

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

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| In the Matter of a Complaint by Marcus Paca, New Haven, | File No. 2017-062A |
| In the Matter of a Complaint by Justin Elicker, New Haven, | File No. 2019-030A |
| In the Matter of a Complaint by Justin Elicker, New Haven, | File No. 2019-110A |

AGREEMENT CONTAINING A CONSENT ORDER

The parties, Jonathan Wilson (“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:

ALLEGATIONS

1. The complainants in these matters generally allege that Respondent Jonathan Wilson, failed to responsibly perform his duties as treasurer of the Harp 2017 and Harp 2019 candidate committee – committees formed to support candidate Toni Harp’s campaign for Mayor of New Haven. It is alleged that Respondent permitted contributions in excess of the statutory maximum, made and/or permitted cash withdrawals from the candidate committee account in amounts in excess of legal limits, and failed to report all expenditures, contributions, and secondary payees as treasurer.^{1 2 3 4}

FACTUAL BACKGROUND

GENERAL FACTUAL BACKGROUND

2. Toni Harp was a candidate for Mayor of New Haven during the 2017 and 2019 election cycle.

¹ Allegations concerning other respondents shall be addressed in separate documents.

² There were also allegations that Respondent Wilson failed to timely file campaign finance reports on behalf of Harp 2017 and Harp 2019. A review of the evidence supports these allegations and suggests that such failures were significant. However, as Respondent Wilson was not issued a certified letter prior to his filing of such documents, the Commission is not permitted to assess a civil penalty for non-filer violations pursuant to General Statutes §9-622.

³ There was an allegation that Respondent Wilson made an impermissible contribution to a federal committee as well. The investigation, revealed, however, that such payment was for access to a database of potential supporters and the investigation further revealed to evidence to suggest that such payment was not fair market value. Accordingly, such transaction was permissible under Connecticut’s campaign finance laws.

⁴ Any allegations within the complaints not addressed herein either did not allege facts that, even if true, would amount to a violation within the Commission’s jurisdiction, were directly related to other violations that were directly addressed herein, or did not represent a seriousness of misconduct of the level addressed herein.

3. Toni Harp formed the Harp 2017 candidate committee as the funding vehicle for her 2017 campaign for Mayor of New Haven.
4. Toni Harp formed the Harp 2019 candidate committee as the funding vehicle for her 2019 campaign for Mayor of New Haven.
5. Respondent Jonathan Wilson was the sole treasurer for the Harp 2017 and Harp 2019 candidate committees.
6. At the outset of the Harp 2017 campaign, Respondent Wilson obtained the services of an accountant to aid in his treasurer duties.
7. After the Complaint in 2017-062 was received by the Commission, Commission investigators immediately began reviewing the campaign finance filings for Harp 2017. Commission investigators further requested financial records relating to that campaign. Respondent indicated that he was going to obtain the assistance of an accountant to collect and review all of the information requested.
8. In the interim, Respondent Wilson served as treasurer of the Harp 2019 committee.
9. During the Harp 2019 campaign, additional complaints (2019-030 and 2019-110) were filed against Respondent Wilson for similar misconduct as treasurer of that committee. Upon receipt of those complaints, Commission investigators obtained the financial disclosure statements filed for Harp 2019 and requested the financial documents for that committee from Respondent Wilson. Respondent Wilson again asked for time to have a new accountant review the information so that he could appropriately respond to the request. Such request was granted.
10. After Commission investigators granted Respondent Wilson several extensions of time to respond to the document request, the Commission authorized and issued a subpoena for all relevant documents in this matter on January 15, 2020.
11. After service of the subpoena, Respondent Wilson did supply Commission investigators with documents he purported to be the entirety of the financial documents for Harp 2017 and Harp 2019.
12. Commission accounts examiners did a complete review of the public filings and financial documents Respondent Wilson provided relating to Harp 2017 and Harp 2019. That review revealed numerous issues with both committees.

HARP 2017

13. Respondent Wilson had reported that Harp 2017 had received \$310,779.20. An analysis of the Harp 2017 financial records showed that Harp 2017 had, in fact, received \$340,850.21. Thus, Harp 2017 received at least \$30,071.01 contributions or other

monetary receipts that went unreported. The source of many of these contributions and monetary receipts cannot be determined.

14. The review of the contributions to the committee also identified seven individuals that gave aggregate contributions to the Committee in excess of \$1,000. Each of these seven individuals contributed between \$2,000 and \$3,000.
15. With regard to expenditures for Harp 2017, Respondent Wilson reported \$303,217.55 in expenditures, but the analysis by Commission accounts examiners showed that the committee had expended at least \$342,686.28. Accordingly, the evidence suggests that the campaign did not report \$38,064.61 in committee expenses.
16. The review of the financial records of Harp 2017, further showed four cash withdrawals on May 22, 2017 for \$500, on June 30, 2017 for \$2,245, on June 24, 2017 for \$1,650, and on August 30, 2017 for \$15.

