

**STATE OF CONNECTICUT**  
**STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of a Complaint by Bruce Mandell et al., Woodbridge  
In the Matter of a Commission Initiated Investigation

File No. 2018-105A  
File No. 2018-122

**VOLUNTARY AGREEMENT CONTAINING A CONSENT ORDER**

The parties, Bruce Mandell (“Respondent”) 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. In accordance with those provisions, the parties agree that:

**INTRODUCTION**

1. On November 7, 2018, Respondent, through counsel filed a self-reported complaint seeking clarification as to whether he may have violated the prospective state contractor contribution laws set forth in General Statutes § 9-612 (f).
2. Respondent avers that he self-reported to provide full transparency and as a continued sign of his own good faith throughout the process related to bringing professional soccer back to Hartford.
3. Specifically, Respondent avers that, as a principal of Hartford Sports Group (“HSG”), he may have made wholly unrelated contributions to committees, after HSG had responded to a request for proposal to use Hartford’s Dillon Stadium to present professional soccer games and it had come to his attention that these donations may implicate the prospective state contractor ban although Respondent, based on advice of counsel, did not believe they would.
4. Subsequently, Respondent asserts that as a continuation of his demonstrated good faith and desire for transparency, he voluntarily self-disclosed credit card contributions made by him and his family. He did so voluntarily and with the expectation that such a proactive effort would insure a proper review and determination. Respondent further volunteered sworn affidavits from him and relevant family members which confirmed the good faith intention of each family member to make the donations in question. After Respondent self-reported this information and relevant underlying documents, the Commission initiated a second investigation concerning said

contributions, specifically whether Respondent had used a business credit card to make political contributions, whether contributions that had been attributed to members of Respondent's family were, in fact attributable to Respondent, and whether, as a result, Respondent had therefore technically exceeded his contribution limit to certain committees.

#### **FACTUAL BACKGROUND**

##### ***The Dillon Stadium Project***

5. At all times relevant hereto HSG was a domestic limited liability company, registered in the State of Connecticut, in the business of professional soccer.
6. At all times relevant hereto Respondent was a partner in and principal of HSG.
7. Lillian Garcia is and at all times relevant hereto was the wife of Respondent.
8. Madison Mandell is and at all times relevant hereto was the adult child of Respondent and Lillian Garcia.
9. At all times relevant hereto, the Capital Region Development Authority ("CRDA") was a quasi-public agency with a mission to "stimulate economic development and new investment in and around The City of Hartford."
10. At all times relevant hereto, The City of Hartford was and is a municipal corporation organized and existing under the laws of the State of Connecticut.
11. At all times relevant hereto Dillon Stadium was an entertainment venue in and owned by The City of Hartford that was in disuse due to needed repairs and upgrades.
12. In November of 2015, representatives of HSG met with Luke Bronin, the incoming Mayor of The City of Hartford, to discuss bringing a professional soccer team to Hartford.
13. On or about September 15, 2017, the CRDA, "on behalf of The City of Hartford," issued a Request for Proposals for a soccer team to serve as an anchor tenant of the new Dillon Stadium. CRDA did so pursuant to a letter of understanding between the CRDA and The City of Hartford, which letter is part of the public record.

14. To comply with General Statutes § 1-101qq, CRDA attaches Forms SEEC-10 and Office of policy Management Form 1 to requests for proposals it issues on its own behalf.<sup>1</sup>
15. The purpose of Conn. Gen. Stat. § 1-101qq and Forms SEEC-10 and OPM-1 is to provide State Contractors and Prospective State Contractors with notice of their status as such and of the restrictions that such status creates with respect to political contributions.
16. Forms SEEC-10 and OPM Form 1 were not attached to the RFP. CRDA, according to its counsel, did not include said forms because CRDA did not view the contract contemplated by the RFP to be a State Contract.<sup>2</sup>
17. On or about September 22, 2017, HSG submitted a letter of intent to respond to the RFP.
18. On or about October 13, 2017, HSG submitted a response to the RFP. Respondent asserts that the purpose of HSG's response to the RFP was to bring professional soccer the region, to facilitate the redevelopment of Dillon Stadium, an asset owned by the City of Hartford, and to provide for its use by various educational, civic, and community organizations within the City of Hartford, and to spur economic redevelopment in the Coltsville section of the City of Hartford.
19. On or about December 1, 2017, CRDA made a recommendation to The City of Hartford that the City of Hartford pursue an agreement with HSG for the redevelopment and use of Dillon Stadium.

