

**STATE OF CONNECTICUT  
STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of a Commission Initiated Investigation

File No. 2018-051A

**AGREEMENT CONTAINING A CONSENT ORDER**

The parties, Scott DePetris and Lawrence McGonegal (“Respondents”)<sup>1</sup> and the undersigned authorized representative of the State Elections Enforcement Commission (the “Commission”), enter into this agreement as authorized by Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54.<sup>2</sup> In accordance with those provisions, the parties agree that:<sup>3</sup>

**Statement of Alleged Violations**

1. It is alleged that Respondent DePetris and Respondent McGonegal, through the independent expenditure only political committee *FixCT, Inc.*, made disallowed contributions to the *Steve Obsitnik for Connecticut* candidate committee.
2. It is further alleged that Respondent McGonegal, the treasurer of *FixCT, Inc.*, failed to perform the duties of treasurer as required by the General Statutes.

**Allegation I**

**Allegation**

3. It is alleged that Respondent DePetris and Respondent McGonegal, through the independent expenditure only political committee *FixCT, Inc.*, made disallowed contributions to the *Steve Obsitnik for Connecticut* candidate committee.

**Statement of Alleged Facts**

4. On or about January 13, 2017, the *Steve Obsitnik for Connecticut* exploratory committee was registered with Commission.
5. On or about March 21, 2017 Scott DePetris, with others, hosted a fundraising event for the benefit of the *Steve Obsitnik for Connecticut* exploratory committee at Mr. DePetris’s home.

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<sup>1</sup> *FixCT, Inc.*, was named as a respondent in this matter. After investigation, the Commission concludes that it was the individuals associated with *FixCT, Inc.*, and not the legal entity *FixCT, Inc.* that bears liability for the violations of election law alleged in this matter. Accordingly, any allegations concerning *FixCT, Inc.* have been dismissed.

<sup>2</sup> Allegations concerning respondents to this matter not named herein shall be addressed in a separate document.

<sup>3</sup> The factual assertions and legal conclusions contained in this document are binding only on the signatories hereto and are not binding on any other individual.

6. In the course of hosting the March 21, 2017 fundraising event for the benefit of the *Steve Obsitnik for Connecticut* exploratory committee, Respondent DePetris personally invited individuals to attend the event and solicited them to make financial contributions to *Steve Obsitnik for Connecticut*.
7. On or about September 28, 2017 Respondent DePetris, with others, hosted a fundraiser for the *Steve Obsitnik for Connecticut* exploratory committee at The Country Club of New Canaan.
8. In the course of hosting the September 28, 2017 fundraising event for the benefit of the *Steve Obsitnik for Connecticut* exploratory committee, Respondent DePetris personally invited individuals to attend the event and solicited them to make financial contributions to *Steve Obsitnik for Connecticut*.
9. Sometime prior to September 25, 2017, Respondent DePetris had a discussion with Stephen Obsitnik in which Mr. Obsitnik suggested Respondent DePetris contact an attorney who practiced law with a law firm in Washington D.C. ("Lawfirm A"). Respondent DePetris was not, at the time of the referral, familiar with Lawfirm A nor had he been involved in forming an independent expenditure only political committee in the past.
10. On or about September 25, 2017, Steve Obsitnik emailed Scott DePetris the contact information for the attorney at Lawfirm A. The email stated "See number below. He can't meet but can talk. Let's talk first."
11. On or about October 1, 2017, Stephen Obsitnik registered the *Steve Obsitnik for Governor* candidate committee with the Commission.
12. On or about December 5, 2017, Scott DePetris, with others, hosted a fundraiser for the *Steve Obsitnik for Governor* candidate committee at the home of another supporter of Mr. Obsitnik.
13. In or about February or March 2018, Lawfirm A provided legal advice to Respondent DePetris concerning, among other things, the formation of an independent expenditure only political committee.
14. On or about April 20, 2018, *FixCT, Inc.* was registered with the Commission as an ongoing independent expenditure only political committee.
15. At all times during its existence, Respondent DePetris was the Chair of *FixCT, Inc.*
16. At all times during its existence, Respondent McGonegal was the Treasurer of *FixCT, Inc.*
17. During the course of its existence, *FixCT, Inc.* raised and expended \$170,000.
18. During the course of its existence, *FixCT, Inc.* reported that it made \$86,622.46 in independent expenditures to benefit Stephen Obsitnik's candidacy.
19. On or about April 9, 2020, Lawrence McGonegal filed a termination report for *FixCT, Inc.*

