

AUG 20 2019

ENFORCEMENT COMMISSION

**STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of a Complaint by Joseph R. Romano, Jr.
Southington

File No. 2018-008A

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between Tony Turner, Town of Greenwich, 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. Respondent Tony Turner ran for the Board of Estimate and Taxation in Greenwich during the 2017 municipal election cycle. Twelve members comprise the board, divided equally between Democrats and Republicans. Respondent was one of six nominees of the Democratic Party seeking election to the board.
2. Given that six members of each major party were guaranteed seats on the Board, all six Democrats running for the office were effectively running unopposed.
3. But the outcome of the election did carry some weight: the party that received more votes would lead the Board of Estimate and Taxation ("BET") and would have a controlling vote on the board. The Charter of the Town of Greenwich directs that the "chairman and vice-chairman of the Board shall be chosen from those members of the Board who belong to the *political party receiving the greatest number of votes cast for all the candidates of any one political party* for members of the Board of Estimate and Taxation at the last Town election."¹ In the case of a tie vote on action of the Board, the BET's chairperson has an extra vote to break the tie.²
4. On August 3, 2017, Respondent filed a registration form with the Greenwich Town Clerk, indicating that he was exempt from forming a candidate committee in his bid to join the BET because he did not plan to receive or spend more than \$1,000 during the campaign. On September 28, 2017, Respondent amended his registration and formed a

¹ Charter, Town of Greenwich, Article 1. Sec. 4 (a) (designating how Board of Estimate and Taxation selects its chairperson and vice-chairperson).

² Charter, Town of Greenwich, Article 1. Sec. 4 (b) (granting chairman of Board extra vote to break ties).

candidate committee.³ Respondent called his committee *People First Committee* and named Mark S. Miller of Stamford as the committee's treasurer.

5. Over the course of the 2017 election cycle, the *People First Committee* spent a total of \$213,294.56.⁴ Respondent gave the candidate committee \$15,000, loaned it another \$200,000, and reported to his treasurer that he spent \$44,811.90 of his own funds to promote his candidacy. Respondent did not seek reimbursement for the \$44,812 that he spent.⁵
6. During the months of September 2017 and October 2017, Turner regularly sought and received advice from the compliance unit at the Commission on a variety of topics, including how he could promote himself and other members of the Democratic slate for BET. Specifically, he asked about how he could use the funds that he had in his candidate committee and those of the other members of the BET to advance the election of all the Democratic slate's members. Respondent maintains that given the complexities of Connecticut's campaign finance statutes as well as his status as a first-time candidate in the state, he diligently sought guidance from the Commission's compliance department in order to follow the state's statutes and regulations regarding campaigns as closely as possible.
7. On October 2, 2017, Turner sent an e-mail to the other members of the Democratic slate seeking election to the BET. The message explained that Turner had consulted with the "SEEC enforcement division" about how the Democratic candidates for BET could pay for their attempt to secure a majority of the votes for the BET and thus guarantee that their party would control the board. The message, which follows, explained to the other members of the Democratic BET slate how they could work together to promote their candidacies, according to Respondent's understanding of his conversation with SEEC attorneys:

After we all met in the candidates (sic) meeting last week, I have spent a great deal of time with the SEEC enforcement division on how to campaign and promote voting all Ds and down ballot for BET, all with a view to gaining BET control, and not breaking any rules.

³ See SEEC Form 1 – Registration by Candidate Tony Turner (Greenwich Town Clerk, September 28, 2017) (forming candidate committee to support candidacy for Greenwich Board of Estimate and Taxation).

⁴ See SEEC Form 20 – Itemized Campaign Finance Disclosure Statement: January 10 Filing, *People First Committee* (Jan. 9, 2018) (reflecting total expenditures during 2017 election cycle of \$213,294.56 by committee and \$44,811.90 by candidate).

⁵ See SEEC Form 20 – Itemized Campaign Finance Disclosure Statement: 7th Day Preceding Election, *People First Committee* (October 30, 2017) (showing expenses totaling \$44,811.90 paid by candidate for which candidate did not seek reimbursement).

You might recall that is my real objective and all the voter models say it's doable, though quite expensive and a heavy lift. Today I got the answer and I think you will really like it.

Both attorneys there agreed that in order to do this, I can promote electing all six of us as long as I keep my name, etc., too on the promo piece (in order for me to pay for the vast majority of the cost). However in doing so, I have to add attribution to the materials for each of the remaining five of us (e.g. paid for by . . .). In order to add attribution, the rest of you have to do one of three things – claim an exemption on Form 1 that you will be using only personal funds for your campaign (aka the personal exemption), form a candidate committee with a treasurer as I have already done or claim on Form 1 you are not going to spend over \$1,000. They said that paying \$1,000 for the effort would be reasonable for each to contribute to get the attribution. No higher amount is required.