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<sup>1</sup> In order to place prospective state contractors on notice of the requirements of Connecticut law concerning, inter alia, the restrictions on campaign contributions, General Statutes §1-101qq requires that "a state agency or institution or quasi-public agency that is seeking a contractor for a large state construction or procurement project shall provide the summary of state ethics laws developed by the Office of State Ethics pursuant to section 1-81b to any person seeking a large state construction or procurement contract. Such person shall affirm to the agency or institution, in writing or electronically, (1) receipt of such summary, and (2) that key employees of each such person have read and understand the summary and agree to comply with the provisions of state ethics law...No state agency or institution or quasi-public agency shall accept a bid or proposal for a large state construction or procurement contract without such affirmation."

<sup>2</sup> Whether or not a state agency provides such notice pursuant to General Statutes § 1-101qq is not dispositive to the Commission's determination pursuant to General Statutes § 9-612, as to whether violations of that section occurred. While the Commission may consider a lack of such notice to be weighted as a factual element, it is not binding on the Commission's interpretation and application of the General Statutes § 9-612 (f).

20. Exercising its sole discretion under the RFP, the City thereafter elected to proceed with negotiations with HSG to pursue an agreement for the redevelopment and use of Dillon Stadium for both professional soccer, as well as community use.
21. On or about December 7, 2017, HSG began negotiations with The City of Hartford concerning bringing a professional soccer team to Dillon Stadium. When said negotiations commenced, the City and HSG contemplated a two-party contract between them.
22. During said negotiations all parties were represented by counsel and at all times and in all matters relevant hereto, Respondent asserts that with regard to all matters relevant hereto, HSG acted in accordance with the advice of its counsel.
23. Subsequent to Respondent's November 7, 2018 self-report, HSG continued to negotiate with the City of Hartford to bring the redevelopment of Dillon Stadium to fruition and contributed approximately \$2.3 million of its own funds into the redevelopment of Dillon Stadium, which contribution was made without additional benefit or consideration received.

### ***Political Contributions***

24. After HSG responded to the RFP to bring a soccer team to Dillon Stadium, contributions were made in the name of the Respondent and his wife and daughter to committees that are empowered to make contributions to and/or expenditures for candidates for executive branch offices in the State of Connecticut.
25. More specifically, the following contributions were made in the name of Respondent:
  - (1) Connecticut Republican Party (party committee), 7/10/18 in the amount of \$10,000;
  - (2) Bob for Governor (candidate committee), 8/12/18 in the amount of \$3,500;
  - (3) Bob for Governor (candidate committee), 9/6/18 in the amount of \$3,500;
  - (4) New Friends PAC (political committee), 9/24/18 in the amount of \$2,000;
  - (5) New Horizons PAC (political committee), 9/24/18 in the amount of \$2,000;
  - (6) House Republican Campaign Committee (political committee), 9/24/18 in the amount of \$2,000;
  - (7) Senate Republican Campaign Committee, (political committee), 10/3/18 in the amount of \$2,000;
  - (8) Senate Republican Leadership Committee (political committee) 10/3/18 in the amount of \$2,000;
  - (9) Senate Republican Majority Committee (political committee) 10/3/18 in the amount of \$2,000; and
  - (10) Democratic Leadership PAC (political committee) 10/16/18 in the amount of \$2,000.

26. Additionally, the following contributions were made in the name of Respondent's wife: (11) Bob for Governor (candidate committee) 8/12/18 in the amount of \$3,500; (12) Bob for Governor (candidate committee) 9/6/18 in the amount of \$3,500; (13) Connecticut Republican Party (party committee) 9/26/18 in the amount of \$10,000; (14) Democratic Leadership PAC (political committee) 10/22/18 in the amount of \$2,000; (15) Senate Republican Majority Committee (political committee) 10/3/18 in the amount of \$2,000; (16) Senate Republican Leadership Committee (political committee) 10/3/18 in the amount of \$2,000; (17) New Horizons PAC (political committee) 9/24/18 in the amount of \$2,000; (18) New Friends PAC (political committee) 9/24/18 in the amount of \$2,000.