HARP 2019

17. As with Harp 2017, the review of Harp 2019 revealed numerous issues relating to campaign finance law compliance. Respondent Wilson had reported on the committee's financial disclosure statements that Harp 2019 had received \$301,305.13 in monetary receipts. An analysis of the Harp 2019 financial records shows that Harp 2019 had, in fact, received \$313,092.69. Thus, Harp 2019 received at least \$11,787.59 in contributions or other monetary receipts that went unreported. The source of many of these contributions and monetary receipts could not be determined.
18. Even for those contributions for which the source and amount could be identified, a review of the financial records and financial disclosure statements show that \$55,460.00 in contributions in excess of \$50 were only reported as aggregated contributions for this committee.
19. The review of the contributions to the committee also identified three individuals that gave aggregate contributions to the Committee in excess of \$1,000. Each of these three individuals contributed between \$1,100 and \$1,500. The total contributions Respondent Wilson accepted on behalf of Harp 2019 in excess of \$1,000 was \$850.
20. The investigation further revealed Respondent Wilson reported \$4,341.94 in reimbursements in a campaign finance reports for which no secondary payees were reported.

VIOLATIONS

21. As detailed hereinabove, the review of the financial records and financial disclosure statements of Harp 2017 and Harp 2019 revealed a complete failure to comply with numerous provisions of Connecticut's campaign finance laws.

FAILURE TO ACCURATELY REPORT COMMITTEE RECEIPTS AND EXPENDITURES

22. The investigation into these matters revealed that Respondent Wilson failed to report all of the monetary receipts and expenditures of Harp 2017 and Harp 2019. General Statutes § 9-608 requires that a treasurer of a candidate committee file campaign finance disclosure statements concerning the financial activities of the committee. Specifically, § 9-608 (c) (1) requires that each statement contain:

An itemized accounting of each contribution, if any, including the full name and complete address of each contributor and the amount of the contribution; [and] (B) an itemized accounting of each expenditure, if any, including the full name and complete address of each payee, including secondary payees whenever the primary or principal payee is known to include charges which the primary payee has already paid or will pay directly to another person, vendor or entity, the amount and the purpose of the expenditure, the candidate supported or opposed by the expenditure, whether the expenditure is made independently of the candidate supported or is an in-kind contribution to the candidate, and a statement of the balance on hand or deficit, as the case may be[.]

23. In this case, Respondent Wilson failed to report \$30,071.01 in monetary receipts for Harp 2017 and \$11,787.59 in monetary receipts for Harp 2019. Respondent Wilson further failed to report \$38,064.61 in expenditures for Harp 2017. Moreover, Respondent Wilson reported \$4,341.94 in reimbursements in campaign finance reports for which no secondary payees were reported.
24. Moreover, Respondent Wilson failed to itemize contributions from individuals whose aggregate contribution exceeded \$50. Connecticut's campaign finance law does provide an exception to the general requirement that all contributions be individually reported. However, such exception only applies to contributions from individuals that have given less than \$50 in the aggregate. General Statutes § 9-608 (c) (4) specifically provides:
25. Contributions from a single individual to a treasurer in the aggregate totaling fifty dollars or less need not be individually identified in the statement, but a sum representing the total amount of all such contributions made by all such individuals during the period to be covered by such statement shall be a separate entry, identified only by the words "total contributions from small contributors".
26. Specifically, Respondent Wilson only reported the aggregate total of \$55,460.00 concerning 159 contributions from individuals whose aggregate contribution exceeded \$50. Twenty eight of those contributions were for the statutory maximum, \$1,000.
27. Accordingly, for all of the reasons set forth herein, Commission concludes that Respondent Wilson violated General Statutes § 9-608.

ACCEPTANCE OF CONTRIBUTIONS FROM INDIVIDUALS IN EXCESS OF STATUTORY LIMITS

28. The investigation revealed that Harp 2017 received 30 contributions from individuals that were in excess of the statutory maximum and Harp 2019 received seven contributions from individuals that were in excess of the statutory maximum.
29. General Statutes § 9-611 (a) provides:
- 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 . . . (3) chief executive officer of a town, city or borough, in excess of one thousand dollars; The limits imposed by this subsection shall be applied separately to primaries and elections.
30. General Statutes § 9-622 (10) further provides that “[a]ny person who solicits, makes or receives a contribution that is otherwise prohibited by any provision of . . . chapter [155]” is guilty of an illegal practice.
31. In this case, Respondent Wilson accepted eleven contributions on behalf of candidate committees that exceeded the \$1,000 statutory limit. Such contributions exceeded the statutory limit by a total of \$10,350.
32. Accordingly, the Commission concludes that Respondent Wilson violated General Statutes § 9-622 by accepting contributions prohibited under General Statutes § 9-611.