20. On or about May 22, 2018, Stephen Obsitnik called Andrew Robert Grant's personal cellphone.
21. Respondents assert that they were unaware of the May 22, 2018 call between Stephen Obsitnik and Andrew Robert Grant. The Commission did not discover any evidence in the course of the investigation to the contrary of this assertion.
22. In the May 22, 2018 call between Stephen Obsitnik and Andrew Robert Grant, Stephen Obsitnik indicated that Mr. Grant would be contacted by Respondent DePetris concerning Mr. Obsitnik's campaign for Governor of Connecticut.
23. On June 2, 2018, Andrew Robert Grant received an email from Respondent DePetris soliciting support for *FixCT, Inc.*
24. On June 11, 2018, Andrew Robert Grant received an email from Respondent DePetris soliciting support for *FixCT, Inc.*
25. While *FixCT, Inc.* registered with the Commission as, and purported at all times to be, an independent expenditure only political committee, the evidence in this case suggests that *FixCT, Inc.* was not independent from Stephen Obsitnik or the *Steve Obsitnik for Governor* candidate committee.

#### **Discussion**

26. General Statutes § 9-601c (b) (1) – (4) provides, in pertinent part, that there is a rebuttable presumption that an expenditure is not an independent expenditure when:

(1) An expenditure made by a person in cooperation, consultation or in concert with, at the request, suggestion or direction of, or pursuant to a general or particular understanding with (A) a candidate, candidate committee, political committee or party committee, or (B) a consultant or other agent acting on behalf of a candidate, candidate committee, political committee or party committee;

....

(4) An expenditure made by an individual who, in the same election cycle, is serving or has served as the campaign chairperson, treasurer or deputy treasurer of a candidate committee, political committee or party committee benefiting from such expenditure, or in any other executive or policymaking position, including as a member, employee, fundraiser, consultant or other agent, of a candidate committee, political committee or party committee;

27. First, Respondent DePetris hosted three separate fundraising events for the benefit of committees organized to support Stephen Obsitnik's exploration of or candidacy for Governor of the State of Connecticut.
28. In connection with each of those fundraising events, one of which was held at Mr. DePetris's home, Mr. DePetris solicited financial contributions to the committees organized to support Stephen Obsitnik's exploration of or candidacy for Governor of the State of Connecticut.
29. Based upon the foregoing, by no later than December 5, 2017, Respondent DePetris was properly considered a fundraiser for Stephen Obsitnik's campaign and all subsequent expenditures made by Respondent DePetris in the 2018 cycle benefiting Mr. Obsitnik are presumed to be coordinated pursuant to General Statutes § 9-601c (b) (4).
30. Moreover, *FixCT, Inc.* was formed after Respondent DePetris contacted Lawfirm A at the recommendation of Stephen Obsitnik. See General Statutes § 9-601c (b) (1).
31. While Respondents assert that it was unbeknownst to and without the approval or encouragement of Respondents, prior to any public communications by *FixCT, Inc.*, Stephen Obsitnik contacted his supporters and indicated that he was aware of the existence of *FixCT, Inc.*, and the timing of when Scott DePetris would be soliciting support. See General Statutes § 9-601c (b) (1).
32. General Statutes § 9-618 (b) provides that political committees may not make contributions to candidate committees for election to the office of Governor in excess of \$5,000. "Contribution" is defined in the General Statutes to include "[a]n expenditure that is not an independent expenditure[.]" General Statutes § 9-601a (a) (4).
33. *FixCT, Inc.* reported that it made \$88,622.46 in independent expenditures to benefit Stephen Obsitnik.
34. The \$88,622.46 in expenditures that *FixCT, Inc.* reported to be independent expenditures made for the benefit Stephen Obsitnik, were, as detailed herein above, not independent, but rather, coordinated.
35. Accordingly, the \$88,622.46 in independent expenditures that *FixCT, Inc.* reported were independent expenditures to benefit Stephen Obsitnik were, in fact, contributions from *FixCT, Inc.* to Stephen Obsitnik.
36. Pursuant to General Statutes § 9-618, political committees are prohibited from making contributions in excess of \$5,000 to candidate committees formed for candidates for the office of Governor.<sup>4</sup>

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<sup>4</sup> Candidate committees for candidates participating in the Citizens' Election Program may not accept contributions from political committees in any amount.

37. General Statutes § 9-622 (10) provides that it a person is guilty of an illegal practice if such person, “solicits, makes, or receives a contribution that is otherwise prohibited by any provision of this chapter[.]”
38. Committee treasurers are responsible for making and reporting all committee expenditures. General Statutes § 9-606 (a) (2). Accordingly, the treasurer of a committee bears liability for making an improper expenditure.
39. However, General Statutes § 9-601e provides:

If the State Elections Enforcement Commission finds that an expenditure, as defined in section 9-601b, is coordinated with a candidate committee or candidate or an agent of the candidate, in a manner not permissible under the provisions of this chapter, the candidate, agent of the candidate, if applicable, or treasurer of such committee who participated in or had knowledge of such coordination, shall be jointly and severally liable for paying any penalty levied by the commission under section 9-7b.