27. Finally, the following contributions were made in the name of Respondent's daughter: (19) Bob for Governor (candidate committee) 9/24/18 in the amount of \$3,500; (20) Connecticut Republican Party (party committee) 9/26/18 in the amount of \$10,000; (21) New Horizons (political committee) 9/24/18 in the amount of \$2,000; (22) Senate Republican Campaign Committee (political committee) 10/2/18 in the amount of \$2,000; (23) Democratic Leadership PAC (political committee) 10/22/18 in the amount of \$2,000; (24) House Republican Campaign Committee (political committee) 9/24/18 in the amount of \$2,000; (25) New Friends PAC (political committee) 9/24/18 in the amount of \$2,000; (26) Senate Republican Leadership Committee (political committee) 10/3/18 in the amount of \$2,000; and (27) Senate Republican Majority Committee (political committee) in the amount of \$2,000.

***Facts Concerning the Contributions of Respondent and his Family***

28. As is set forth in affidavits supplied to the Commission by Respondent and his wife and daughter, they each aver that they agreed as a family to support certain candidates and issues and that such contributions would be made by Respondent. Respondent asserts that this agreement was the result of a series of conversations between and among them during the summer of 2018 about the race for Governor, as well other political issues that they believed could impact their family business and which they believed were important to the State of Connecticut.

29. Respondent personally processed, or had his administrative assistant personally process, each of the above referenced contributions (Contributions 1 through 27).

30. Some of the above referenced contributions attributed to Respondent, as well as the contributions attributable to his wife and daughter, were paid for by a Citizens Bank Master Card bearing the names of both Respondent and his family business, specifically Contributions 2-6, 10-14, 18-20, and 23-24.

31. Respondent's daughter reimbursed, via personal check, each contribution made by her father in her name, on December 5, 2018.
32. Respondent reimbursed his company a month after each of the above referenced contributions were made on the Citizens Bank Master Card bearing both his name and that of his company.
33. As the Respondent has explained to the Commission, it is his longstanding practice to review all charges incurred on his Citizens Bank Master Card and to timely reimburse his company for any non-business charges.

***Other Relevant Facts***

34. Respondent avers that there is no evidence before the Commission that any of the contributions herein at issue were made with an intent to influence any public official who had any ability to influence any aspect of the Dillon Stadium project, or any other project.
35. There is no evidence before the Commission that Respondent solicited any of the other principals of HSG, any of HSG's employees, or any of his company's employees to make contributions to any candidate or political committees at any time relevant hereto.
36. Respondent's family had a preexisting personal relationship with Robert Stefanowski prior to the contributions in question. That relationship originated in a friendship that developed over seven years ago as their daughters attended the same school.
37. The Commission finds that, no later than May 31st of 2018, CRDA's General Counsel advised Respondent that it was his informal opinion that the contemplated Sublicense Agreement for HSG to use Dillon Stadium would be a State Contract, and that HSG was a prospective state contractor because at that point HSG, CRDA, and the City of Hartford were negotiating a tripartite agreement.
38. The Commission finds that, after CRDA's General Counsel gave HSG his informal opinion concerning HSG's prospective state contractor status, and prior to any of the contributions detailed herein, Corporation Counsel for The City of Hartford stated that it was his informal opinion that the Sublicense Agreement was not a State Contract
39. The Commission finds that after CRDA's General Counsel gave HSG its opinion concerning HSG's prospective state contractor status, and prior to any of the

contributions detailed herein, representatives of HSG received an informal opinion from HSG's counsel that the Sublicense Agreement was not a State Contract.

40. General Statutes § 9-606 requires Treasurers of candidate and political committees to deposit permitted contributions made to the committee(s) of which they are Treasurer within twenty (20) days of receipt and to return improper contributions within said period.
41. None of the Treasurers of the committees to which the contributions herein described were made returned any of the contributions set forth above. Respondent submits that, had any such Treasurer returned any of the contributions processed in the names and on behalf of Respondent's wife and daughter, they would have resubmitted the contribution in her own name, which submission is consistent with the fact that Respondent's wife has made political contributions on her own behalf in the past.<sup>3</sup>
42. None of the contributions herein at issue were made to a candidate for public office seeking public financing from the Citizens' Elections Fund.
43. Respondent avers that the evidence provided to the Commission demonstrates that Respondent has a long history of philanthropic, civic, and community involvement both in terms making charitable contributions, as well as being personally involved in various charitable, civic, and community groups