So, I feel strongly about continuing to go down this path but have to get unanimous OK and participation of \$1000 each. This is our only option. What do you think? Please let me know as soon as you can as I have the printers, phone bankers and door knockers organizing now for the next wave of promotions. Oh, you should have gotten a post card already as a start to the effort, laying the foundation to begin telling the story. Please join me for this endeavor.⁶

8. When Respondent sent this message, the five other candidates running for the Democratic spots on the BET had already claimed to be exempt from forming candidate committees.⁷ Four of the five Democratic candidates indicated that they planned to spend and receive less than \$1,000. One candidate claimed an exemption from forming a candidate committee on the basis that she was spending only her own money and was not planning to accept any contributions.⁸
9. Between his candidate committee, his personal funds, and his LLC's bank account, Respondent spent an estimated \$343,500 during the 2017 election cycle.

⁶ E-mail "Subject: Important Development" from Tony Turner to Elizabeth Krumeich, Leslie Moriarty, Jill Oberlander, David Weisbrod and "ramerdtc" (October 2, 2017).

⁷ See SEEC Form 1 – Registration by Candidate Leslie B. Moriarty (Greenwich Town Clerk, July 28, 2017) (claiming exemption from forming candidate committee based on spending less than \$1,000); SEEC Form 1 – Registration by Candidate Elizabeth K. Krumeich (Greenwich Town Clerk, July 26, 2017) (claiming exemption from forming candidate committee based on spending less than \$1,000); SEEC Form 1 – Registration by Candidate Jeffrey S. Ramer (Greenwich Town Clerk, July 20, 2017) (claiming exemption from forming candidate committee based on spending less than \$1,000); SEEC Form 1 – Registration by Candidate David A. Weisbrod (Greenwich Town Clerk, July 21, 2017) (claiming exemption from forming candidate committee based on spending less than \$1,000).

⁸ See SEEC Form 1 – Registration by Candidate Jill K. Oberlander (Greenwich Town Clerk, July 31, 2017) (claiming exemption from forming candidate committee based candidate's plan to use only personal funds to finance candidacy).

10. Respondent planned and paid for six barbecues held in Greenwich in the four weeks preceding the November general election. The total cost for food for the events was \$53,416.08, which was paid for by Respondent's candidate committee.
11. Respondent maintains that the events were primarily held to promote his candidacy, and he points to a portion of the invitations promoting the events that state "Tony Turner for Board of Estimate and Taxation" as proof that he was the only candidate clearly identified and promoted in relation to the events. The invitations to the events, however, stated that the "Board of Estimate and Taxation Democrats" were inviting individuals to the event and the disclaimer represented that each of the candidates had paid for the event.
12. In addition to the food provided at that event, Respondent arranged for entertainment at the events, at a cost of \$7,800, bringing the total cost for the barbecue events to \$61,216.08. Dividing that cost equally between the candidates, as the attribution indicated that the slate of BET candidates was hosting the events, each candidate or committee would be responsible for \$10,202.68. Each of the other Board of Estimate and Taxation Democratic Party candidates told Commission investigators that they had only contributed \$1,000 to mailings and did not pay for any portion of the barbecue events.
13. Respondent's candidate committee spent a total of \$51,199.17 on postage for campaign communications over the course of the municipal election cycle. These costs were paid directly to the post office, as reimbursements to committee workers who purchased postage, or to vendors who prepared and mailed campaign literature. Respondent also paid an additional \$19,862.19 for postage on behalf of his candidate committee for which he did not seek reimbursement. The total that the Respondent's candidate committee reported that it or the candidate paid for postage was \$71,061.36.
14. Although the candidate committee paid for postage, it did not pay for the design or production of mailers. According to receipts obtained from Respondent and from Seaside Design, the company that created the literature, none of the expenditures for production and design were paid by the candidate committee. The majority of those costs were borne by Respondent, either in his personal capacity or by the LLC bank account he controlled.
15. According to documentation provided to the Commission by Turner's attorney, Turner issued 11 checks from his business, Financial Tracking Technologies LLC, to Seaside Design. Those checks totaled \$86,268.60. On April 30, 2018 – after this complaint was filed with the SEEC – Respondent reimbursed the LLC \$71,410.03 from his personal funds. Respondent also paid \$31,332.48 personally for printed materials.

Each of the five other candidates for the Democratic Party seats on the Board of Estimate and Taxation sent a check for \$1,000 to Seaside Design.

