

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In re. Audit of Committee to Re-Elect Minnie Gonzalez

File No. 2015-130A

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between Minnie Gonzalez, City of Hartford, 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 *Committee to Re-Elect Minnie Gonzalez* candidate committee after the committee's selection in the random audit lottery conducted following the 2014 election cycle. In February 2014, Minnie Gonzalez established the committee in 2014 to support her nomination for election as a candidate in the 3rd General Assembly district.¹ The committee opted to participate in the Citizens' Elections Program.² The committee received grant funds totaling \$27,845.³
2. The Commission's audit of the Gonzalez committee identified several problems, including payments to the candidate's family members; failure to surplus excess equipment; excess payments for "post-election" thank you notes; and hosting a party that occurred outside the statutorily required, 14-day, post-election window. The Commission voted to refer this matter to its enforcement unit for prosecution based on the findings in the audit of the committee.⁴
3. The audit found that the Gonzalez candidate committee paid members of the candidate's family for work performed on behalf of the campaign. The Gonzalez candidate committee paid members of the candidate's family a total of \$3,670 for work they

¹ See SEEC Form 1 – Registration of Candidate Committee (*Committee to Re-Elect Minnie Gonzalez*, February 14, 2014) (reflecting establishment of candidate committee by Minnie Gonzalez and appointment of John DuBois as treasurer and Ramon Arroyo as deputy treasurer).

² See SEEC Form CEP 10 – Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements (*Committee to Re-Elect Minnie Gonzalez*, April 23, 2014) (reflecting intent of candidate, treasurer, and deputy treasurer to participate in Citizens' Election Program and follow voluntary program rules).

³ See SEEC Form 30 – Itemized Campaign Finance Disclosure Statement: July 10 Filing (*Committee to Re-Elect Minnie Gonzalez*, July 2, 2014) (reporting receipt of grant from Citizens' Election Fund in two payments: \$8,350 on June 13, 2014 and \$19,495 on June 27, 2014).

⁴ See Minutes – Regular Meeting (State Elections Enforcement Comm'n, Sept. 15, 2015) (reflecting referral of matter related to *Committee to Re-Elect Minnie Gonzalez* to enforcement unit based on audit findings).

performed to promote her candidacy for election. According to the committee's campaign finance disclosure reports and other supporting documentation provided during the course of the audit, the committee paid:

- Julia Gonzalez, the candidate's sister, \$120 on November 4, 2014;
- Wanda Gonzalez, the candidate's sister, a total of \$750 in three equal payments of \$250 on October 24, October 31, and November 4, 2014, respectively;
- Nelky Maldonado, the candidate's daughter, \$250 on November 6, 2014; and,
- Ivan J. Maldonado, the candidate's son, \$2,550 in 10 payments for work performed between September 13, 2014 and November 21, 2014.

4. General Statutes § 9-607 (g) states that candidate committees may make payments for "compensation for campaign or committee staff, fringe benefits and payroll taxes, provided the candidate and any member of his immediate family shall not receive compensation."⁵ The legislature defined "immediate family" as "the spouse or dependent child of an individual."⁶
5. 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 candidate committees were permitted to make using their grant monies obtained from the Citizens' Election Fund.⁷
6. 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:

. . .

3. Payments to . . . the participating candidate's family members, including: a participating candidate's . . . sibling, child . . .⁸

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

⁶ *Id.*

⁷ See General Statutes § 9-706 (e) (directing State Elections Enforcement Commission to adopt regulations delineating restrictions on use of grant funds).

⁸ Regulations of Conn. State Agencies, § 9-706-2 (b)(3) (imposing limits on payments by qualified candidate committees to candidates' family members).