#### ALLEGATION I

44. Connecticut's prohibitions on political contributions by those contracting with the state extends not only to state contractors, but also to prospective state contractors and their principals. General Statutes § 9-612 (f) (1) (E).
45. General Statutes § 9-612 (f) (2) (D) further provides:

(D) If a prospective state contractor or principal of a prospective state contractor makes or solicits a contribution as prohibited under subparagraph (A) or (B) of this subdivision, as determined by the State Elections Enforcement Commission, no state agency or quasi-public agency shall award the prospective state contractor the contract described in the state contract solicitation or any other state contract for one year after the election for which such contribution is made or solicited

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<sup>3</sup> The contribution forms at issue represented that HSG was not a State Contractor or Prospective State Contractor and the committees in question were entitled to rely upon that representation.

unless the commission determines that mitigating circumstances exist concerning such violation. The Commissioner of Administrative Services shall notify applicants of the provisions of this subparagraph and subparagraphs (A) and (B) of this subdivision during the prequalification application process; and

46. Executive branch prospective state contractors and their principals are prohibited from making contributions to the candidate committees and/or exploratory committees financing Connecticut candidates for executive branch office. General Statutes § 9-612 (f). Executive branch prospective state contractors and their principals are further prohibited from making contributions to committees that can make contributions to and/or expenditures for candidates for executive branch office in Connecticut (i.e., party committees). *Id.*

47. In order to assess whether any of the aforementioned contributions were made in violation of General Statutes § 9-612 (f), the Commission must determine whether HSG was a prospective state contractor when such contributions were made, which determination would include a determination as to whether the contract at issue had a value in excess of \$50,000.

48. General Statutes § 9-612 (f) (1) (E) defines prospective state contractor to mean:

a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

49. The RFP was issued by CRDA "on behalf of the City of Hartford." CRDA is a quasi-public entity. The Commission therefore concludes that, whether or not the ultimate agreement was a state contract or whether or not CRDA issued the RFP "on behalf of The City of Hartford," HSG's response to the RFP was, by definition, "a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency." General Statutes § 9-612 (f) (1) (E). Accordingly, by the very language of the statute, the Commission concludes that HSG was a prospective state contractor after it responded to the RFP.



50. The Commission concludes that HSG was a prospective state contractor and the Commission and finds that the contract contemplated by the RFP had a value of more than \$50,000. Therefore, the Commission concludes that any contribution to a committee that can make contributions or expenditures to or for a candidate for executive branch office in the State of Connecticut by a principal of HSG would be prohibited contribution pursuant to General Statutes § 9-612 (f).
51. Based on the foregoing, the Commission concludes that contribution numbers 1, 2, 3, 11, 12, 13, 19, and 20, totaling \$47,500, were made in violation of General Statutes § 9-612 (f).
52. Respondent asserts that the purpose of General Statutes § 9-612 is to protect the integrity of the State's bidding and RFP process and that that statute does not apply to contracts between municipalities and private persons or entities and that to conclude that HSG was a prospective state contractor because CRDA is a quasi-public agency and that it issued the RFP "on behalf of the City of Hartford" is not consistent with the language, structure, or purpose of General Statutes § 9-612.
53. Respondent asserts that the facts demonstrate that CRDA was acting only as an agent, on behalf of the City of Hartford and not on its own account, as evidenced by the following: (i) the cover page to the RFP states CRDA was acting "on behalf of the City of Hartford;" (ii) the City of Hartford ultimately had sole discretion as to whom, if anyone, to select as a result of the RFP; (iii) the transaction contemplated by the RFP involved property owned by the City of Hartford, not the CRDA and/or the State of Connecticut; and (iv) the RFP did not include Form SEEC-10 or Form OPM -1, which CRDA attaches to RFP issued in its own name and on its own account.
54. Respondent further contends that while the contract contemplated by the RFP would not have been a state contract because: (i) while such a contract would have had a value of \$50,000 or more, that value of the use of real property; i.e. Dillon Stadium, belonged to the City of Hartford and not to the CRDA or to the State of Connecticut; (ii) the contract contemplated by the RFP did not involve HSG receiving any funds or other value from the CRDA or the State of Connecticut; (iii) the contract contemplated by the RFP did not involve the payment of any monies or transfer of other value by HSG to the CRDA or the State of Connecticut; and (iv) Forms SEEC-10 and OPM-1 were not attached to the RFP, which would have been required had the RFP contemplated a state contract, within the meaning of Conn. Gen. Stat. § 9-612. In addition, Respondent notes that CRDA's General Counsel did not rely upon the RFP, nor did Corporation Counsel for the City of Hartford or HSG's counsel ever identify the issue.

