

State Elections Enforcement Commission



At a Glance

Public Act 11-48, effective July 1, 2011, consolidated the State Elections Enforcement Commission with eight other agencies to create the Office of Governmental Accountability.

ALBERT P. LENGE, *Executive Director and General Counsel*

Established – 1974

Statutory authority – CGS §§ 9-7a, 9-7b, 9-7c

Central office – 20 Trinity Street, Hartford, CT 06106-1628

Number of employees – 51 as of July 1, 2010; 34 as of July 1, 2011

Recurring operating expenses – \$4,196,651.71

Citizens' Election Fund – Grant Expenses - \$23,361,388.96 (net)

Organizational structure – State Elections Enforcement Commission Members; Executive Director; Communications, Public Campaign Financing and Candidate Services Unit; Campaign Disclosure and Audit Unit; Fiscal Affairs, Administration and Grant Payments Unit; Information Technology Systems and Services Unit; Legal Unit.

State Elections Enforcement Commission Members:

Stephen F. Cashman (Chairman), Joan Jenkins (Vice Chair)
Richard C. Bozzuto, Anthony J. Castagno, Patricia Stankevicius

Mission

To improve and maintain the confidence of the people of Connecticut in the electoral process and the officials involved in that process.

Statutory Responsibility

The Commission's core statutory responsibilities include facilitation of campaign finance disclosure, independent enforcement of state election laws, securing compliance through cooperation by providing interpretation and education, and the administration of the public campaign finance program, the Citizens' Election Program ("CEP" or the "Program").

Public Service

The Commission is part of the Office of Governmental Accountability within the Executive branch of state government and serves as an impartial arbiter of complaints alleging violations of the election laws. The Commission takes a proactive approach to educate candidates, campaign officials, political parties and citizens of their rights, duties and obligations under the election laws in order to ensure voluntary compliance with the law.

The Commission's task to ensure campaign finance disclosure includes the development, implementation, and maintenance of an electronic campaign reporting information system ("eCRIS"). The Commission is the state campaign finance filing repository for all campaign finance records for party committees, political committees and candidate committees organized for state elections.

With the passage of Public Act 05-5, the Commission's responsibilities were considerably expanded, and now include the administration and enforcement of the Citizens' Election Program (the Program). The Program provides public campaign grants to qualified candidates for statewide offices and the General Assembly, who adhere to expenditure limits and other program requirements.

The Commission is charged with independently enforcing provisions of state election laws pertaining to elections, primaries and referenda. The Commission has the responsibility to conduct investigations of election complaints and to review campaign finance statements filed by candidates, political parties and political committees,

Finally, the SEEC is charged with ensuring compliance through cooperation through the provision of free compliance advice, as well as the issuance of advisory opinions and declaratory rulings, and other publications and trainings concerning requirements of the campaign finance laws. The SEEC also suggests revisions to the election laws to the Connecticut General Assembly.

Compliance through Cooperation

The Commission staff conducted 15 formal workshops and training sessions during the year in the following areas: eCRIS electronic reporting, the Citizens' Election Program, political committees, and municipal campaign financing. A dedicated help desk phone number, e-mail and complete ticketing system has been implemented for all support calls for eCRIS and 24/7 support was provided by the IT staff during filing periods. In addition, the compliance unit has published numerous handbooks, guides and other informational materials, and has drafted and completed declaratory rulings, advisory opinions and 25 opinions of counsel in the fiscal year. Through an attorney helpdesk and candidate services support, SEEC staff assists citizens, candidates and committees with their understanding of, and participation in, the election process, including both the public financing and private financing requirements of Connecticut campaign finance laws. In this fiscal year, the SEEC disclosure, IT, candidate services and legal staff answered approximately 10,000 questions from citizens, candidates and committee staff regarding campaign finance law, state and local elections, referenda, fundraising and the Program.

Improvements/Achievements 2010-11

Administration of Citizens' Election Program and Election Support Services

Grant Approvals: During this period, the staff completed application reviews for 39 exploratory committee filings, 3 candidate committees for Governor/Lieutenant Governor, 8 other Statewide Office candidate committees, 51 Senate candidate committees and 196 State Representative candidate committees, resulting in the denial of one grant application and the approval of 269 committee applications.

The SEEC disbursed \$23,361,388.96 in public grants in this fiscal year: \$4,266,665.83 to qualified candidates for the House of Representatives; \$3,952,297.80 to qualified candidates for State Senate, and \$15,142,425.33 to qualified candidates for statewide office.

Also, ten special elections were held in 2011 for which staff reviewed and recommended seventeen candidate committees for grants totaling of \$611,892.33 consisting of \$214,233.03 to qualified candidates for the House of Representative and \$397,659.20 to qualified candidates for State Senate.

Candidate Support Services: Assisted more than 500 candidate committees, including 44 candidates in primary races for General Assembly, 15 candidates in primary races for Statewide office, 362 General Assembly candidates in the regular election; 23 candidates in the regular election for Statewide office and twenty-eight candidates in special elections held on February 22 and April 12, 2011. Also assisted more than 100 Judge of Probate candidates in 2010, and municipal committees in the first half of 2011.

