

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In the Matter of a Complaint by James Keach (Self-Report),
Middletown

File No. 2019-033,

AGREEMENT CONTAINING CONSENT ORDER

This agreement by and between Rubina Islam of the Town of Glastonbury, County of Hartford, State of Connecticut (hereinafter "Respondent") and the authorized representative of the State Elections Enforcement Commission is entered into in accordance with § 9-7b-54 of the Regulations of Connecticut State Agencies and § 4-177(c) of the General Statutes of Connecticut. In accordance herewith, the parties agree that:

1. The Complaint was self-reported by James Keach, Vice-President, AI Engineers, Inc. on behalf of Respondent, Mr. Rizwan Mumtaz, Mr. Tariq Islam and AI Engineers, Inc. (hereinafter the "Company").
2. Respondent, at all times relevant to this complaint, was the spouse of the owner and founder of the Company, which at all times relevant to this complaint has two contracts pending with the Department of Revenue Services ("DAS"). The Company was identified as a state contractor by the Commission on its lists of prohibited state contractors.
3. The Complainant reported the potential state contractor violations as follows:
Our Company Owner and President, Abul Islam, asked me ... to review the matter of potential improper campaign contributions that were brought to his attention by our employees ... to draw preliminary conclusions if possible, and to immediately remediate any personal campaign contributions that might be out of compliance with regulations. Our Company Owner, I, and Senior Management take these questions most seriously. I am charged with the authority and responsibility to remediate what might be wrong.

At this time I request a review of the events and circumstances by SEEC and a determination of what steps are necessary to resolve the campaign contribution matter properly with SEEC. In the attached letter and exhibits I have identified a \$100 campaign contribution that appears to me to be an unintended out-of-compliance campaign contribution, I have ... identified various mitigating circumstances for consideration if the SEEC concludes that a violation occurred.

4. By way of background, Respondent has no prior history with the Commission. At all times relevant to this complaint and investigation, the Company had and has two pending state contracts, pursuant to General Statutes § 9-612, with DAS. Furthermore, DAS has informed the Commission, through its counsel, that it is awaiting the outcome of this matter before it moves forward with either of the aforementioned state contracts.

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

(f)(1)(F) “Principal of a state contractor or prospective state contractor” means (i) any individual who is a member of the **board of directors of**, or has an ownership interest of five per cent or more in, **a state contractor** or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, ...**(v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph,**

...

(2)(A) **No** state contractor, prospective state contractor, **principal of a state contractor** or principal of a prospective state contractor, with regard to a state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, **shall make a contribution to**, or solicit contributions on behalf of (i) an exploratory committee or **candidate committee established by a candidate for nomination or election to the office of Governor**, Lieutenant Governor, Attorney General, State

Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

(C) If a state contractor or principal of a state contractor makes or solicits a contribution prohibited under subparagraph (A) or (B) of this subdivision, as determined by the State Elections Enforcement Commission, the contracting state agency or quasi-public agency may, in the case of a state contract executed on or after the effective date of this section may void the existing contract with said contractor, and no state agency or quasi-public agency shall award the state contractor a state contract or an extension or an amendment to a state contract for one year after the election for which such contribution is made or solicited unless the commission determines that mitigating circumstances exist concerning such violation. ... [Emphasis added.]

6. The Complainant, on behalf of the company, disclosed the following individuals and contributions that are the subject of this self-report and investigation:
 - (1) Rizwan Mumtaz, \$50.00 contribution to "Friends of Susan," March 31, 2018;
 - (2) Tariq Islam, \$100.00 contribution to "Srinivasan for Governor," June 19, 2017; and,
 - (3) Respondent, \$100.00 contribution to "Srinivasan for Governor," June 19, 2017.

7. The Commission finds, after investigation, that Mr. Mumtaz is not a principal in the Company because he does not hold the requisite position and does not have discretionary decision making authority for the Company in his role as a technical Engineering Project Manager pursuant to General Statutes § 9-612.

