

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In the Matter of a Complaint by Richard K. Freedman,
(Self-report), Stamford

File No. 2018-112

FINDINGS AND CONCLUSIONS

Complainant by Robert K. Freedman self-reported this Complaint pursuant to General Statutes § 9-7b. Mr. Freedman (hereinafter "Respondent") self-reported three contributions, which he made to candidate committees for statewide office, that may have been violations of the state contractor contribution ban pursuant to General Statutes § 9-612. After its investigation, the Commission makes the following findings and conclusions:

1. Complaint was self-reported by Respondent, President of Garden Homes and Management ("GHMC"), a home developer based in Stamford, Connecticut. Respondent, after contacting Commission staff about his contributions and HCMC agreements with the Department of Transportation (hereinafter "DOT").
2. More specifically, Respondent asserted that:
I write regarding the referenced proposed purchase of state property, specifically a break in a non-access line on Airport Road in Oxford, by an affiliated partnership, Third Garden Park LP (hereinafter "Partnership").
3. Furthermore, Respondent Represented:
Formal discussions with DOT about the line break began in January, 2018, but I did not know that this communication could qualify me as a state contractor. In fact, I did not even know that a line break was a property right sold by the State; It wasn't until July 2018, after the appraisal was completed, that it was known that the purchase price would exceed \$50,000, and it wasn't until I received the ethics form from DOT in late September that I was aware that I could be considered a state contractor.

4. Respondent self-reported the following relevant contributions, which were confirmed in the course of this investigation:

<u>Date</u>	<u>Recipient</u>	<u>Value</u>	<u>Office</u>
April 10, 2018	Blankley for CT	\$100	Treasurer
May 4, 2018	Ned for CT	\$100	Governor
May 12, 2018	Team Tong	\$100	Atty. General

5. General Statutes § 9-612 (f) (1) (E) provides, in part, that a prospective state contractor means a business entity that (1) submits a response to a state contract solicitation by the state or a response in to a request for proposals by the state, or (2) holds a valid prequalification certificate. At the time of the contributions that are subject of this self-report GHMC had not responded to a state contract solicitation, did not hold a valid prequalification certificate, or otherwise satisfy the definition of a “prospective state contractor.”
6. Respondent has no prior history with the Commission. GHMC was not on the “*List – Two State Contractors Prohibited from Contributing to State Contractors,*” at all times relevant to this complaint.
7. General Statutes § 9-612 provides in pertinent part:

...

(f)(1)(C) “*State contract*” means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. “State contract” does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

...

(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,

(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 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 solicit contributions 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.]

8. The threshold question for the Commission is whether or not Respondent was prohibited by the state contractor contribution ban and General Statutes § 9-612 from contributing to candidate committees for statewide office.
9. Upon investigation, the Commission finds that GHMC was apprised by the DOT of the \$151,000.00 value of their agreements on July 31, 2018. The Commission further finds that the DOT executed its sale agreement for rights of access to GHMC and its affiliate, the Partnership, for Airport Road in Oxford on October 31, 2018.

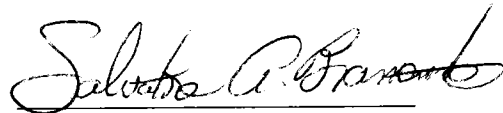
10. Further, the Commission finds that the three contributions, made by Respondent between April and May 2018, as detailed herein, to candidate committees for statewide office were made *prior to July 2018* and the determination by DOT that its agreements with GHMC would be at a minimum \$50,000 and therefore prior to there being a “state contract” pursuant to General Statutes § 9-612 (f) (1) (c).
11. The Commission finds that GHMC and its affiliate the Partnership did not have a state contract with the DOT at the time of the contributions in question by Respondent. Therefore, the Commission concludes that Respondent as president of GHMC, was not a state contractor and therefore not subject to the prohibitions of General Statutes § 9-612 (f) when he made the contributions in question.
12. The Commission concludes therefore that the contributions that Respondent self-reported as potential violations of General Statutes § 9-612 (f), under these specific facts and circumstances were not violations of the state contractor contribution ban.
13. Consequently, the Commission dismisses this self-reported complaint by Respondent of potential violations of General Statutes § 9-612 (f).

ORDER

The following Order is recommended on the basis of the aforementioned finding:

That the Complaint be dismissed.

Adopted this 16th day of January 2019, at Hartford, Connecticut



~~Anthony J. Castagno, Chairman~~

By Order of the Commission

Salvatore Bramante, Vice Chair