Litigation Support: Worked closely with the Attorney General's Office on litigation matters challenging the administration of the Program and other matters, providing expert advice, document collection and litigation support in the following matters:

Green Party v. Lenge, 10-795 (United States Supreme Court)

Green Party v. Lenge, 09-3760-cv(L), 09-3941-cv(CON) (United States Second Circuit Court of Appeals)

Green Party v. Lenge, 3:06-cv-1030 (SRU) (Connecticut District Court)

Foley v. SEEC 3:10-cv-01091-SRU (Connecticut District Court)

Foley v. SEEC, HHD-CV10-5034960-S (Connecticut Supreme Court)

Foley v. SEEC HHD-CV10-5034960-S (Connecticut Superior Court)

Gonzalez v. SEEC HHB-CV10-6003185-S (Connecticut Superior Court)

Jarjura v. SEEC, No. CV-10-5034997 (Connecticut Superior Court)

Legislation: Amid the 2010 election cycle, the Second Circuit Court of Appeals issued two decisions in the *Green Party* action which affected several aspects of the Citizens' Election Program as well as the state contractor and lobbyist provisions of the law. The SEEC provided statistical analyses, proposed amendments to the law, provided public testimony and otherwise supported the legislature in passing Public Act 10-1 (July special session). This act inserted a severability provision into Chapter 157 (the chapter which establishes the state's landmark public campaign finance program), repealed the supplemental grant provisions in the Citizens' Election Program, and adjusted certain amounts. Public Act 10-1 also contained several changes to the laws concerning state contractor and lobbyist contributions and solicitations, allowing contributions of up to \$100 from lobbyists and their immediate family, repealing broad state contractor and lobbyist bans with narrower limitations and adding a new bundling provision for communicator lobbyists. SEEC staff ensured a minimal amount of interruption to the election cycle by responding immediately to these comprehensive changes to the law, including changes to the audit process, forms and eCRIS programming, training materials, and legal compliance advice.

Review of Grant Use and Protection of Public Fisc: The SEEC completed a comprehensive review of campaign finances during first year of Program. The 2008 audits allowed the SEEC to identify areas for improvement in education and training as well as for legislative fixes, to provide training to treasurers, and to refer the most severe violations for enforcement. Staff completed post-election audits of 322 committees that ran during the 2008 General Assembly elections and special elections held in 2008, as well as the special election held in 2009. As a result of these audits, approximately 95% of audited committees were found to be substantially and sufficiently in conformance, while approximately 5% of audited committees were referred for investigation. Referrals included two committees in which the audit revealed monies had been transferred to and from private bank and/or business accounts in a commingling of funds; committees in which grant monies had been used impermissibly to pay family members of the candidate; and a committee in which the candidate rather than the treasurer made a

significant portion of the campaign expenditures and the committee did not have sufficient documentation for the majority of funds spent.

Using the data derived from the 2008 cycle, Commission staff redesigned the review process for 2010. In response to feedback from candidates and committee treasurers that the 2008 review letter was not useful as a training tool, the 2010 review letter was significantly shortened to reflect only larger discrepancies and disclosure issues. Commission staff designed a more stratified examination process for 2010 that focused staff resources while still revealing information necessary to protect the public fisc.

Fund Administration: The Commission, as required by statute, reported in June, 2011 on the status of the Citizens' Election Fund for calendar year 2010, including the amount of moneys deposited in the fund, the amount withdrawn by budgetary legislative acts, the amount expended by category , and the recipients of moneys distributed from the fund. See CONN. GEN. STAT. § 9-716 (a).

Commission staff also prepared numerous Fund sufficiency projections through 2014 using a statistical analysis model balancing factors including amount of fund deposits, timing of deposits, CPI index, timing of grant payments, and amount of grants sought. Commission staff worked with the Governor's office, the legislature's Government Administrations and Elections Committee ("GAE" committee) and government advocates to seek Fund adequacy during multiple sweeps of monies from the Fund.

Disclosure

Response to Major Change in Campaign Finance Law:

The entire SEEC staff participated in a rapid and extremely effective response to a radical change in campaign finance law initiated by the U.S. Supreme Court decision *Citizens United v. FEC*, 130 S. Ct. 875 (Jan. 10, 2010), which suddenly allowed corporations to lawfully make unlimited and undisclosed independent from their treasury funds. SEEC staff assisted the General Assembly in passing Public Act 10-187, which was signed by the Governor in June, 2010, by proposing amendments to the law, providing public testimony and otherwise supporting the legislative process. The effort resulted in bringing Connecticut's law into harmony with the *Citizens United* decision, and requiring those entities permitted to make independent expenditures to claim their advertisements with attribution and to report the cost of those expenditures promptly to the SEEC upon reaching specified thresholds.

SEEC staff designed new forms to allow the additional disclosures and implemented changes to eCRIS to allow maximum searchability of the new information.

The SEEC then initiated two investigations, which ultimately resulted in the disclosure of approximately four million dollars (\$4,000,000) spent by two entities during the 2010 statewide elections that otherwise would have gone undisclosed.