8. Further, the Commission finds that Mr. Tariq Islam, the 28 year old son of the owner and Respondent, is neither a dependent listed as an exemption on the Company owner's personal tax return nor a principal in the Company, and did not have discretionary decision making authority of any kind pertaining to company contracts and therefore was not a principal for purposes of General statutes § 9-612.
9. Additionally, the Commission finds that Respondent, because she is the spouse of the Company owner, therefore is covered by the prohibitions in General Statutes § 9-612 pertaining to the ban on contributions by state contractors. Moreover, the Commission finds that "Srinivasan for Governor" (hereinafter the "Committee") was a candidate committee registered by Dr. Presad Srinivasan for statewide office in connection with the November 11, 2018 election.
10. The Commission concludes, after investigation, that the only individual contributor that satisfies the definition of a "principal of a state contractor" for purposes of General Statutes §9-612 among the three contributors disclosed in this self-report is Respondent. The Commission dismisses allegations pertaining to Mr. Mumtaz and Mr. Tariq Islam; as contributions are not covered by § 9-612 and its prohibitions under these specific facts and circumstances.
11. The Commission notes that, while not within "safe harbor" provisions provided by General Statutes § 9-612, the \$100.00 amount of Respondent's June 19, 2017 contribution to the Committee was refunded by the committee after Complainant learned of possible prohibitions regarding contributions by individuals affiliated with the Company as a state contractor.
12. Nevertheless, because Respondent is the spouse of the owner of the Company she is subject to the restrictions contained in General Statutes§ 9-612 (f) (1) (F) (v). The Commission concludes, therefore, that Respondent's June 19, 2017 contribution in the amount of \$100.00 to a candidate committee for statewide office was a prohibited contribution in violation of § 9-612(f) (2) (A).

13. The Commission finds that pursuant to General Statutes § 9-612 (f), a mitigating circumstances analysis is not reached unless the Commission determines that a violation has occurred. It follows that the violation by Respondent of the state contractor contribution prohibition, as detailed above, allows the Commission to determine whether "mitigating circumstances" exist concerning such violations pursuant to General Statutes § 9-612 (f) (2) (C).
14. General Statutes § 9-612(f)(2)(C) provides possible relief from the mandatory contract penalty, and allows the Commission to determine whether "mitigating circumstances" exist concerning the violation. If mitigating circumstances are found by the Commission, the contractual penalty is not automatic, but the awarding agency of the state retains discretion to amend a contract or award a new contract.
15. In determining whether circumstances are "mitigating," the Commission deems it necessary to consider any circumstances pertaining to the contribution by Respondent and the recipient candidate, the committee and its agents, as well as the contracts and agreements between the Company and the State, that would, although not excusing the conduct, tend to reduce the harm the state contractor contribution ban is designed to prevent.
16. The Commission has consistently determined that pursuant to General Statutes § 9-612 (f) the state contractor prohibition is designed to eliminate the undue influence over the awarding of contracts that principals of state contractors who make contributions to candidate committees and exploratory committees for statewide office could wield over those state actors awarding such contracts and prevent awarding of contracts in exchange for campaign contributions. *See In the Matter of a Complaint by Carla Squatrito, et al.*, File No. 2010-112; *In the Matter of a Complaint by Gerald T Weiner, et al.*, File No. 2010-099; *In Re David Baxter, et al.*, File No. 2009-080; *In Re Charles Shivery*, File No. 2007-381; *In the Matter of Ronald Nault and Luchs Consulting Engineers, LLC*, File No. 2007-353; *In Re JCJ Architecture*, File 2008-120; *In Re Antinozzi Associates*, File No. 2014-009, *In the Matter of a Complaint by Curtis Robinson*, Plainville, File No. 2014-169; and, *In the Matter of a Complaint by Raymond Baldwin*, Trumbull, File No. 2015-009; *Complaint by John Traynor*, Bridgeport, File No. 2018-002; and *Complaint by Shawn T. Wooden*, Hartford, File No. 2018-024.