16. Respondent maintains that his company, Financial Tracking Technologies LLC, was sold on October 18, 2017, and that funds in the LLC account that he used to pay for campaign expenditures were his personal funds when he executed a check on that LLC account. Respondent strenuously asserts that no business funds were used to promote his candidacy or that of any other candidate in the 2017 election cycle.
17. General Statutes § 9-607 allows a candidate to make purchases to benefit his candidacy using his personal assets, pursuant to reporting requirements.
18. Individuals⁹ are limited in the amount of contributions that they may make to municipal candidates. General Statutes § 9-611 sets the limits on contributions by individuals to candidates and candidate committees. An individual may contribute up to \$1,000 to a candidate for the chief executive officer of a municipality, such as first selectman, and \$250 to any other candidate for a municipal office.
19. Contributions from business entities to candidate committees or non-independent expenditures that are made on behalf of candidates or candidate committees by business entities are prohibited. The definition of "entity" would include a limited liability company.¹⁰

Sec. 9-613. (a) No business entity shall make any contributions or expenditures to, or for the benefit of, any candidate's campaign for election to any public office or position subject to this chapter or for nomination at a primary for any such office or position, or to promote the defeat of any candidate for any such office or position. No business entity shall make any other contributions or expenditures to promote the success or defeat of any political party, except as provided in subsection (b) of this section.

20. A candidate committee may not make a contribution to a candidate or an expenditure promoting a candidate, other than the individual candidate for whom the candidate committee was established.

Sec. 9-616. (a) A candidate committee shall not make contributions to, or for the benefit of, (1) a party committee, (2) a political committee, (3) a committee of a candidate for federal or out-of-state office, (4) a national committee, or (5) another

⁹ See General Statutes § 9-601 (9) (including "sole proprietorship" under definition for "individual").

¹⁰ See General Statutes § 9-601 (19) (defining "entity" to include, among other things, limited liability company).

candidate committee except that (A) a pro rata sharing of certain expenses in accordance with subsection (b) of section 9-610 shall be permitted, and (B) after a political party nominates candidates for election to the offices of Governor and Lieutenant Governor, whose names shall be so placed on the ballot in the election that an elector will cast a single vote for both candidates, as prescribed in section 9-181, an expenditure by a candidate committee established by either such candidate that benefits the candidate committee established by the other such candidate shall be permitted.

21. General Statutes § 9-621 dictates the disclaimers that must appear on any printed materials created to promote a candidate, candidate committee, or political party, including the names of the committees that paid for the materials, the name of the committees' treasurers, if applicable, and a statement that the candidate approved the expenditure.
22. Illegal practices are defined in General Statutes § 9-622 and include making or receiving impermissible expenditures.
23. General Statutes § 9-7b authorizes the Commission to seek \$2,000 per violation of any provision of Chapter 155 or twice the amount of any impermissible expenditure or contribution, whichever is greater.
24. Respondent's candidate committee paid at least \$76,164.40 to promote candidates other than Respondent. Based on the Commission's investigation, each of the BET candidates, other than Respondent, who did not create candidate committees, received approximately \$14,139.45 in value for postage and campaign events from the Turner candidate committee. By making expenditures that benefited other candidates, Respondent violated General Statutes § 9-616, which prohibits a candidate committee from making contributions to other candidate committees.
25. Respondent used his LLC bank account to pay for the design, printing and a portion of mailing costs associated with campaign literature to promote himself, other BET candidates, and Democrats generally. After this complaint was filed, Respondent wrote a check from his personal account to his LLC bank account, reimbursing it a total of \$71,410.03, which was the amount of impermissible expenditures that Respondent identified from his company to promote to his and others' candidacies. According to the records provided by Respondent and Seaside Design, the Stamford company that handled the printing work for Respondent and his candidate committee, the following expenditures were among those made by Respondent's LLC account:

