

**STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION**

In re. Commission Initiated Investigation: Saud Anwar for South Windsor File No. 2019-172A

AGREEMENT CONTAINING CONSENT ORDER

This agreement by and between Stephen G. Wagner of the Town of South Windsor, 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 Commission performed an in-depth review of the expenditures of the candidate committee *Saud Anwar for South Windsor* (hereinafter "Committee") after its selection in the random audit lottery conducted following the 2016 election cycle.
2. Saud Anwar formed a candidate committee to finance his candidacy for election to the 14th General Assembly seat in the 2016 election cycle. James Throwe was designated treasurer and Respondent Stephen G. Wagner deputy treasurer of the Committee.
3. It is not disputed that Respondent, Stephen G. Wagner, at all times relevant, handled the treasurer's day-to-day duties and responsibilities, as deputy-treasurer of the Committee.
4. This agreement is limited to Respondent, Stephen G. Wagner. Any additional treatment of, or agreement with, another individual is treated under a separate disposition if required.
5. The post-audit investigation was originally initiated by the Commission in December 2019. Soon after the investigation began the Covid pandemic created enormous disruptions and delays with SEEC investigations, including this file. The file has continued to be active since its original inception, with a full investigation undertaken and completed.
6. After audit and investigation, the Commission found that the Committee made an expenditure that exceeded the permissible amount for post-election "thank you notes" pursuant to Regs., Conn. State Agencies, § 9-706-2. Further, the Committee failed to properly document expenditures, including possible secondary payees, resulting from

utilization of a consultant that provided integrated services, as required by General Statutes § 9-608 and § 9-607-1 and §9-706-2, Regs., Conn. State Agencies.

Impermissible post-election expenditures

7. The Commission found that the Committee made an expenditure on December 14, 2016 to Nutmeg Strategies in the amount of \$2,123.21 for “thank you notes,” \$1,623.21 above the allowed \$500.00 limit prescribed by regulations. In addition to the payment to Nutmeg Strategies, other expenses were also incurred with regard to the post-election notes. Chameleon Design was paid \$60.00 on 12/8/16 for design of the thank you notes, and the Committee expended additional funds of approximately \$130.00 for mailing labels and postage for the notes.
8. Post-election expenditures are strictly limited to costs associated with complying with program’s audit process or defined “amounts for post-primary or post-election thank you notes or other advertising to thank campaign staff, contributors, volunteers, or supporters,” as prescribed by Regs., Conn. State Agencies § 9-706-2. Regs., Conn. State Agencies. Section 9-706-2(13) limits expenditures for post-election “thank you” notes to \$500.00 for candidates for state representative.
9. The Commission finds that the excessive post-election payments described above were impermissible expenditures to the extent they exceeded allowable limits, and in violation of General Statutes § 9-607, §9-706 and § 9-706-2, Regs., Conn. State Agencies.

Inadequate documentation of expenditures

10. The Committee made expenditures of \$7,426.32 (22% of the campaign’s total expenditures) to integrated service provider Nutmeg Strategies for which inadequate contractual documentation was not provided. The Committee in response to post-audit inquiry stated:

We did not enter into a contract with Nutmeg Strategies. Rightly or wrongly, we did not believe it necessary since their work was simply printing and mailing services using images and mailing lists provided by the campaign, similar to what one might obtain from Staples or to that we did obtain from Marketing Solutions, LLC. Nutmeg Strategies did not advise on content or address lists; nor did they perform any of the design work.

11. Notwithstanding the response provided, the Commission finds that because the Committee did not obtain adequate information or enter into a detailed contract regarding the services of Nutmeg Strategies, the Committee was unable to adequately disclose the scope of the work done by the consultant or possible payments to secondary payees for services rendered in violation of General Statutes § 9-608.
12. However, the Commission also recognizes that during the period in which this Committee functioned, inadequate documentation and disclosure when dealing with integrated service providers extended beyond this single committee and appeared to be a systemic problem across committee lines.

Penalties

13. 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.
14. The Commission possesses the authority to set the punishment it metes out to individuals who violate the statutes under its authority. While the maximum penalty available under the enabling statute is \$2,000 per offense or twice the amount of any improper expenditure, the Commission also has the authority to set a lesser penalty where circumstances call for such leniency.
15. 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.
16. 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.

Conclusions

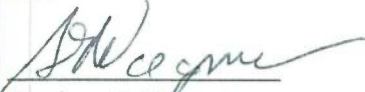
17. The Commission concludes that Respondent violated General Statutes § 9-607, § 9-706 and § 9-706-2, Regs., Conn. State Agencies, by making an impermissible excessive post-election expenditure of \$1,623.21 for Committee thank you notes that exceeded the \$500 limit for a candidate committee for the office of state representative. The Commission further concludes that that the Committee. violated General Statutes § 9-608 and Regs., Conn. State Agencies § 9-607-1 by failing to adequately obtain a pre-work breakdown of the scope and costs of the services provided by consultants as required. However, as previously stated, this appears to be a systemic problem across committee lines.
18. Based on the findings above, the Commission will not impose a civil monetary penalty, but will direct that Respondent Wagner be ordered to henceforth strictly comply with General Statutes § 9-607, § 9-608, § 9-706 and Regs., Conn. State Agencies § 9-706-2 & § 9-607-1 for the Committee's making impermissible and excessive expenditures.

ORDER

IT IS HEREBY ORDERED THAT the Respondent shall henceforth strictly comply with the requirements of General Statutes § 9-607, § 9-608, § 9-706 and Regs., Conn. State Agencies § 9-706-2 & § 9-607-1.

The Respondent:

BY:



Stephen G. Wagner
181 Tumblebrook Drive
South Windsor, Connecticut

Dated: 9/13/2023

For the State of Connecticut:

BY:



Michael J. Brandi, Esq.
Executive Director and General Counsel
And Authorized Representative of the
State Elections Enforcement Commission
55 Farmington Ave., 8th Floor
Hartford, Connecticut

Dated: 9/13/23

Adopted this _____ day of _____, 2023, at Hartford, Connecticut

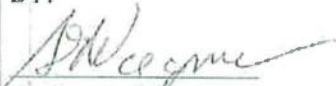
Commissioner
By Order of the Commission

ORDER

IT IS HEREBY ORDERED THAT the Respondent shall henceforth strictly comply with the requirements of General Statutes § 9-607, § 9-608, § 9-706 and Regs., Conn. State Agencies § 9-706-2 & § 9-607-1.

The Respondent:

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Stephen G. Wagner
181 Tumblebrook Drive
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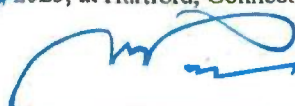
BY:



Michael J. Brandi, Esq.
Executive Director and General Counsel
And Authorized Representative of the
State Elections Enforcement Commission
55 Farmington Ave., 8th Floor
Hartford, Connecticut

Dated: 9/13/23

Adopted this 20th day of September 2023, at Hartford, Connecticut



Commissioner Stephen T. Phelan
By Order of the Commission