17. The purpose, according to Respondent's counsel, of this self-reported potential violation of the state contractor contribution prohibition, was so that the Commission may determine and conclude, if violations have occurred based on its review and investigation, whether *mitigating circumstances* concerning such violations existed.
18. The Commission determines in this instance that the following mitigating circumstances exist:
 - (1) Respondent self-reported this matter;
 - (2) There was lack of evidence that an agreement by or between the Company and Respondent and the potential candidate, and representatives of DAS with which the company has pending contracts, or the State of Connecticut, that the company may receive some favored treatment in exchange for the contribution that Respondent made to the Committee;
 - (3) There was a lack of evidence that there was any expectation that the gubernatorial candidate, or the Committee, would provide assistance to the Company in its efforts to compete for awards of State of Connecticut contracts; and,
 - (4) The gubernatorial candidate for statewide office, the candidate and its agents, were not involved with pending contracts between the Company and DAS, at all times relevant to the contribution that is subject of this complaint.
19. The Commission concludes pursuant to General Statutes § 9-612 (f) (2) (C) that mitigating circumstances existed pertaining to the violation found in connection with the contribution by Respondent to the Committee, such that the Company is not statutorily barred from continuing its negotiations to effectuate or implement any contracts between it and DAS and/or other state entities as delineated within the prohibitions of § 9-612.

20. The Commission determines, after investigation, that the policy behind General Statutes § 9-612 (f) to address "pay-to-play" schemes relating to campaign contributions and the awarding of state contracts was not circumvented under these narrow facts and circumstances, and therefore, allowing the Company to continue its contractual relationships, obligations or bid proposals with DAS and the State does not compromise the state's interests to insure integrity in its campaign financing system.
21. Accordingly, the Commission concludes that these mitigating circumstances concerning the violation by Respondent do not bar DAS pursuant to General Statutes § 9-612(f)(2)(C) from implementing or otherwise moving forward with their existing contract obligations with the Company and that DAS may exercise their discretion consistent with their authority under that section.
22. Respondent admits all jurisdictional facts and agrees that this Agreement and Order shall have the same force and effect as a final decision and Order entered after a full hearing and shall become final when adopted by the Commission. Respondent shall receive a copy hereof as provided in § 9-7b-56 of the Regulations of Connecticut State Agencies.
23. It is understood and agreed that this agreement will be submitted to the Commission at its next meeting and, if it is not accepted by the Commission, it is withdrawn by the Respondent and may not be used by either party as an admission in any subsequent hearing or against the Company in any proceeding, if the same becomes necessary.
24. 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.
25. Upon Respondent's compliance with the Order hereinafter stated, the Commission shall not initiate any further proceedings against Respondent or proceedings against the Company pertaining to this matter, and this agreement and order does not serve as a prospective ban on future contracts between the Company, its subsidiaries and state actors and/or entities.

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STATE ELECTIONS

APR 10 2019

ENFORCEMENT COMMISSION

2019-04-10

ORDER

IT IS HEREBY ORDERED THAT the Respondent shall henceforth strictly comply with the requirements of General Statutes § 9-612(f); and,
IT IS HEREBY FURTHER ORDERED THAT the Respondent shall pay a civil penalty in the amount of five hundred dollars (\$500.00) to the Commission, in full and final resolution of this matter.

The Respondent:

BY:



Rubina Islam
28 Quail Run
Glastonbury, Connecticut

Dated: 4-9-2019

For the State of Connecticut:

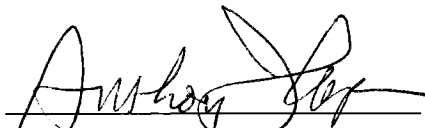
BY:



Michael J. Brandi, Esq.
Executive Director and General Counsel
And Authorized Representative of the
State Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, Connecticut

Dated: 4/10/19

Adopted this 17 day of April, 2019, at Hartford, Connecticut



Anthony J. Castagno, Chairman
By Order of the Commission