55. Respondent notes that § 9-612(f)(1)(C) expressly exempts from the definition of a “State Contract” “any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded” and asserts that the same logic should apply here. The Dillon Stadium project is the only example of a project involving CRDA that is funded exclusively by a municipality. Even beyond CRDA, there is no evidence before the Commission of any other project in this state administered by a state agency and funded exclusively by a municipality.
56. To expedite the resolution of this matter, and to avoid protracted and costly litigation, Respondent agrees to resolve this Allegation through this voluntary settlement agreement pursuant to General Statutes § 9-7b(6).

## ALLEGATION II

57. Pursuant to Conn. Gen. Stat. § 9-622, it is impermissible to make a contribution to any committee within the jurisdiction of the Commission in a name other than one’s own.
58. Respondent avers that there is no evidence before the Commission that Respondent intended to violate General Statutes § 9-622.
59. Regardless of intent, however, a person is not permitted by law to make a contribution to any committee within the jurisdiction of the Commission in a name other than one’s own and it makes no difference in the Commission’s view that where, as here, the Respondent’s wife and daughter always intended to and did, in fact, bear the financial weight of the contributions that were processed in their names.
60. In 2014, the Commission was presented with the case Commission Initiated *Investigation of Contributions by Brian Lippey*, Greenwich, File No. 2014-081. In *Lippey*, “it was determined that certain contributions attributed to Respondent and various relatives may have been made by Respondent using a single credit card....” Specifically, the Commission found in *Lippey* that Respondent made eight contributions of \$100 each in the names of his relatives who were unaware that such contributions were being made and found that these donations violated General Statutes § 9-622. *Id.*
61. Respondent asserts that, significantly, and unlike in *Lippey*, Respondent’s wife and daughter averred under oath that they had generally authorized Respondent to make contributions in their names and that they were generally aware that such contributions were being made.

62. The Commission concludes, however, that a person with general authorization to make contributions in one's name and/or general knowledge that a person is making contributions in one's name does not make it one's own contribution.
63. The Commission concludes that each of the above contributions that was purportedly made by Respondent's wife and daughter (contribution numbers 11-27) was, in fact made by Respondent. The Commission further concludes that each such contribution was a violation of General Statutes § 9-622 (7).
64. To expedite the resolution of this matter, and to avoid protracted and costly litigation, Respondent agrees to resolve this Allegation through this voluntary settlement agreement pursuant to General Statutes § 9-7b(6).

### **ALLEGATION III**

65. Because contributions 1 through 27 are all properly attributable to Respondent, it is alleged that Respondent exceeded his contribution limits to several committees.
66. Chapter 155 of the General Statutes provides limits on the amount an individual may contribute to a committee under the jurisdiction of the Commission. Specifically, General Statutes § 9-611 provides, in pertinent part:
  - (a) No individual shall make a contribution or contributions to, for the benefit of, or pursuant to the authorization or request of, a candidate or a committee supporting or opposing any candidate's campaign for nomination at a primary, or any candidate's campaign for election, to the office of (1) Governor, in excess of three thousand five hundred dollars; (2) Lieutenant Governor, Secretary of the State, Treasurer, Comptroller or Attorney General, in excess of two thousand dollars; (3) chief executive officer of a town, city or borough, in excess of one thousand dollars; (4) state senator or probate judge, in excess of one thousand dollars; or (5) state representative or any other office of a municipality not previously included in this subsection, in excess of two hundred fifty dollars. The limits imposed by this subsection shall be applied separately to primaries and elections.
  - (b) (1) No individual shall make a contribution or contributions to, or for the benefit of, an exploratory committee, in excess of three hundred seventy-five dollars, if the candidate establishing the exploratory committee certifies on the statement of organization for the exploratory committee pursuant to subsection (c) of section 9-604 that the candidate will not be a candidate for the office of state representative. No individual shall make a contribution or contributions to, or for the benefit of, any exploratory committee, in excess of two hundred fifty dollars, if the candidate establishing the exploratory committee does not so certify.

