

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In the Matter of a Referral by the Campaign Disclosure and Audit Unit of the State
Elections Enforcement Commission

RESPONDENT:
Lamont Finney
240 Adams Street
Bridgeport, CT 06607

File No. 2017-033NF

Final Decision

This matter was heard as a contested case on January 11, 2018 pursuant to Chapter 54 of the Connecticut General Statutes, § 9-7b of the Connecticut General Statutes and § 9-7b-35 of the Regulations of Connecticut State Agencies, at which time Attorney Ryan M. Burns appeared on behalf of the State of Connecticut and the Respondent, Lamont Finney, did not appear. Documentary and testimonial evidence was presented.

After careful consideration of the entire record, the following facts are found and conclusions of law are made:

1. Commissioner Michael J. Ajello was designated as Hearing Officer for the above-captioned matter.
2. On December 11, 2017, the Hearing Officer issued a Notice of Continuance, rescheduling the hearing which was originally scheduled on December 14, 2017, to January 11, 2018, at 10:00 a.m. at the SEEC offices.
3. Taylor 23 was a candidate committee registered with the State Elections Enforcement Commission for the November 2016 General Assembly election. On October 6, 2016, the Commission received an amended SEEC Form 1 (Registration by Candidate), designating Lamont Finney ("the Respondent") as treasurer.
4. In the Notice of Hearing, the State alleged that the Respondent violated General Statutes § 9-608 by failing to timely file on April 10, 2017 for the period ending March 31, 2017. At the hearing, the State alleged that the Respondent failed to timely file its termination statement, which was required to be filed no later than April 7, 2017.¹ For the purpose of this hearing, the error in the notice is inconsequential, because regardless, the Respondent was required to file a disclosure statement in early April, 2017 that covered the period ending March 31, 2017, and received notice of such failure to timely file.

¹ General Statutes § 9-608 (a) provides, in relevant part:

(1) Each campaign treasurer of a committee, other than a state central committee, shall file a statement, sworn under penalty of false statement with the proper authority in accordance with the provisions of section 9-603, (A) on the tenth calendar day in the months of January, April, July and October, provided, if such tenth calendar day is a Saturday, Sunday or legal holiday, the statement shall be filed on the next business day, . . ." (Emphasis added).

5. A candidate committee of a candidate in an election held in November must distribute its surplus no later than March 31st of the calendar year following the election, or, if notified of a post-election review by Commission staff, by no later than June 30th of the calendar year following the election. General Statutes § 9-608 (e) (1).²
6. On November 28, 2016, Commission staff sent the Respondent a letter, informing him that the Taylor 23 candidate committee was not selected in the random lottery for post-election review for the 2016 election cycle. The letter further provided that since the Taylor 23 candidate committee was not selected for review, “your committee must distribute any surplus no later than March 31, 2017 and submit a termination report ... within seven days, by no later than April 7, 2017.” This letter further invited the Respondent to contact SEEC staff for assistance, if needed.
7. The Respondent did not file a termination statement for the Taylor 23 committee on or before April 7, 2017.
8. On April 19, 2017, Commission staff sent a letter to the Respondent (the “April 19, 2017 letter”), with the subject line “Failure to File Treasurer’s Statement of Receipts and Expenditures (Termination Filing)...” This letter informed the Respondent that a one hundred dollar fee has been incurred due to failure to timely file, and further notified the Respondent that if the Respondent failed to file the delinquent filing within twenty-one days of the letter, the Respondent would be subject to a civil penalty between two hundred and two thousand dollars. Commission staff also sent an email attaching the April 19, 2017 letter, which invited the Respondent to contact Commission staff with any questions.
9. The April 19, 2017 letter notified the Respondent that if he complied with the directive set forth in the letter “further enforcement of this matter can be avoided.” The directive requested that the Respondent “forward the delinquent report and a payment in the amount of one hundred dollars (\$100) made payable to the ‘Treasurer, State of Connecticut’” within twenty-one days of the April 19, 2017 letter.
10. Records of the Commission staff indicate that the April 19, 2017 letter was delivered to and signed for at an address in Coral Springs, Florida, on April 24, 2017.
11. On June 2, 2017, the Respondent filed a SEEC Form 30 termination report (the “Termination Statement”), covering the period beginning October 19, 2016 through

