

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In. re. Audit of Sean Grace for Senate

File No. 2021-159

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between Lauren A. Garrett, City of Hamden, State of Connecticut, hereinafter referred to as Respondent, and the undersigned authorized representative of the State Elections Enforcement Commission, is entered into in accordance with Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance herewith, the parties agree that:

1. The commission preformed an in-depth review of the expenditures of the 2018 *Sean Grace for Senate* candidate committee after the committee's selection in the random audit lottery conducted following the 2018 election cycle. Sean P. Grace established his candidate committee to run for the 17th district state senate seat on January 8, 2018, naming Lauren A. Garrett the committee's treasurer, and Justin M. Farmer the committee's deputy treasurer.¹ The candidate committee participated in the Citizens' Election Fund.² The committee applied for³ and received a grant from the Citizens' Election Fund.⁴
2. The audit found that the Grace candidate committee paid its treasurer, Lauren A. Garrett, and deputy treasurer, Justin M. Farmer, a "bonus" after the election each for \$1,000. Respondent Garrett authorized the payments to her and Farmer and designated it as a "bonus."
3. General Statutes § 9-608 (e) (1) (G) states that candidate committee may make certain post-election payments: "The treasurer of a qualified candidate committee may, following an election or unsuccessful primary, exclusive of any payments that have been rendered pursuant to a written service agreement, make payment to a treasurer for services rendered to the candidate committee, provided such payment does not exceed one thousand dollars."

¹ See Registration by Candidate- SEEC Form 1, *Sean Grace for Senate* (January 8, 2018) (creating candidate committee and appointing Lauren A. Garrett as committee's treasurer and Justin M. Farmer as committee's deputy treasurer).

² See Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements – SEEC Form CEP 10, *Sean Grace for Senate* (June 27, 2018) (evincing intent of candidate, treasurer, and deputy treasurer to participate in Citizens' Election Fund).

³ See Citizens' Election Program Application for Public Grant Dollars – SEEC Form 15, *Sean Grace for Senate* (July 11, 2018) (applying for CEF grant on behalf of *Grace* candidate committee).

⁴ See Itemized Campaign Finance Disclosure Statement – SEEC Form 30, *Sean Grace for Senate* (Second Weekly Supplemental Filing Primary).

4. Here the candidate committee paid a total of \$2,000 in surplus funds, split between a treasurer and a deputy treasurer. The candidate committee may only pay up to \$1,000 in post-election surplus to a treasurer. That surplus payment may go to a single treasurer or be split between the treasurer and a deputy, but the total amount may not exceed \$1,000.
5. The treasurer bears the responsibility for expending any moneys received from the Citizens' Election Fund in accordance with subsection (g) of §9-607 and regulations adopted by the State Elections Enforcement Commission under subsection (e) of § 9-706.⁵ Respondent acknowledged that liability when she declared herself a participating candidate's "treasurer" and agreed to operate under the terms of the Citizen's Election Program.⁶ In this case, the payment of a "post-election bonus" to both the committee's treasurer and deputy treasurer, each for \$1,000 was an impermissible expenditure, and the money spent on that bonus above the statutory limit in General Statutes § 9-608 (e) (1) (G) must be returned to the Citizen's Election Fund.
6. The commission has the authority to impose a civil penalty as much as \$2,000 per violation or twice the amount of any improper payment, which is in violation of chapters 155 and 157 of the Connecticut General Statutes.⁷
7. In this matter, although the candidate may also bear the responsibility of reimbursing the fund for any "impermissible expenditures" that a qualified candidate committee made⁸, Respondent Garrett has agreed to assume responsibility for any civil penalty associated with the violation as well as reimbursing the Citizens' Election Fund for the impermissible payment.
8. 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 into after a full hearing and shall become final when adopted by the Commission.

⁵ General Statutes § 9-703 (a) (1)

⁶ See Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements – SEEC Form CEP 10, *Sean Grace for Senate* (June 27, 2018) (evincing intent of candidate, treasurer, and deputy treasurer to participate in Citizens' Election Fund).

⁷ See General Statutes § 9-7b (a) (2) (D) (setting potential civil penalty at \$2,000 or twice amount of improper payment, whichever is greater).

⁸ General Statutes §§ 9-703 (a) (2) (requiring candidate to repay any funds that were not expended in accordance with General Statutes § 9-607 (g) and regulations adopted by Commission related to expenditures for qualified candidate committees) and 9-7b (a) (6) (SEEC may attempt to secure voluntary compliance).

9. 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.

10. It is understood and agreed that this Agreement will be submitted to the Commission for consideration at its next meeting and, if the Commission does not accept it, it is withdrawn and may not be used as an admission by the Respondent in any subsequent hearing, if the same becomes necessary.

RECEIVED

STATE ELECTIONS
ENFORCEMENT COMMISSION

ORDER

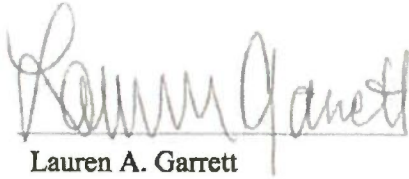
IT IS HEREBY ORDERED THAT the Respondent Lauren A. Garrett shall pay a \$200 civil penalty and reimburse the Citizens' Election Fund \$1,000 for authorizing the impermissible "post-election bonus" payment and shall henceforth strictly comply with the statutes and regulations governing expenditures made by qualified candidate committees.

The Respondent

For the State of Connecticut

By:

By:



Lauren A. Garrett
47 Andover Street
Hamden, CT 06518

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: 12/2/22

Dated: 12/6/22

Adopted this 21st day of December, 2022 at Hartford, Connecticut


Commissioner
By Order of the Commission