7. The Commission has enforced this prohibition on payments to a qualified candidate committee's family member previously by seeking restitution from the candidate to the Citizens' Election Fund of an amount equal to the impermissible payment.
8. The Commission finds that the candidate committee paid the candidate's family members \$3,670 in violation of Commission regulations.
9. The Commission's audit of the committee showed that it spent a total of \$1,570 to send thank you notes to electors in the district after the election. Qualified candidate committees for a state representative candidate may spend no more than \$500 for post-election thank you notes or advertising.⁹ The candidate committee has acknowledged that it sent the mailers.
10. The Commission finds that the amount the Gonzalez committee spent on post-election mailers exceeded the limits by \$1,070.
11. The Commission's audit showed that the candidate committee hosted a post-election party on December 20, 2014, to thank committee workers. The total cost for that party was \$525. The December 20 post-election party was not held within the 14 days required under General Statutes § 9-608 (e) (1) (F), which would have been on November 18, 2014.
12. The Commission finds that the candidate committee spent \$525 for a post-election party more than 14 days after the election, which violated the deadline codified in General Statutes § 9-608.
13. The candidate bears the responsibility to reimburse the fund for any "impermissible expenditures" that a qualified candidate committee made.¹⁰ She acknowledged that liability when she declared herself a "participating candidate" and agreed to operate under the terms of the Citizens' Election Program.¹¹ In this case, the payments to family members, excessive payments for thank-you notes, and payments to host a party after

⁹ See Regulations of Conn. State Agencies § 9-706-2 (a) (13) (limiting payments for "post-election thank you notes or other advertising to thank campaign staff" for state representative committee to \$500).

¹⁰ 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).

¹¹ See SEEC Form CEP 10 – Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements (*Committee to Re-Elect Minnie Gonzalez*, April 23, 2014) at Section B. 2 (reflecting candidate's acknowledgement that she must repay any expenditures made that violated General Statutes § 9-607 (g) or Commission regulations).

the statutory deadline would all be impermissible expenditures and the candidate would need to return the money spent on those items to the Citizens' Election Fund.

14. Based on the Commission's findings, it shall seek reimbursement from candidate Gonzalez to the Citizens' Election Fund a total of \$5,265, which represents the amount of impermissible payments made by her candidate committee, specifically: \$3,670 paid to her family members; \$1,070 above the \$500 limit for thank-you notes; and \$525 for a post-election party held after the 14-day statutory deadline.
15. 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. 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.
17. 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.

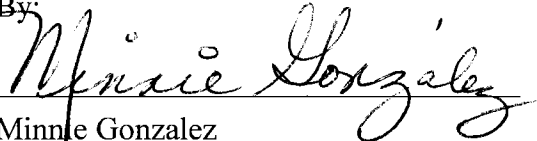
ORDER

IT IS HEREBY ORDERED THAT the Respondent Minnie Gonzalez shall reimburse the Citizens' Election Fund a total of \$5,265 for impermissible expenditures made by her candidate committee over the course of the 2014 election cycle. Respondent shall pay \$500 (five hundred dollars) per month, which shall be due on the first day of each month. The first payment shall be due to the State Elections Enforcement Commission on or before July 3, 2019. After six on-time payments totaling \$3,000, the balance remaining of the \$5,265 that the Respondent owes the Citizens' Election Fund, which at that time will total \$2,265, shall be remitted, the balance owed shall be reduced to zero, and this matter will be concluded. If Respondent fails to make a payment by the monthly due date within the first six-month period, she will owe the entire balance and none of the outstanding balance will be remitted, and the monthly payments will continue until the entire \$5,265 that she owes the Citizens' Election Fund is reimbursed.

The Respondent

For the State of Connecticut

By:



Minnie Gonzalez
97 Amity St
Hartford, CT 06106

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

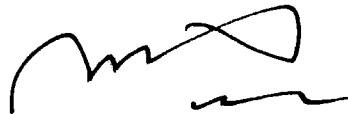
Dated:

6/20/19

Dated:

6/20/19

Adopted this 17th day of July, 2019 at Hartford, Connecticut by vote of the Commission.



~~Anthony J. Castagno, Chairman~~
By Order of the Commission
Stephen T. Penny