Campaign Disclosure Filings: The SEEC served as the filing repository for party committees, political committees and candidate committees registered for Statewide or General Assembly offices. As of January 1, 2011 there were 1,115 committees registered. Committees may file either electronically via eCRIS or may file hard-copy via a signed paper filing, which must be processed and uploaded to the eCRIS system. In the 2010 election year, 45% of all registered committees required to file with the SEEC used eCRIS. This is an increase from 2008. The increase in use of this technology is a testimonial to its user-friendly design, and to the support we provide our users. It is also of economic benefit to the state as *each* electronic filing saves the state \$39 that would have had to be spent to process a paper filing.

Improved interface with eCRIS system: The 2010 election cycle presented the IT staff with many new challenges surrounding the 2010 Election. It stress-tested eCRIS and exposed some of its weaknesses. The IT staff had to re-write and adjust large sections of eCRIS coding to handle the additional volume of data and users. This increased volume also stress-tested the eCRIS help desk. The call volume increased, and many calls were during the urgent final days and hours approaching statutory filing deadlines. For the first time, the large Gubernatorial campaigns used third-party vendors to data enter and upload their data electronically into eCRIS. The SEEC provided the additional support and training needed to implement this change in election filings.

Accessibility of Campaign Finance Information: eCRIS search had 85,000 visits between May-October 2010 alone. On average, eCRIS search has more than 400 visits per day. Brian will provide numbers for the fiscal year, which should be even larger. In addition to the direct entry of electronic data, there is continued improvement to the data entry module for eCRIS, which allows paper filers' data to be received and entered into the system, providing quick and comprehensive access to all disclosure filings.

Update of eCRIS Hardware to Ensure Functionality: User demand of SEEC's applications and the continuing popularity of the eCRIS application since the start of 2008 have exhausted the current system architecture. The production system environment (servers, storage) for eCRIS and all of SEEC's applications are therefore currently being replaced. These systems are being upgraded to significantly more powerful servers with additional computing capabilities, as well as additional storage and the latest operating systems. The completion of this project is expected by the end of this year.

Enforcement Action Relating to Campaign Finance and Election Administration

The Commission investigated 116 new cases in this fiscal year that were docketed either as a result of a sworn complaint or from a decision by the Commission to initiate a case investigation on its own motion. These investigations run the full gamut of election issues, including matters of election administration, the process of voting, campaign finance laws and the Citizens' Election Program. The case investigations do *not* include a number of complaints that are filed which allege facts that, even if accepted as true,

would not have constituted violations of state election law. The unit collected \$65,235.36 in late filing fees, civil penalties and forfeitures for violations of election laws, which was deposited in the General Fund.

Achieving Efficiencies

The IT staff continued the development and enhancement of the many applications designed to take advantage of the data available through the eCRIS and interweave it through every function of the agency to achieve efficiencies at the Commission, including a committee tracking system (“CTS”) to enable automation of certain filing notices to committees and staff; as well as a call support system.. These two systems represent the use of technology to create efficiencies and replace redundant assignments across multiple units. CTS and CSS have now become imperative to the functioning of the agency, and have increased internal communication and improved consistency. It is these new systems, along with the acquisition and implementation of a document management system that allows confidentiality to be protected while sharing access efficiently when appropriate, that will allow the SEEC to continue to fulfill its missions even after loss of the staff due to consolidation.

In August 2010 the legal subdivisions of the Commission were restructured in order to achieve consistency and efficiency. The restructuring allowed the SEEC to more effectively allocate resources, prioritize case resolutions and to provide more timely legal interpretation. This change represents a return to the way the agency functioned previously. In 2008 the Legal functions of the agency were divided between two managers; however, the separate subdivisions were found to be unsustainable. The restructuring has been successful. Made possible by the availability of IT related efficiencies such as CSS, it has allowed the compliance staff to continue giving advice on areas of the law where the Commission has not yet spoken, and on which the regulated community may rely with the continued assurance that seeking compliance advice will not result in enforcement actions.

Prior to the consolidation, the SEEC was looking at additional reorganization and an analysis of functions is on-going to ensure the most efficient allocation of resources. The project takes on particular importance as a result of staff losses due to the consolidation effected in July. It is the Commission’s top priority for strategic planning.

Information Reported as Required by State Statute

Pursuant to Conn. Gen. Statutes Sec. 9-7a (c), the Commission is required to provide the following information concerning its activities:

Of the 116 new cases docketed during this fiscal year, the following municipalities had more than one complaint:

Bridgeport, Coventry, East Hartford, Fairfield, Greenwich, Hartford, Mansfield, Monroe, New Fairfield, Plainville, Preston, Putnam, Sandy Hook, Simsbury, Storrs, Wethersfield, Willimantic, Woodbury.

Of the 58 new cases and 88 prior year cases that were closed this fiscal year, 28 resulted in monetary penal sanctions (late filing fees, civil penalties or forfeitures), 24 resulted in reprimands or orders to comply, 49 were dismissed with finding of no violation, for 34 the Commission issued findings and conclusions but will take no further action, 5 resulted in compliance with no further action taken and 6 were withdrawn by the complainants. There were 133 additional complaints that remained open at the close of the fiscal year.