67. General Statutes § 9-612 further provides, in pertinent part:

(a) No individual shall make a contribution or contributions in any one calendar year in excess of ten thousand dollars to the state central committee of any party, or for the benefit of such committee pursuant to its authorization or request; or two thousand dollars to a town committee of any political party, or for the benefit of such committee pursuant to its authorization or request; or two thousand dollars to a legislative caucus committee or legislative leadership committee, or one thousand dollars to any other political committee other than (1) a political committee formed solely to aid or promote the success or defeat of a referendum question, (2) an exploratory committee, (3) a political committee established by an organization, or for the benefit of such committee pursuant to its authorization or request, or (4) a political committee formed by a slate of candidates in a primary for the office of justice of the peace of the same town.

68. In this case, each contribution made by Respondent was made in the maximum amount allowable by law. Therefore, each contribution that was made in the name of Respondent's wife and daughter that was attributable to Respondent and was made to a committee that Respondent had already contributed to was in excess of Respondent's contribution limits. In this case contribution numbers 11 through 27 were contributions made in excess of Respondent's maximum contribution limits totaling \$54,500.

69. While Respondent avers that there is no evidence before the Commission that Respondent intended to violate General Statutes § 9-611, exceeding one's contribution limits to a committee is a violation, regardless of intent.

70. The Commission concludes that each such contribution was a violation of General Statutes §§ 9-611 (a) and (b) and 9-612 (a).

71. To expedite the resolution of this matter, and to avoid protracted and costly litigation, Respondent agrees to resolve this Allegation through this voluntary settlement agreement pursuant to General Statutes § 9-7b(6).

#### ALLEGATION IV

72. As noted, Respondent self-reported that he used a Citizens Bank Master Card bearing his name and the name of his business for contribution numbers 2-6, 10-14, 18-20 and 23-24, totaling \$63,500. Respondent then reimbursed his company with his personal funds. Such reimbursements predated the complaint in this matter and, based on the evidence before the Commission, were consistent with his longstanding practice of

reviewing charges against his Citizens Bank Master Card and paying for any charges incurred for non-business purposes, in many cases even before payment was due.

73. General Statutes § 9-613 (a) prohibits business entities from making contributions to or coordinated expenditures to benefit candidates for public office in Connecticut and provides that:

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. No business entity shall establish more than one political committee. A political committee shall be deemed to have been established by a business entity if the initial disbursement or contribution to the committee is made under subsection (b) of this section or by an officer, director, owner, limited or general partner or holder of stock constituting five per cent or more of the total outstanding stock of any class of the business entity

74. General Statutes § 9-622 (10) further provides that the following persons shall be guilty of an illegal practice: "Any person who solicits, makes or receives a contribution that is otherwise prohibited by any provision of this chapter[.]"

75. While Respondent asserts that the evidence provided to the Commission shows that Respondent always intended to bear the financial weight of the above referenced contributions, and while the evidence before the Commission establishes both that Respondent did, in fact, ultimately bear the financial weight of the above-referenced contributions and that such reimbursements were made at or prior to the time payment was to be made for the charges and before the pendency of this matter, using business assets to make a contribution to a committee within the jurisdiction of the Commission is a violation under General Statutes § 9-622 (10), regardless of intent.

76. Respondent asserts that the evidence provided to the Commission shows that Respondent's business did not extend credit to Respondent to make the contributions herein at issue. Moreover, the evidence provided to the Commission likewise shows that no business assets were used to pay any of Respondent's personal expenses, including the contributions herein at issue.

77. The Commission finds Respondents assertion misses the mark pertaining to the purpose and effect of the business entity prohibition pursuant to General Statutes § 9-613, which restricts any contributions by business entities to political and candidate committee regardless of the ultimate reimbursement to that business entity.

78. The Commission concludes that, based on the language of Conn. Gen. Stat. § 9-613(a), Respondent improperly utilized business assets to make contribution numbers 2-6, 10-14, 18-20 and 23-24 totaling \$63,500.00. Ultimately, therefore, the Commission must conclude that contributions numbers 2-6, 10-14, 18-20, 23-24 each violated General Statutes §§ 9-613 (a) and § 9-622 (10).
79. To expedite the resolution of this matter, and to avoid protracted and costly litigation, Respondent agrees to resolve this Allegation through this voluntary settlement agreement pursuant to General Statutes § 9-7b(6).

