this section. Notwithstanding any provision of subdivision (2) of section 9-7b, any contributor described in subparagraph (F) of subdivision (1) of this subsection who does not provide such information at the time the contributor makes such a contribution and any treasurer shall not be subject to the provisions of subdivision (2) of section 9-7b. If a treasurer receives a contribution from an individual which separately, or in the aggregate, is in excess of one thousand dollars and the contributor has not provided the information required by said subparagraph (G) or if a treasurer receives a contribution from an individual to or for the benefit of any candidate's campaign for nomination at a primary or election to the office of chief executive officer of a town, city or borough, which separately, or in the aggregate, is in excess of four hundred dollars and the contributor has not provided the information required by said subparagraph (I), the treasurer: (i) Not later than three business days after receiving the contribution, shall send a request for such information to the contributor by certified mail, return receipt requested; (ii) shall not deposit the contribution until the treasurer obtains such information from the contributor, notwithstanding the provisions of section 9-606; and (iii) shall return the contribution to the contributor if the contributor does not provide the required information not later than fourteen days after the treasurer's written request or the end of the reporting period in which the contribution was received, whichever is later. Any failure of a contributor to provide the information which the treasurer is required to include under said subparagraph (F) or (H), which results in noncompliance by the treasurer with the provisions of said subparagraph (F) or (H), shall be a complete defense to any action against the treasurer for failure to disclose such information.

(3) In addition to the requirements of subdivision (2) of this subsection, each contributor who makes a contribution to a candidate or exploratory committee for Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State, State Treasurer, state senator or state representative, any political committee authorized to make contributions to such candidates or committees, and any party committee that separately, or in the aggregate, exceeds fifty dollars shall provide with the contribution: (A) The name of the contributor's employer, if any; (B) the contributor's status as a communicator lobbyist, as defined in section 1-91, a member of the immediate family of a communicator lobbyist, a state contractor, a prospective state contractor or a principal of a state contractor or prospective state contractor, as defined in section 9-612; and (C) a certification that the contributor is not prohibited from making a contribution to such candidate or committee. The State Elections Enforcement Commission shall prepare a sample form for such certification by the contributor and shall make it available to treasurers and contributors. Such sample form shall include an explanation of the terms "communicator lobbyist", "principal of a state contractor or prospective state contractor", "immediate family", "state contractor" and "prospective state contractor". The information on such sample form shall be included in any written solicitation conducted by any such committee. If a treasurer receives such a contribution and the contributor has not provided such

> certification, the treasurer shall: (i) Not later than three business days after receiving the contribution, send a request for the certification to the contributor by certified mail, return receipt requested; (ii) not deposit the contribution until the treasurer obtains the certification from the contributor, notwithstanding the provisions of section 9-606; and (iii) return the contribution to the contributor if the contributor does not provide the certification not later than fourteen days after the treasurer's written request or at the end of the reporting period in which the contribution was received, whichever is later. No treasurer shall be required to obtain and keep more than one certification from each contributor, unless information certified to by the contributor, other than the amount contributed, changes. If a treasurer deposits a contribution based on a certification that is later determined to be false, the treasurer shall have a complete defense to any action, including but not limited to, any complaint investigated by the State Elections Enforcement Commission or any other investigation initiated by said commission, against such treasurer for the receipt of such contribution.

7. General Statutes § 9-704 (d) extends and modifies such requirements as they apply to participating candidate committees and provides:

> (d) Each individual who makes a contribution of more than fifty dollars to a candidate committee established to aid or promote the success of a participating candidate for nomination or election shall include with the contribution a certification that contains the same information described in subdivision (3) of subsection (c) of section 9-608 and shall follow the same procedure prescribed in said subsection

Statement of Facts

8. On or about November 30, 2017, the Steve Obsitnik for Governor candidate committee held a fundraiser at the Black Dog Café (the "Black Dog Fundraiser").

9. On or about November 30, 2017, Respondent Jenna Hayward attended the Black Dog Fundraiser.

10. On or about May 14, 2018, officials with the *Steve Obsitnik for Governor* campaign committee filed a signed Citizens' Election Program Application for Public Grant Dollars.

11. As part of the *Steve Obsitnik for Governor* application for a Citizens' Election Program grant, the *Steve Obsitnik for Governor* candidate committee provided Commission staff with contribution certification forms purportedly collected in accordance with General Statutes §§ 9-608 and 9-712.

12. In the course of the Commission grant validation process, Commission staff identified eight contribution certification cards that appeared to have been authored by the same individual and were purportedly collected in connection with the Black Dog Fundraiser (the "Black Dog Cards").

13. On or about June 22, 2018, as part of the grant validation process, Commission staff met with Respondent Jenna Hayward. In that meeting, Respondent Hayward stated that the individuals named on said cards had, in fact, given the contributions listed, but that she had completed and signed the contribution certification cards.

Discussion

14. The contribution certification cards are an essential piece of the Citizens' Election Program. Submitting accurate contribution certification cards to the Commission as part of a grant application ensures, among other things, that improper contributions are not counted as qualifying contributions used to obtain a public grant.

15. It is further important that an individual contributor personally certify to the information contained therein, as such certification is what provides the committee treasurer with legal protections should such information be inaccurate and render a contribution a non-qualified contribution.

16. In this case, Respondent Hayward admitted to signing contributor certification cards for others. While the evidence suggests that she did so with the knowledge and consent of the contributors, and there is no evidence that such contributions were false or erroneous, it is nevertheless conclusion of the Commission conclude that Respondent Hayward violated General Statutes §§ 9-608 and 9-704.

17. The Commission notes that this investigation revealed no evidence of intentionality on the party of Respondent Hayward and Respondent Hayward has been cooperative with this investigation.

Terms of General Application

18. The Respondent admits to 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.

19. 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 to contest the validity of the Order entered into pursuant to this Agreement.

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

21. It is understood and agreed by the parties to this Agreement that the Commission will consider this Agreement at its next available meeting and, if the Commission rejects it, the Agreement will be withdrawn and may not be used as an admission by the Parties in any subsequent hearing, proceeding or forum.

ORDER

It is hereby ordered that the Respondent Jenna Hayward shall henceforth strictly adhere to the requirements of General Statutes §§ 9-608 and 9-704.

It is further ordered that Respondent Jenna Hayward shall pay a civil penalty of $300.

Respondent:

By: Jenna L Hayward
Jenna Hayward
269 Cemetery Road
Canterbury, CT 06331

Dated: 9/29/20

For the State of Connecticut:

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

Dated: _____

Adopted this ___ day of _____, 2020 at Hartford, Connecticut by vote of the Commission.

_____
Anthony J. Castagno, Chairman
By Order of the Commission

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

Dated: _____

Adopted this 7th day of October, 2020 at Hartford, Connecticut by vote of the Commission.

~~Anthony J. Castagno, Chairman~~
By Order of the Commission
Salvatore Bramante