40. Pursuant to General Statutes § 9-601e, the Commission determines that Respondents McGonegal and DePetris are jointly and severally liable for making an improper contribution to *Steve Obsitnik for Governor* via *FixCT, Inc.*
41. Respondents assert that they took the actions described herein based upon advice of their legal counsel. The Commission has discovered no evidence contrary to that assertion.
42. Respondents assert that they did not intend to make improper contributions to *Steve Obsitnik for Governor*. The Commission has discovered no evidence contrary to that assertion.
43. The Commission does not conclude that Respondents’ actions were either knowing or willful violations of the General Statutes. The Commission further notes that in the course of the investigation, there was no evidence discovered to suggest that Respondents’ actions were knowing or willful.
44. The Commission further notes that both Respondent DePetris and Respondent McGonegal were responsive and cooperative with this investigation.

## **Allegation II**

### **Allegation**

45. It is alleged that Respondent McGonegal, the treasurer of *FixCT, Inc.*, failed to perform the duties of treasurer as required by the General Statutes.

### **Statement of Alleged Facts**

46. On or about April 20, 2018, *FixCT, Inc.* was registered with the Commission as an ongoing independent expenditure only political committee.

47. Sometime prior to April 20, 2018, *FixCT, Inc.* entered into a contract with a company ("Company A") to perform certain services including, but not limited to, paying committee expenses from *FixCT, Inc.*'s bank account, maintaining proper accounting of *FixCT, Inc.*'s funds, and preparing statements to be filed with the Commission.

48. Registration statements for independent expenditure only political committees require treasurers to personally certify, under the penalty of false statement, as follows:

I hereby certify and state, under penalties of false statement, that I have accepted my appointment by the chairperson to serve as the designated treasurer of this political committee, and that I am either submitting this registration statement together with a SEEC FORM 40 complete as to the committee's first day of receiving contributions or disbursements benefiting the committee or that I understand that I shall become obligated to file the committee's first SEEC FORM 40 within 48 hours after receiving the committee's first contribution or disbursement. I intend to comply with all the campaign finance disclosure requirements as contained in Chapter 155 of the General Statutes, and to abide by any prohibitions, limitations or restrictions concerning campaign contributions and expenditures. I further hereby certify and state under penalties of false statement, that this committee intends solely to make expenditures that are independent of, and not coordinated with, any candidate, candidate committee, party committee or political committee.

49. At all times relevant hereto, Respondent McGonegal was the Treasurer of *FixCT, Inc.*

50. The initial registration statement for *FixCT, Inc.* contained Respondent McGonegal's digital signature in the treasurer's certification area.

51. Respondent McGonegal's digital signature on the treasurer certification on *FixCT, Inc.*'s registration was made by individuals at Company A.

52. Respondent McGonegal asserts that individuals at Company A entered his digital signature on the *FixCT, Inc.* with his knowledge and consent.

53. On or about April, 25, 2018, a financial disclosure statement for *FixCT, Inc.* was filed in the name of Respondent McGonegal by individuals at Company A.

54. On or about June 19, 2018, a financial disclosure statement for *FixCT, Inc.* was filed in the name of Respondent McGonegal by individuals at Company A

55. On or about July 9, 2018, a financial disclosure statement for *FixCT, Inc.* was filed in the name of Respondent McGonegal by individuals at Company A

56. On or about August 7, 2018, a financial disclosure statement for *FixCT, Inc.* was filed in the name of Respondent McGonegal by individuals at Company A

57. Each financial disclosure statement filed by Company A in the name of Respondent McGonegal was made with the knowledge and consent of Respondent McGonegal.
58. Respondent McGonegal was not a signatory to the bank account for *FixCT, Inc.*
59. Evidence suggests that individuals other than Respondent McGonegal incurred obligations on behalf of *FixCT, Inc.* without the prior approval of Respondent McGonegal.