**PENALTY**

80. Pursuant to General Statutes § 9-7b (a) (2), the Commission is authorized to levy a civil penalty not to exceed “two thousand dollars per offense or twice the amount of any improper payment or contributions, whichever is greater, against any person the commission finds to be in violation of any provision of chapter 155 or 157.”
81. Furthermore, as enumerated in § 9-7b-48 of the Regulations of Connecticut State Agencies:

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.

***The Gravity of the Act or Omission***

82. Given the text and purpose of the statutes at issue, the Commission concludes that an appropriate penalty is called for.

***Whether the Person Has Shown Good Faith in Attempting to Comply with the Applicable Provisions of the General Statutes***

83. As detailed hereinabove, Respondents self-reported each violation.
84. Respondent asserts that there is no evidence before the Commission that Respondent had any improper intent and notes that the evidence before the Commission is that Respondent's wife and daughter were aware that contributions were being made in their name. In addition, Respondent notes that HSG has strenuously maintained throughout that it is not a Prospective State Contractor and certainly was not and is not a State Contractor as that term is defined by statute.
85. With regard to making contributions in the name of others and maximum contribution violations, Respondent relies on the assertion that he was acting in good faith and that his family had generally discussed that he would make contributions in his wife and daughter's names and would then be reimbursed. In this instance, while there was no purpose to assist in the awarding of a grant of public funds from the CEF, as in *Commission Initiated Investigation of Contributions by Brian Lippey, Greenwich*, File No. 2014-081, the Commission finds that these violations were nonetheless impermissible.
86. Respondent notes that he self-reported the matter forming the basis of Claim I and self-reported to the Commission additional, detailed information that forms the basis of Claims II through IV.
87. Respondent also stresses that he has also timely and fully cooperated in the Commission's investigation. The Commission acknowledges the importance of and encourages such self-reporting and cooperation in order to further the policy of self-policing and notes that Respondent's conduct in the course of this investigation has generally furthered this public policy.

***The Previous History of Similar Acts or Omissions***

88. Respondent has no prior history with the Commission or any other law enforcement or administrative agency, of similar acts or omissions, beyond these self-reported complaints.

*The Amount Necessary to Insure Immediate and Continued Compliance*

89. The Commission concludes that, although there is no evidence before it that Respondent intended to violate any of Connecticut's campaign finance laws discussed herein, a determination of subjective intent is not required to find a violation of Connecticut's campaign finance laws. The Commission further determines that an appropriate penalty is in order in this case.
90. Respondent maintains that there is no evidence before the Commission that Respondent intended to violate the law, Respondent self-reported the matters giving rise to liability, and Respondent timely and fully cooperated in the Commission's investigation. Respondent therefore strongly disagrees with the weight given by the Commission to this element in assessing the need for a penalty to insure immediate and continued compliance with Campaign Finance Laws. In fact, Respondent stresses, his very reporting of these matters to the Commission in an effort to seek advice, reconcile any errors and satisfy compliance requirements, belies the Commission's finding (in para. 89 above).

**TERMS OF GENERAL APPLICATION**

91. Respondent admits to 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.
92. 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.
93. Upon Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against the Respondent, his wife, his daughter, HSG, and/or its principals regarding this matter.
94. 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**

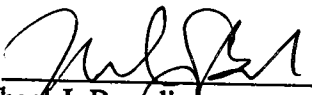
It is hereby ordered that Respondent shall henceforth strictly adhere to the requirements of General Statutes §§ 9-611, 9-612, 9-613, and 9-622.

It is further ordered that Respondent, consistent with the voluntary settlement of these matters pursuant to General Statutes §9-7b, shall pay and the Commission agrees accept a civil penalty in the amount of forty-five thousand dollars (\$45,000.00) in full settlement of this matter.

**For Respondent:**

**For the State of Connecticut:**


By:   
Bruce Mandell  
c/o Anthony J. Natale  
Natale & Wolinetz  
116 Oak Street  
Glastonbury, CT 06033

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

Dated: 8/9/19

Dated: 8/15/19

Adopted this 21<sup>st</sup> day of AUGUST, 2019 at Hartford, Connecticut by vote of the Commission.

  
Anthony J. Castagno, Chairman  
By Order of the Commission