WITHDRAWAL OF CASH FROM HARP CAMPAIGN ACCOUNTS

33. In the course of the review of the Harp committee bank records, Commission accounts examiners discovered four cash withdrawals had been made from the Harp 2017 account: one on May 22, 2017 for \$500; one on June 30, 2017 for \$2,245; one on June 24, 2017 for \$1,650; and one on August 30, 2017 for \$15. A review of the financial records could not establish the purpose for which the cash was withdrawn.
34. As a general rule, all committee expenditures must be made via a committee check, debit card, or credit card. General Statutes § 9-607 (e) (1). There are a few exceptions to this general rule; i.e., for petty cash funds (limited to \$100), General Statutes § 9-607 (e) (2), and Election Day expenditures (limited to \$250 per voting district), General Statutes § 9-607 (c) (2). Specifically, General Statutes 9-607 (e) provides:
- (1) Any such payment shall be by check drawn by the treasurer, on the designated depository. Any payment in satisfaction of any financial obligation incurred by a committee may also be made by debit card or credit card. In the case of payment made under a contract between a committee and a community antenna television company, as defined in section 16-1, for the purchase of advertisement space, the treasurer of such committee may pay for such services using a bank or cashier's

check, as defined in section 42a-3-104, if so required by the contract, provided the treasurer maintains documentation substantiating that the funds used to pay for such advertising space were expended from the committee's funds. (2) The treasurer of each committee may draw a check, not to exceed one hundred dollars, to establish a petty cash fund and may deposit additional funds to maintain it, but the fund shall not exceed one hundred dollars at any time. All expenditures from a petty cash fund shall be reported in the same manner as any other expenditure.

35. As the first three withdrawals were in excess of \$100, and none were on Election Day, there was no permissible reason to withdraw that amount of money from the committee account. With regard to the \$15 cash withdrawal, there was no financial records provided showing the accounting of a petty cash fund despite a Commission subpoena requesting all financial records of Harp 2017.
36. Moreover, committee treasurers are required to preserve records of all of the financial transactions of the committee. Specifically, General Statutes § 9-607 (f) provides:

The treasurer shall preserve all internal records of transactions required to be entered in reports filed pursuant to section 9-608 for four years from the date of the report in which the transactions were entered. Internal records required to be maintained in order for any permissible expenditure to be paid from committee funds include, but are not limited to, contemporaneous invoices, receipts, bills, statements, itineraries, or other written or documentary evidence showing the campaign or other lawful purpose of the expenditure. If a committee incurs expenses by credit card, the treasurer shall preserve all credit card statements and receipts for four years from the date of the report in which the transaction was required to be entered. If any checks are issued pursuant to subsection (e) of this section, the treasurer who issues them shall preserve all cancelled checks and bank statements for four years from the date on which they are issued. If debit card payments are made pursuant to subsection (e) of this section, the treasurer who makes said payments shall preserve all debit card slips and bank statements for four years from the date on which the payments are made. In the case of a candidate committee, the treasurer or the candidate, if the candidate so requests, shall preserve all internal records, cancelled checks, debit cards slips and bank statements for four years from the date of the last report required to be filed under subsection (a) of section 9-608.

37. The subpoena issued to Respondent Wilson concerning this matter requested all of the financial records of Harp 2017 and Harp 2019. No records were provided concerning these cash withdrawals.
38. Accordingly, the Commission concludes that Respondent Wilson violated General Statutes § 9-607.

TERMS OF GENERAL APPLICATION

39. The 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.

40. The 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.

41. Upon the Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against the Respondent regarding this matter.

42. 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 the Respondents shall henceforth strictly adhere to the requirements of General Statutes §§ 9-607, 9-608, 9-611, and 9-622.

It is further ordered that the Respondent shall not ever again serve as a treasurer of a committee within the jurisdiction of the Commission.

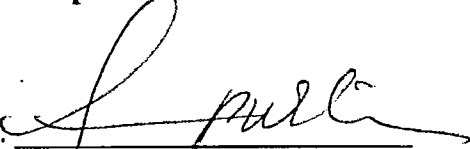
It is further ordered that the Respondent shall be assessed a civil penalty of fifteen thousand dollars (\$15,000).

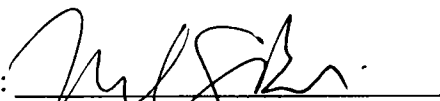
It is further ordered that, due to demonstrated financial hardship, collection of eleven thousand five hundred dollars (\$11,500) shall be suspended for a period of two years. If after two years, Respondent has otherwise complied with this order, the civil penalty in this matter shall be reduced to three thousand five hundred dollars (\$3,500).

It is further ordered that the Respondent shall pay the civil penalty in this matter in monthly installments of not less than three hundred dollars (\$300). Each installment payment by the Respondent under this agreement shall be remitted to the Commission by no later than the first of the month.

The Respondent:

For the State of Connecticut:

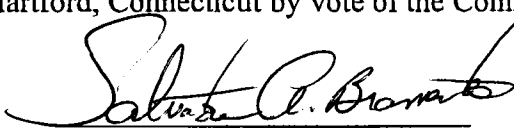
By: 
Jonathan Wilson
204 Alden Ave., #3
New Haven, CT 06515

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: 10/27/2020

Dated: 10/27/2020

Adopted this 4 day of November, 2020 at Hartford, Connecticut by vote of the Commission.


~~Anthony J. Castagno, Chairman~~
By Order of the Commission
Salvatore Bramante, Vice Chair