² General Statutes § 9-608 (e) provides, in relevant part:

(1) Notwithstanding any provisions of this chapter, in the event of a surplus the treasurer of a candidate committee ... shall distribute or expend such surplus not later than ninety days, or for the purposes of subparagraph (H) of this subdivision, one hundred twenty days after a primary which results in the defeat of the candidate, an election or referendum not held in November or by March thirty-first following an election or referendum held in November, or for the purposes of subparagraph (H) of this subdivision, June thirtieth following an election or referendum held in November,

May 31, 2017. The Termination Statement's summary totals page contained all zeros for all of the columns and the body of the Termination Statement did not contain any itemized entries.

12. It is concluded that the Respondent violated General Statutes § 9-608 (e) (1) by failing to timely file a termination statement by April 7, 2017.
13. Evidence was presented that Commission staff was persistent in its efforts to contact the Respondent about the delinquent filing.
14. On September 20, 2017, the Commission issued a final decision concerning the Respondent's prior noncompliance for failure to timely file a disclosure statement for the period ending December 31, 2016 (the January quarterly filing) for the same committee. (File. No. 2017-016NF, *In the Matter of a Referral by the Campaign Disclosure and Audit Unit of the State Elections Enforcement Commission*) (attached hereto). Paragraph 12 of the final decision in File No. 2017-016NF noted that the Respondent's filings contained gaps, and as of the date of that hearing, while the Respondent had submitted the June 2, 2017 Termination Statement that covered October 19, 2016 through December 31, 2016 of the relevant period, "the Respondent [had] not filed any disclosure statement covering the period beginning October 1, 2016 and ending October 18, 2016." Paragraph 5 of that final decision also noted that "Line 21 of the summary page of the October 10, 2016 quarterly statement disclosed a deficit of \$377.03."
15. In addition to assessing a civil penalty, the Order in that final decision contained the directive that "[t]he Respondent shall file all outstanding financial disclosure statements for the Taylor 23 committee within 45 days [of the date of the Order, which was September 20, 2017], including the period from October 1, 2016 through October 18, 2016, and disclosing all financial activity not yet reported."
16. There is no evidence in the record to demonstrate that the Respondent complied with the Order in the September 20, 2017 final decision in File No. 2017-016NF. As noted above, the summary page of June 2, 2017 Termination Statement contained zeroes in all of the fields, and the body of the statement did not contain any itemized disclosures.³ It is therefore concluded that the Respondent's failure to respond to the matters in the present hearing constitutes intentional conduct.
17. General Statutes § 9-7b (a) (2) provides, in pertinent part, that the Commission shall have the power to levy a civil penalty not to exceed "two thousand dollars per offense

³ As noted herein, the Respondent had previously filed an October 10, 2016 quarterly statement which disclosed a deficit. If the committee of a candidate in an election held in November is in a deficit, the treasurer is required to file an itemized deficit statement by February 7th of the subsequent calendar year covering through January 31st. See General Statutes § 9-608 (e) (4). Since the committee did not report any of its financial activity on the most recently filed June 2, 2017 Termination Statement, including its ending balance, it is possible that committee was in deficit as of January 31, 2017 and was required to file a deficit statement on February 7, 2017 rather than a termination statement on April 7, 2017. Regardless, the committee would had to have filed one of these types of statements and given that it filed a Termination Statement, the Commission can only assume it alleviated its deficit. Actual disclosure of the committee's financial activity during these months, including October 1, 2016 through October 18, 2016, would shed light on this matter.

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.” The Commission may levy a civil penalty against any person only after giving the person an opportunity to be heard at a hearing. *See* General Statutes § 9-7b (a) (2).