#### **Discussion**

60. General Statutes § 9-606 details the duties and qualifications of treasurers of Connecticut committees and provides, in pertinent part:

(a) The treasurer of each committee shall be responsible for (1) depositing, receiving and reporting all contributions and other funds in the manner specified in section 9-608, (2) making and reporting expenditures, (3) reporting expenses incurred but not yet paid, (4) filing the statements required under section 9-608, and (5) keeping internal records of each entry made on such statements. The treasurer of each committee shall deposit contributions in the committee's designated depository not later than twenty days after receiving them. The treasurer of each political committee or party committee which makes a contribution of goods to another committee shall send written notice to the treasurer of the recipient committee before the close of the reporting period during which the contribution was made. The notice shall be signed by the treasurer of the committee making the contribution and shall include the full name of such committee, the date on which the contribution was made, a complete description of the contribution and the value of the contribution. Any dispute concerning the information contained in such notice shall be resolved by the treasurer of the recipient committee. Such resolution shall not impair in any way the authority of the State Elections Enforcement Commission under section 9-7b. The treasurer of the recipient committee shall preserve each such notice received for the period prescribed by subsection (f) of section 9-607.

61. One of the primary duties of a committee treasurer is to report the financial activities of the committee for which they serve. General Statutes § 9-608 (a) (1) provides, in pertinent part:

(1) Each 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, except that in the case of a candidate or exploratory committee established for an office to be elected at a special election, statements pursuant to this

subparagraph shall not be required, (B) on the seventh day preceding each regular state election, . . . (C) if the committee has made or received a contribution or expenditure in connection with any other election, a primary or a referendum, on the seventh day preceding the election, primary or referendum, . . . . The statement shall be complete as of eleven fifty-nine o'clock p.m. of the last day of the month preceding the month in which the statement is required to be filed, except that for the statement required to be filed on the seventh day preceding the election, primary or referendum, the statement shall be complete as of eleven fifty-nine o'clock p.m. of the second day immediately preceding the required filing day. The statement shall cover a period to begin with the first day not included in the last filed statement. In the case of a candidate committee, the statement required to be filed in January shall be in lieu of the statement formerly required to be filed within forty-five days following an election.

62. However, the evidence shows that Respondent McGonegal, did not, himself electronically file the financial disclosure statements for the Committee, and thus did not swear to them, under penalty of false statement. Rather, while he did review and approve such statements, Company A electronically submitted for filing such documents through the eCRIS filing system, using Respondent McGonegal's digital signature as authorized and instructed by Respondent's McGonegal.<sup>5</sup>
63. Evidence also suggests that individuals other than Respondent McGonegal incurred obligations on behalf of *FixCT, Inc.*
64. Respondent McGonegal was involved in the planned disposition of *FixCT, Inc.*'s funds and ultimately approved the obligations incurred by *FixCT, Inc.*, although evidence also suggests that individuals other than Respondent McGonegal incurred obligations on behalf of *FixCT, Inc.*, General Statutes § 9-606 provides that only treasurers may make expenditures of committee funds.
65. Although Respondent McGonegal asserts that he authorized and approved the expenditures by *FixCT, Inc.*, Respondent McGonegal did not sign checks issued as payment for expenditures.
66. The Commission notes that, while Respondent McGonegal failed to comply with his obligations as treasurer, as detailed above, to the extent that actions were performed by others on his behalf, such actions were with his knowledge and consent.
67. Respondent McGonegal notes, and the Commission acknowledges, that Respondent McGonegal has not been involved in an independent expenditure only political committee in

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<sup>5</sup> The eCRIS online filing system maintained by the Commission does provide the option to allow individuals, other than a committee treasurer or deputy treasurer to enter data concerning committee financial transactions into the eCRIS system and such third-party data entry is expressly permitted by the Commission. However, each individual must use their own login credentials to access the eCRIS system and only committee treasurers or deputy treasurers may ultimately file financial disclosure statements with the Commission.



the past, and retained Lawfirm A and relied on the advice of counsel at Lawfirm A in informing the actions in which he engaged or allegedly engaged, including those actions specifically detailed herein in Allegation II.

68. The Commission does not conclude that Respondent knowingly or willfully violated the General Statutes.
69. The Commission further notes that Respondent McGonegal was cooperative and responsive with this investigation.

#### **Terms of General Application**

70. Respondents neither admit nor deny the factual allegations contained herein but enter into this agreement containing a consent order in order to avoid the cost of further litigation.
71. With the exception of Paragraph 70 and all of the implications thereof, notwithstanding anything contained herein to the contrary, Respondents admit to all jurisdictional facts and agree 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.
72. Respondents waive:
  - 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.
73. Upon Respondents' agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against Respondents in connection with this matter, their actions as alleged herein, or their actions by, through, on behalf of or in connection with *FixCT, Inc., Steve Obsitnik for Governor, Steve Obsitnik for Connecticut, Stephen Obsitnik.*
74. 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, proceeding or forum.