- GOTV Mailer (BET) – Design, printing and sales tax totaling \$9,906.50. The mailer promoted all candidates for BET and carried disclaimer indicating that all six BET candidates had paid for mailer. Did include direct exhortation to vote for Tony Turner.
Dividing cost of production into sevenths, and assigning two sevenths of the cost to Turner since it included direction to vote for him, each share equals \$1,415.21.
- GOTV Mailer (Democrats) – Design, printing and sales tax totaling \$6,482.03. The mailer promoted Turner and all Democratic Party candidates running for municipal office. Did include direct exhortation to vote for Tony Turner.
- Campaign Stationery – Design, printing, and sales tax totaling \$8,119.82. The letterhead stated “Tony Turner for Board of Estimate and Taxation” at top, but included disclaimer indicating that all six BET candidates had paid for letterhead.
Dividing cost of mailing into sevenths, and assign two sevenths of the cost to Turner since it included direction to vote for him, each share equals \$1,159.97.
- Barbecue Invitations – Design, printing, and sales tax totaling \$8,890.86. The invitations invited residents to community cook-outs and stated that the events were sponsored by the “Board of Estimate and Taxation Democrats” and carried disclaimer indicating that all six BET candidates had paid for the invitation mailer. Did include the statement “Tony Turner for Board of Estimate and Taxation” in small type.
Dividing cost of mailing into sevenths, and assigning two sevenths of the cost to Turner since it specifically mentioned his candidacy, each share equals \$1,270.12.
- “Performance Letter” – Design, printing, and sales tax totaling \$6,115.13. The letterhead stated “Tony Turner for Board of Estimate and Taxation” at top, but included disclaimer indicating that all six BET candidates had paid for letterhead. It stated: “THANK YOU FOR VOTING IN 2016.” Envelope stated “Let’s Do This Together.”
Dividing cost of mailing into sevenths, and assign two sevenths of the cost to Turner since it included direction to vote for him, each share equals \$873.59.
- GOTV Mailer (BET) – Design, printing and sales tax totaling \$1,042.23. The mailer promoted all candidates for BET and carried disclaimer indicating that all

six BET candidates had paid for mailer. Did include direct exhortation to vote for Tony Turner.

Dividing cost of production into sevenths, and assigning two sevenths of the cost to Turner since it included direction to vote for him, each share equals \$148.89.

- Envelopes Addressed to Greenwich Town Clerk for Absentee Ballot Return – Design, printing and sales tax totaling \$1,047.55.
 - Voter Cards (BET) – Design, printing and sales tax totaling \$2,667.84. The flyer promoted all candidates for BET and carried disclaimer indicating that all six BET candidates had paid for mailer. It included pictures and brief biographies of each BET candidate. According to records provided by Seaside Designs, the other five Democratic Party candidates for the BET each paid \$1,000 toward the cost of printing these voter cards. The balance was paid by Respondent’s LLC account.
Dividing cost of production into sixths, each share equals \$444.64.
 - Barbecue Invitations – Design, printing, sales tax, and postage totaling \$5,692.45. The invitations invited residents to two additional community cook-outs and stated that the events were sponsored by the “Board of Estimate and Taxation Democrats” and carried disclaimer indicating that all six BET candidates had paid for the invitation mailer. Did include the statement “Tony Turner for Board of Estimate and Taxation” in small type.
Dividing cost of invitation into sevenths, and assigning two sevenths of the cost to Turner since it specifically mentioned his candidacy, each share equals \$813.21.
26. Based on these calculations, it appears that each of the five candidates for BET who did not form a candidate committee received a minimum of \$6,125.63 in impermissible, in-kind contributions from Respondent’s LLC.
27. Respondent accepts the jurisdiction of the Commission in this matter 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.
28. 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.
29. 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. Upon adoption by the Commission, this matter will be deemed closed as to the Respondent, and the Commission will take no further action against Respondent related to the allegations in the underlying complaint.
30. Notwithstanding the foregoing, Respondent willingly enters into this Agreement and Order but neither admits nor denies any of the enumerated claims or allegations contained in this Agreement and Order.

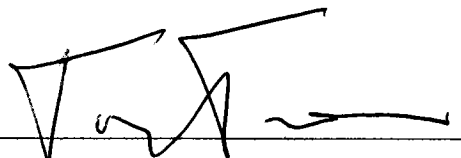
ORDER

IT IS HEREBY ORDERED THAT the Respondent Tony Turner shall pay a civil penalty of \$52,000 for violations of General Statutes §§ 9-607, 9-611, 9-613, 9-621, and 9-622 in the course of the 2017 election cycle.

The Respondent

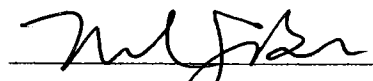
For the State of Connecticut

By:



Tony Turner
13 Dial Stone Lane
Riverside, CT 06878

By:



Michael J. Brandi, Esq.
Executive Director and General Counsel and
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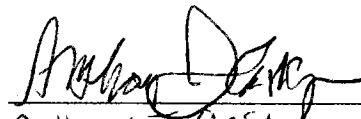
Dated:

Aug 19, 2019

Dated:

8/20/19

Adopted this 21st day of August 2019 at Hartford, Connecticut by vote of the Commission.



Anthony J. Castagno, Chair
By Order of the Commission