

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In re Audit Report for *Jose Chico Rivera for State Rep. 130th District*

File No. 2010-159

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between David N. Feliu of the City of Bridgeport, State of Connecticut, hereinafter referred to as the 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 initiated an investigation on December 15, 2010 into whether Jose Chico Rivera, a candidate for the 130th Assembly District, and/or his candidate committee campaign treasurer David N. Feliu violated General Statutes §§ 9-607, 9-608, CEP program statutes, regulations or requirements based up on information discovered during the audit of *Jose Chico Rivera for State Rep. 130th District* candidate committee (hereinafter the "Committee"). In that review of the Committee's records, a Commission auditor concluded that backup documentation was not provided for 3 reimbursements to the candidate, totaling \$774. In addition the auditor identified a payment of \$224 to the candidate's son. An investigation conducted after the initiation of this complaint resulted in the campaign treasurer confirming that the payments had occurred and agreeing to reimburse the state for the expenditures.

2. General Statutes § 9-607 (f) provides the following in relevant part:

The campaign treasurer **shall preserve** all internal records of transactions required to be entered in reports filed pursuant to section 9-608 for four years from the date of the report in which the transactions were entered. **Internal records required to be maintained in order for any permissible expenditure to be paid from committee funds include, but are not limited to, contemporaneous invoices, receipts, bills, statements, itineraries, or other written or documentary evidence showing the campaign or other lawful purpose of the expenditure. . . .** In the case of a candidate committee, the campaign treasurer or the candidate, if the candidate so requests, **shall preserve** all internal records, cancelled checks, debit cards slips and bank statements for four years from the date of the last report required to be filed under subsection (a) of section 9-608. [Emphasis added.]

3. Furthermore, Regulations of Connecticut State Agencies § 9-706-1(b) provides in pertinent part as follows:

The absence of contemporaneous detailed documentation indicating that an expenditure was made to directly further the participating candidate's

nomination for election or election **shall mean that the expenditure was not made to directly further the participating candidate's nomination for election or election, and thus was an impermissible expenditure.** Contemporaneous detailed documentation shall mean documentation which was created at the time of the transaction demonstrating that the expenditure of the qualified candidate committee was a campaign-related expenditure made to directly further the participating candidate's nomination for election or election to the office specified in the participating candidate's affidavit certifying the candidate's intent to abide by Citizens' Election Program requirements. Contemporaneous detailed documentation shall include but not be limited to the documentation described in section 9-607(f) of the Connecticut General Statutes. [Emphasis added.]

4. Section 9-706-1 (b) of the Regulations of Connecticut State Agencies requires that the campaign treasurer have "contemporaneous detailed documentation" supporting each expenditure that the candidate committee made. Absence of the documentation "shall mean that the expenditure was not made to directly further the participating candidate's nomination for election or election, and thus was an impermissible expenditure." Regs. of Connecticut State Agencies § 9-706-1 (b).
5. *Jose Chico Rivera for State Rep. 130th District* completed the SEEC Form CEP 10, making the committee a "participating candidate committee" and indicating the candidate's and campaign treasurer's intent to abide by program requirements. See SEEC Form CEP 10 (July 15, 2008). The Commission approved the Committee's application for a grant from the Citizens' Election Fund on July 23, 2008. See Minutes of Regular Meeting, State Elections Enforcement Comm'n (July 23, 2008).
6. The Commission finds that Respondent Feliu was not able to produce documentation to support 3 payments to the candidate. Respondent Feliu acknowledged that he had inadvertently reimbursed the candidate twice for the same expenditures.
7. The Commission concludes that because those expenditures lacked contemporaneous detailed documentation they were not permissible and violated General Statutes § 9-607 (f) and Regs. of Connecticut State Agencies § 9-706-1 (b).
8. Respondent Feliu also acknowledged that he authorized payment of \$224 to an individual who was subsequently identified as the candidate's son.
9. The candidate, Jose "Chico" Rivera, died on February 18, 2010. Respondent Feliu wishes to resolve this matter without involving the estate. The Commission has opted not to pursue action related to this matter against the estate and will instead resolve the matter with Respondent Feliu alone.

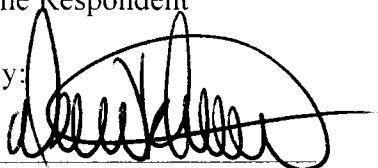
10. Section 9-706-2 (b) of Regulations of Connecticut State Agencies prohibits payments from qualified candidate committees to a member of the candidate's family. Son is one of the family members named in the list included in the regulation.
11. The Commission finds that the payment of \$224 to the candidate's son was impermissible and violated Regs. of Connecticut State Agencies § 9-706-2 (b).
12. The 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.
13. 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.
14. Upon the Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against him concerning this matter or any other findings that appear in the Final Audit Report for the 2008 *Jose Chico Rivera for State Rep. 130th District* campaign.
15. 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 shall pay a civil penalty of nine hundred seventy-five dollars (\$975.00) to the Commission and shall henceforth strictly comply with the requirements of General Statutes § 9-607.

The Respondent

By:



David N. Feliu
Bridgeport, Connecticut

For the State of Connecticut

By:



Shannon Clark Kief
Legal Program Director and Authorized
Representative of the State
Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, Connecticut 06106

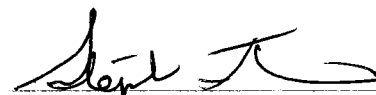
Dated:

7/29/11

Dated:

6/2/11

Adopted this 3rd day of Aug, 2011 at Hartford, Connecticut by vote of the Commission.



Stephen F. Cashman, Chairman
By Order of the Commission