**ORDER**

It is hereby ordered that Respondents Scott DePetris and Lawrence McGonegal shall henceforth comply with General Statutes §§ 9-618 and 9-622.

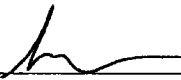
It is further ordered that Respondent Lawrence McGonegal shall henceforth comply with General Statutes §§ 9-606 and 9-608.

It is further ordered that Respondent Scott DePetris shall pay a civil penalty of \$20,000.

It is further ordered that Respondent Lawrence McGonegal shall pay a civil penalty of \$5,000.

**Respondent:**

**For the State of Connecticut:**

By:   
\_\_\_\_\_  
Scott DePetris

By: \_\_\_\_\_  
Michael J. Brandi  
Executive Director and General Counsel  
and Authorized Representative of the  
State Elections Enforcement Commission  
20 Trinity Street  
Hartford, Connecticut 06106

Ivey, Barnum & O'Mara, LLC  
170 Mason Street  
Greenwich, Connecticut 06830  
*Attorneys for Scott DePetris*

Dated: 10-7-20

Dated: \_\_\_\_\_

**Respondent:**

By: \_\_\_\_\_  
Lawrence McGonegal

Ivey, Barnum & O'Mara, LLC  
170 Mason Street  
Greenwich, Connecticut 06830  
*Attorneys for Lawrence McGonegal*

Dated: \_\_\_\_\_

Adopted this \_\_\_ day of \_\_\_\_\_, 2020 at Hartford, Connecticut by vote of the Commission.

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

**ORDER**

It is hereby ordered that Respondents Scott DePetris and Lawrence McGonegal shall henceforth comply with General Statutes §§ 9-618 and 9-622.

It is further ordered that Respondent Lawrence McGonegal shall henceforth comply with General Statutes §§ 9-606 and 9-608.

It is further ordered that Respondent Scott DePetris shall pay a civil penalty of \$20,000.

It is further ordered that Respondent Lawrence McGonegal shall pay a civil penalty of \$5,000.

**Respondent:**

**For the State of Connecticut:**

By: \_\_\_\_\_  
Scott DePetris

By: \_\_\_\_\_  
Michael J. Brandi

Ivey, Barnum & O'Mara, LLC  
170 Mason Street  
Greenwich, Connecticut 06830  
*Attorneys for Scott DePetris*

Executive Director and General Counsel  
and Authorized Representative of the  
State Elections Enforcement Commission  
20 Trinity Street  
Hartford, Connecticut 06106

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Respondent:**

By:   
Lawrence McGonegal

Ivey, Barnum & O'Mara, LLC  
170 Mason Street  
Greenwich, Connecticut 06830  
*Attorneys for Lawrence McGonegal*

Dated: 10/7/2020

Adopted this \_\_\_ day of \_\_\_\_\_, 2020 at Hartford, Connecticut by vote of the Commission.

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

**ORDER**

It is hereby ordered that Respondents Scott DePetris and Lawrence McGonegal shall henceforth comply with General Statutes §§ 9-618 and 9-622.

It is further ordered that Respondent Lawrence McGonegal shall henceforth comply with General Statutes §§ 9-606 and 9-608.

It is further ordered that Respondent Scott DePetris shall pay a civil penalty of \$20,000.

It is further ordered that Respondent Lawrence McGonegal shall pay a civil penalty of \$5,000.


**Respondent:**

By: \_\_\_\_\_  
Scott DePetris

Ivey, Barnum & O'Mara, LLC  
170 Mason Street  
Greenwich, Connecticut 06830  
*Attorneys for Scott DePetris*

Dated: \_\_\_\_\_

**For the State of Connecticut:**

By:  \_\_\_\_\_  
Michael J. Brandi  
Executive Director and General Counsel  
and Authorized Representative of the  
State Elections Enforcement Commission  
20 Trinity Street  
Hartford, Connecticut 06106

Dated: 10/7/2020

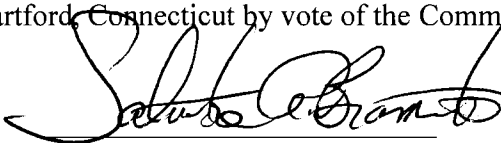
**Respondent:**

By: \_\_\_\_\_  
Lawrence McGonegal

Ivey, Barnum & O'Mara, LLC  
170 Mason Street  
Greenwich, Connecticut 06830  
*Attorneys for Lawrence McGonegal*

Dated: \_\_\_\_\_

Adopted this 7<sup>th</sup> day of October, 2020 at Hartford, Connecticut by vote of the Commission.

  
\_\_\_\_\_  
Anthony J. Castagno, Chairman  
By Order of the Commission  
*Salvatore Bramante*