

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

Complaint by Lisa Labella, Trumbull

File No. 2014-047

AGREEMENT CONTAINING A CONSENT ORDER AND PENALTY

The parties, Carl Scarpelli of Trumbull, Connecticut, hereinafter referred to as the Respondent, and the undersigned authorized representative of the State Elections Enforcement Commission (SEEC), 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. The Respondent is the former treasurer of the Trumbull Republican Town Committee (the "Committee").
2. The Respondent served in such a capacity from no later than January 2002 through April 2012.
3. On October 10, 2011, the Respondent was required to file a report with the SEEC covering the Committee's third quarter of 2011. On October 4, 2011, the Respondent filed an unsigned committee report stating that the period covered was July 1, 2010 to September 30, 2010. The Respondent's name appeared in print on the "print name" line and next to the empty signature line. The date following the empty signature line was dated September 30, 2010. The report was a total of 26 pages, which included two attachments.
4. On October 12, 2011, the Respondent filed a separate isolated signature page bearing the same 2010 "period covered" information as well as the same supposed 2010 signature date. Unlike the previous unsigned October 4, filing, this standalone signature page contained neither any associated content nor did it incorporate the earlier filing by reference.
5. The above errors in the filings were not flagged for internal SEEC review. The forms were processed as timely and indexed as third quarter 2011 filings. Any issue regarding the forms or their content remained idle until the filing of the instant complaint in 2014.

6. As the Complainant discovered, even a cursory review of the filings reveals that the erroneous content was not limited to the cover pages. Dates listed as “2010” appear throughout a filing that was indexed in our filing systems as a filing covering a 2011 period.
7. The complaint detailed many of the patently erroneous issues with the October 4, 2011 filing. Through issuance of standard pro forma notice of receipt of complaints to respondents, the Respondent was on factual notice of these issues no later than on or about April 7, 2014.
8. The SEEC clearly conveyed to the Respondent that staff was unwilling to recommend settlement unless and until the filing at issue was corrected. Under this pressure, the Respondent filed amendments on August 12, 2014, August 18, 2014 and September 19, 2014. The most recent amendment reports a total of \$18,315.00 of contributions received and \$39,899.89 of expenditures made during the covered period.
9. The Respondent has no record of other identified violations despite his decade of service as a treasurer.
10. General Statutes § 9-608 (c) (1) sets forth the content requirements for regular campaign finance reports filed by committee treasurers and provides that:

Each statement filed under subsection (a), (e) or (f) of this section shall include, but not be limited to: (A) An itemized accounting of each contribution, if any, including the full name and complete address of each contributor and the amount of the contribution; (B) an itemized accounting of each expenditure, if any, including the full name and complete address of each payee, including secondary payees whenever the primary or principal payee is known to include charges which the primary payee has already paid or will pay directly to another person, vendor or entity, the amount and the purpose of the expenditure, the candidate supported or opposed by the expenditure, whether the expenditure is made independently of the candidate supported or is an in-kind contribution to the candidate, and a statement of the balance on hand or deficit, as the case may be; (C) an itemized accounting of each expense incurred but not paid, provided if the expense is incurred by use of a credit card, the accounting shall include secondary payees, and the amount owed to each such payee; (D) the name and address of any person who is the guarantor of a loan to, or the cosigner of a note with, the candidate on whose behalf the committee was formed, or the

campaign treasurer in the case of a party committee or a political committee or who has advanced a security deposit to a telephone company, as defined in section 16-1, for telecommunications service for a committee; (E) for each business entity or person purchasing advertising space in a program for a fund-raising affair or on signs at a fund-raising affair, the name and address of the business entity or the name and address of the person, and the amount and aggregate amounts of such purchases; (F) for each individual who contributes in excess of one hundred dollars but not more than one thousand dollars, in the aggregate, to the extent known, the principal occupation of such individual and the name of the individual's employer, if any; (G) for each individual who contributes in excess of one thousand dollars in the aggregate, the principal occupation of such individual and the name of the individual's employer, if any; (H) for each itemized contribution made by a lobbyist, the spouse of a lobbyist or any dependent child of a lobbyist who resides in the lobbyist's household, a statement to that effect; and (I) for each individual who contributes in excess of four hundred dollars in the aggregate to or for the benefit of any candidate's campaign for nomination at a primary or election to the office of chief executive officer or a slate or town committee financing the nomination or election or a candidate for chief executive officer of a town, city or borough, a statement indicating whether the individual or a business with which he is associated has a contract with said municipality that is valued at more than five thousand dollars. Each campaign treasurer shall include in such statement (i) an itemized accounting of the receipts and expenditures relative to any testimonial affair held under the provisions of section 9-609 or any other fund-raising affair, which is referred to in subsection (b) of section 9-601a, and (ii) the date, location and a description of the affair, except that a campaign treasurer shall not be required to include the name of any individual who has purchased items at a fund-raising affair or food at a town fair, county fair or similar mass gathering, if the cumulative value of items purchased by such individual does not exceed one hundred dollars, or the name of any individual who has donated food or beverages for a meeting. A campaign treasurer shall not be required to report or retain any receipts or expenditures related to any de minimis donations described in subdivision (17) of subsection (b) of section 9-601a.

11. Connecticut General Statutes § 9-7b (a) (2) provides that the Commission may assess a civil penalty not to exceed "two thousand dollars per offense or twice the amount of any improper payment or contribution, whichever is greater, against any person the commission finds to be in violation of any provision of chapter 155 or 157." General Statutes § 9-623

(b) (4) further provides that, "The penalty for any violation of section 9-603, 9-604 or 9-608 shall be a fine of not less than two hundred dollars." Accordingly, after a finding of a violation at a contested hearing, \$200.00 is the minimum penalty for a single count regarding an inaccurate reporting violation governed by General Statutes § 9-608.

12. Pursuant to Regulations of Connecticut State Agencies § 9-7b-48, in determining the amount of a civil penalty, the Commission shall consider, among other mitigating and aggravating factors:

- (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.

13. The Respondent has agreed to waive his right to serve as treasurer or deputy treasurer as a condition of the instant settlement.

14. The Commission's consideration of the above factors, includes, but is not limited to, the following mitigating factors: (1) the Respondent has no identified history of violating the statutes under the Commission's jurisdiction; and (2) the low likelihood of reoccurrence of other similar violations by the Respondent.

15. 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.

16. 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.

17. Upon the Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against the Respondent.
18. The instant agreement shall not serve to prevent the SEEC from holding the Respondent liable for any inaccuracies or other violations in his most recent amended filing or any subsequent filings or amendments.
19. 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, if one becomes necessary.

ORDER

It is hereby ordered that the Respondent pay as a civil penalty the amount of \$200.00 for the reporting violations identified above.

The Respondent further agrees henceforth to strictly comply with the requirements of General Statutes § 9-608.

The Respondent further waives his right to serve as treasurer or deputy treasurer of any committee governed by Chapter 155 of the General Statutes (Campaign Finance). The Respondent agrees that he shall not serve in such capacity at any time.

The Respondent:

Carl Scarpelli
Carl Scarpelli
14 Valley Road
Trumbull, CT 06611

Dated: 12/16/14

For the State of Connecticut:

BY: Michael J. Brandt
Michael J. Brandt, Esq.
Executive Director and General Counsel and
Authorized Representative of the
State Elections Enforcement Commission
20 Trinity St., Suite 101
Hartford, CT

Dated: 12/22/14

Adopted this 13 day of Dec, 2014 at Hartford, Connecticut by vote of the Commission.

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