18. General Statutes § 9-623 (b) (4) provides, in pertinent part, that “[t]he penalty for any violation of section 9-603, 9-604 or 9-608 shall be a fine of not less than two hundred dollars or more than two thousand dollars or imprisonment for not more than one year, or both.”
19. In addition, General Statutes § 9-7b (a) (3) (B) provides that the Commission has the power “[t]o issue an order when the commission finds that an intentional violation of any provision of chapter 155 or 157 has been committed, after an opportunity to be heard at a hearing conducted in accordance with sections 4-176e to 4-184, inclusive, which order may contain one or more of the following sanctions: . . . (ii) prohibition on serving as a treasurer, deputy treasurer or solicitor; . . .”
20. General Statutes § 9-606 (d), as amended by Public Act 13-180, provides: “**No person shall act as treasurer or deputy treasurer (1) unless the person is an elector of this state, the person has paid any civil penalties or forfeitures assessed pursuant to chapters 155 to 157, inclusive, and a statement, signed by the chairman in the case of a party committee or political committee or by the candidate in the case of a candidate committee, designating the person as treasurer or deputy treasurer, has been filed in accordance with section 9-603 . . .**” (Emphasis added).
21. General Statutes § 9-706 (b) provides that in order to apply for a grant from the Citizens’ Election Program, both the candidate and the treasurer of the candidate’s candidate committee must certify that they have paid any outstanding civil penalties or forfeitures assessed pursuant to chapters 155 to 157.
22. Section 9-7b-48 of the State of Connecticut Regulations provides, “In its determination of the amount of the civil penalty to be imposed, the Commission shall consider, among other mitigating or aggravating circumstances: (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.”
23. The State did not recommend any mitigating circumstances to be considered.
24. It was recommended that the Commission consider the following as aggravating circumstances per § 9-7b-48, Regs., Conn. State Agencies: (1) the Respondent did not file its disclosure statement until June 2, 2017 (approximately two months after the April 7, 2017 termination filing was due); (2) the Respondent’s termination statement contained a summary page with every line marked zero, did not provide any meaningful disclosure or account for the period from October 1, 2016 through October 18, 2016, did not appear to disclose all financial activity not yet reported, and did not

disclose what happened to the deficit reported in the October 10, 2016 quarterly statement; (3) by failing to comply with the Order issued in File No 2017-016NF, the Respondent's ongoing violations demonstrate intentional conduct; and (4) Commission staff made diligent efforts to contact the Respondent about the missed filing.

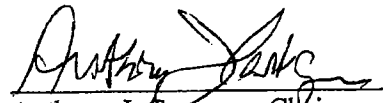
25. In consideration of the factors listed above, it was recommended that the Commission assess a civil penalty against the Respondent in the amount of \$2,000 for this violation of General Statutes § 9-608, and issue an order (1) prohibiting the Respondent from serving as treasurer, deputy treasurer, or solicitor for any committee or person for seven years from the date of the final decision and (2) ordering the Respondent to comply with the Order issued in File. No. 2017-016NF, *In the Matter of a Referral by the Campaign Disclosure and Audit Unit of the State Elections Enforcement Commission* (attached hereto).

The following Order is adopted on the basis of these findings and conclusions:

ORDER

IT IS HEREBY ORDERED THAT:

1. The Respondent shall pay a civil penalty in the amount of \$2,000 payable to the State Elections Enforcement Commission, within 45 days of notice of this decision, for violation of General Statutes § 9-608, pursuant to General Statutes § 9-7b (a) (2);
2. The Respondent shall be prohibited from serving as a treasurer, deputy treasurer, or solicitor for any committee or person for purposes of the campaign finance provisions contained in Chapters 155-157 of the General Statutes, for a period of seven years from the date of this final decision, pursuant to General Statutes § 9-7b (a) (3) (B) (ii); and
3. The Respondent shall comply with the Order issued in File. No. 2017-016NF, *In the Matter of a Referral by the Campaign Disclosure and Audit Unit of the State Elections Enforcement Commission* (attached hereto).


Anthony J. Castagno, Chairman
By Order of the Commission

Adopted this 18th day of April, 2018.